



NDPE Report 2025

NDPE & TRACEABILITY ACHIEVEMENTS



1



DEVELOPMENT OF FFB SUPPLY

DSNG FFB SUPPLY 2025

2,709,070 TON

61% Nucleus, 17% Plasma Estates,
22% External Suppliers

INCREASE TOWARDS 2024

Overall :

7%

External FFB supply :

19%



2



TRACEABILITY TO PLANTATION

97.78%

TRACEABILITY TO
PLANTATION

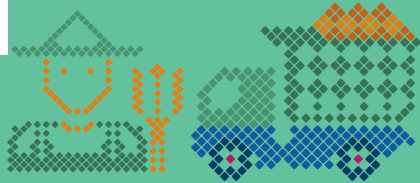
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**2,648,368
TON**

TRACED FFB VOLUME

PERCENTAGE OF EXTERNAL SUPPLIERS DECLARED TO HAVE COMPLIED WITH
NDPE THROUGH MRV AUDIT:

3



EXTERNAL SUPPLIERS' NDPE IMPLEMENTATION PROGRESS

50%

IPC

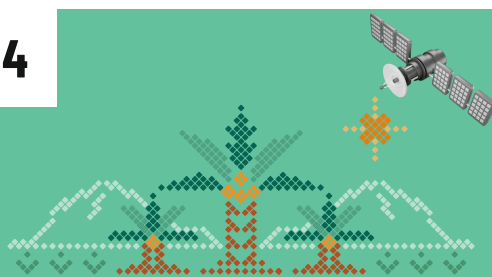
50%

COOPERATIVE

25%

AGENT

4



LANDSCAPE MONITORING

±1.8 MILLION HECTARES

TOTAL AREA OF **AREA OF INTEREST (AOI)** OF DSNG
MONITORED VIA SATELLITE IMAGERY SATELLIGENCE

NDPE & TRACEABILITY ACHIEVEMENTS



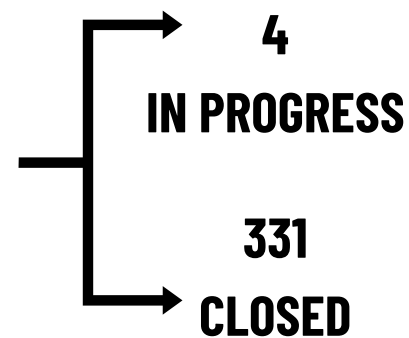
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COMPLAINTS DURING 2025



**335
COMPLAINT**



6



2025 NDPE COMPLIANCE

Regarding NDPE compliance status, DSNG is implementing it in stages by categorizing external suppliers into **three categories (registered, controlled, and compliant)**, which aligns with the **NDPE Implementation Reporting Framework (IRF)**. The following is a summary of the achievements in percentage (%).

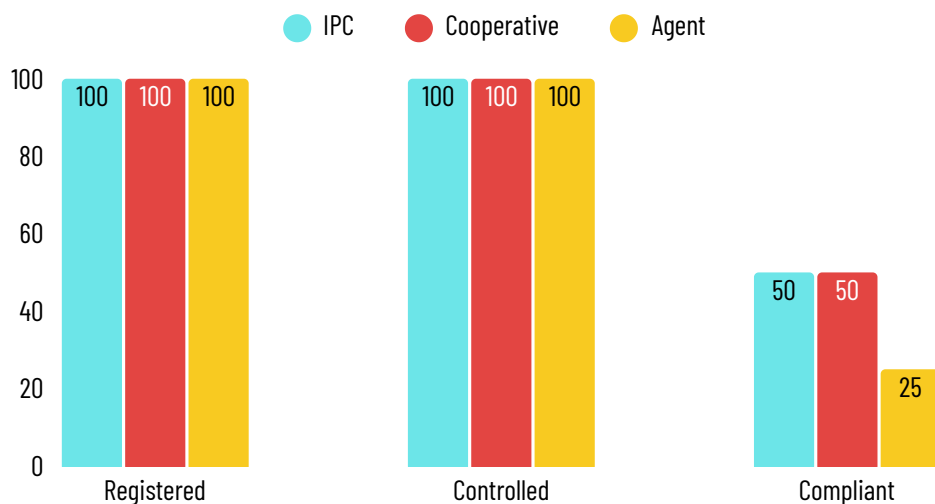




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INTERNAL VERIFICATION STATEMENT

This report has been prepared based on data on various aspects of *Traceability* and the implementation of *No Deforestation, No Peat, No Exploitation* (NDPE) principles and policies, both on the Company's directly controlled areas and at third-party FFB supplier sites based on the requirements of the NDPE Implementation Reporting Framework (IRF) version 5.8. All data and information in the Report have been carefully and thoroughly checked, are true and in accordance with the Company's Traceability and NDPE aspects.

As such, this Report can represent the profile of the Company's operations with regard to Traceability and NDPE outcomes for the period to 2025.



Reporting Contact

Danar Surya Wiranagara
Compliance & management System Departemen Head

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

Phone: +6221-4618135
Fax: +6221-4606942
Email: sustainability@dsngroup.co.id
Official Website: www.dsn.co.id



1. INTRODUCTION

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



The company has established a sustainability strategy aligned with its sustainability vision, as set out in Group Sustainability Policy No. 001/DSN/CSO/VII/2021. This approach focuses on managing operational impacts across three priority areas (Forests, Climate, Communities), grounded in three core principles and key policies that guide all business activities. The Company's sustainability policy is implemented across all subsidiaries and throughout the supply chain.

Stakeholder initiatives in Indonesia in 2016 formulated efforts to control the conversion of forest land into oil palm plantations. These efforts subsequently evolved into the No Deforestation, No Peat, No Exploitation (NDPE) requirements for oil palm plantation management, which are currently applied by major players in the Indonesian oil palm industry. The implementation of NDPE is expected to reduce the rate of deforestation caused by the clearing of new land for oil palm plantations. Consequently, products from oil palm plantations where forest cover was cleared during land preparation are not accepted within the supply chain. Buyers only wish to purchase products derived from fresh fruit bunches (FFB) grown in accordance with NDPE requirements.

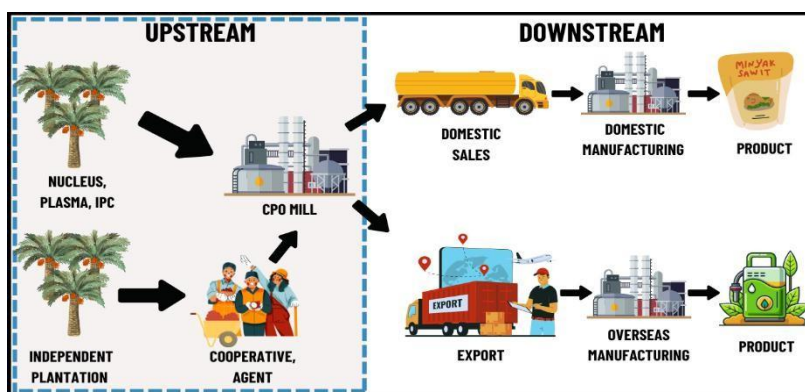


Figure 1 Upstream and Downstream Supply Chain

DSNG is a palm oil processing company from oil palm fresh fruit bunches (FFB) or what is often referred to as the **upstream** industry, where **NDPE applies to suppliers up to the supplying farmers' plantations**. This supply chain may seem short, but it is vulnerable, especially when many of the suppliers are independent smallholders.

To ensure the implementation of NDPE, DSNG adopted an NDPE Policy in March 2020. This NDPE Policy applies internally and to the main supply chain, namely suppliers of fresh fruit bunches (FFB) to DSNG's palm oil mills. During the 2025 period, various activities were carried out to meet the NDPE targets, particularly within DSNG's upstream supply chain. This report provides various information about the progress of DSNG's NDPE implementation in 2025 and serves as the company's reporting accountability to &Green investors.

2. NDPE IMPLEMENTATION

a. DSNG POM and its Suppliers

DSNG receives Fresh Fruit Bunches (FFB) from three main sources: nucleus plantations, plasma plantations, and external suppliers. External suppliers are further classified into three categories, namely plantation companies outside the DSN Group, independent cooperatives, and FFB agents or collectors. In 2025, DSNG operated one Kernel Crushing Plant (KCP) and 12 Palm Oil Mills (POMs). One POM has been under maintenance and non-operational since January 2024. External suppliers consist of Independent Plantation Company (IPC), Cooperatives, and Agents. The details of DSNG external suppliers are shown in the table below.

Table 1 DSNG External Suppliers in 2025

LANDSCAPE	DIRECT SUPPLIERS			INDIRECT SUPPLIERS (FARMERS)				
	IPC	COOPERATIVE	AGEN	IPC	COOPERATIVE		AGEN	
				Luasan (ha)	Jumlah Petani	Luasan (ha)	Jumlah Petani	Luasan (ha)
Wahau	1	17	10	3,532	2,648	8,021	1,411	7,425
Bengalon	-	3	10	-	1,331	1,264	1,551	5,687
Karangan	2	-	16	3,378	0	0	409	2,047
Lamandau	-	1	13	-	200	304	2,055	8,620
Sekadau	1	5	3	1,252	2,442	4,403	1,656	2,525
Total	4	26	52	8,163	5,180	13,993	7,082	26,305

External Suppliers consist of direct suppliers and indirect suppliers. Direct suppliers are suppliers who have SPK/DO (Direct Order) to supply FFB to DSNG POM. IPC, Cooperatives, and Agents are included in direct suppliers. Meanwhile, indirect suppliers are farmers who supply through SPK/DO owners. By 2025, DSNG's total external suppliers will be 82 direct suppliers, including **4 IPCs, 24 Self-Help Cooperatives, and 52 Agents**. A total of **10,423 farmers** are indirect suppliers with a total plantation area of **33,195 hectares**. Of these suppliers, 100% of IPC, Cooperative, and agent suppliers have registered. In total, 82 external suppliers have registered with registration forms and signed agreements to the Code of Ethics and NDPE policies as a first step to ensure that all parties involved in the supply chain are clearly identified.

b. FFB Supply of Each Supplier to DSNG POM

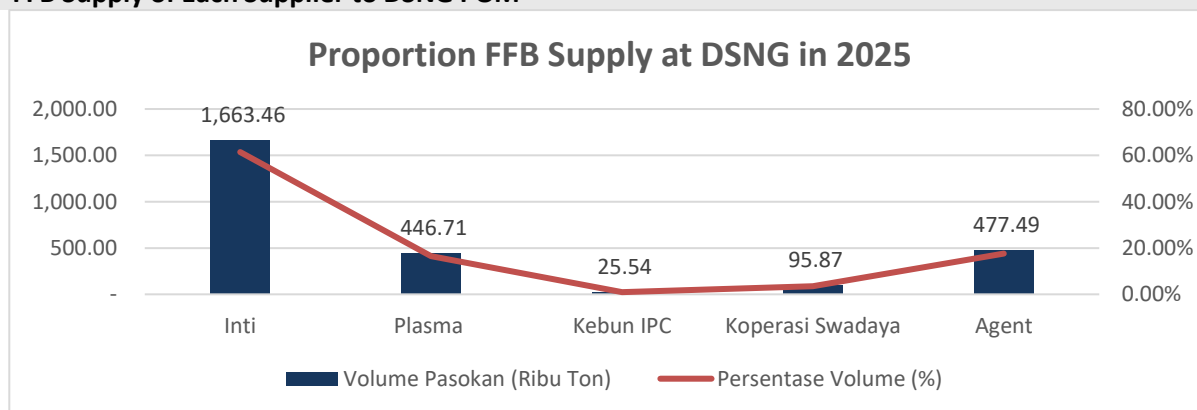


Figure 2 DSNG 2025 FFB Supply Proportion

In 2025, the total volume of FFB entering DSNG's PKS will be 2,709,070 tons, with the proportion of Core Plantations supplying 1,663,463 tons (61%), Partnership Plantations supplying 446,708 tons (17%), and external suppliers (IPC, Cooperatives, Agents) supplying 598,900 tons (22%). All FFB supplied by Core and Partnership can be traced to their plantation origins. Meanwhile, for external suppliers, the traceability percentage has not yet reached the 100% target and data collection of supplier farmers is still ongoing.

c. Traceability to Plantation (TTP) for DSNG POM

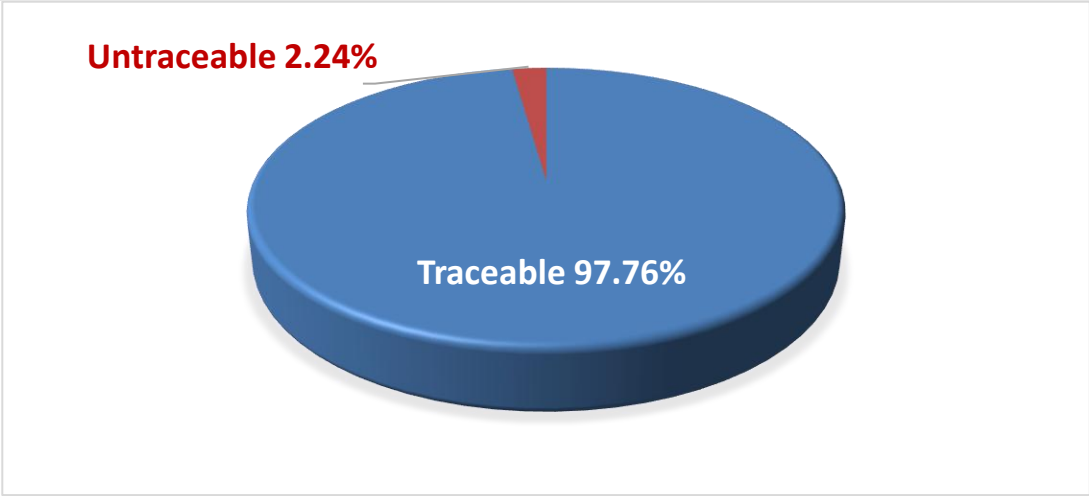


Figure 3 Traceability to Plantation 2025

By the end of 2025, DSNG's total FFB supply (from core plantations, partnerships, and external suppliers) was 97.76% traceable, equivalent to 2,648,368 tons of FFB, while 2.24% (60,703 tons) of untraceable FFB came from external suppliers. This year's traceability achievement has increased compared to 2024, when the TTP percentage was 96.2% traceable FFB. The traceability percentage per palm oil mill is shown in the figure below.

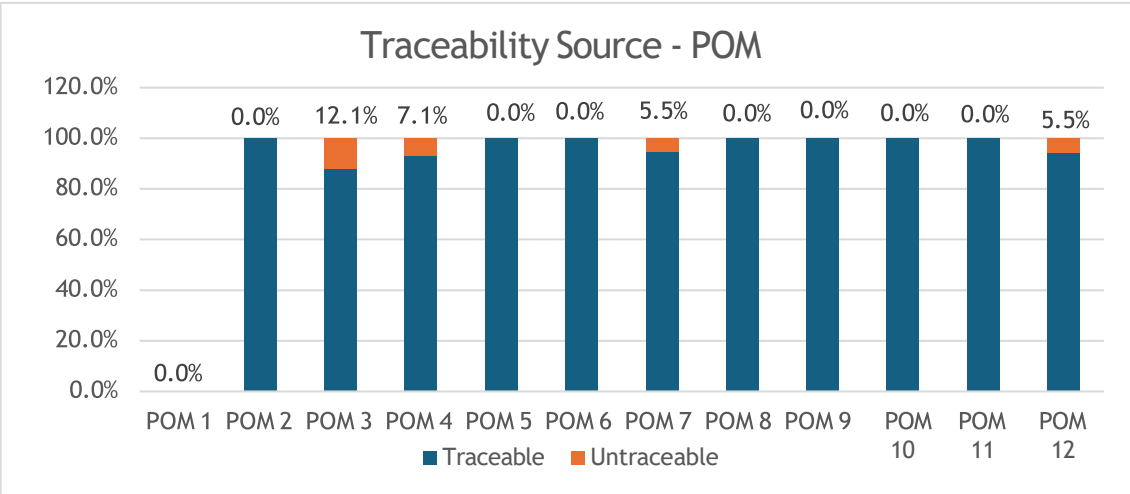


Figure 4 Traceability Percentage for each PKS Unit 2025

Figure 4 shows the traceability percentage of the FFB volume entering each mill. Overall, almost all the mills are traceable, reaching 92% to 100%, except in Mill 3, where 12.1% of the FFB are untraceable.

DSNG EXTERNAL SUPPLIER TRACEABILITY 2025

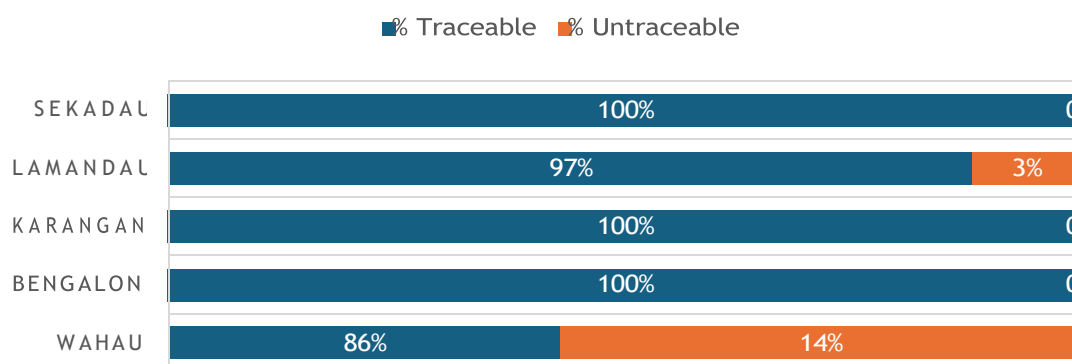


Figure 5 Traceability to Plantation of DSNG External Suppliers 2025

For external suppliers (IPC, Cooperatives, Agents), traceability achievement for each DSNG external supplier landscape is between 43% and 100%. Total external supplier traceability is 96.5%. Most suppliers that have not achieved 100% traceability are Agent-type Suppliers, especially in Wahau.

Table 2 Traceability to Plantation towards Total External Supplier Area

LANDSCAPE	TRACEABILITY TO PLANTATION (TBS Traceable Total)		
	IPC	KOP. SWADAYA	IPC
Wahau	100%	100%	57.1%
Bengalon	-	100%	100%
Karangan	100%	-	100%
Lamandau	-	100%	93.8%
Sekadau	100%	-	100%
Total	100%	100%	90.18%

Traceability of FFB volume to total area originating from external suppliers by the end of 2025 reached 100% for IPC suppliers, 100% for External Cooperative suppliers, and 90.18% for Agent suppliers. This percentage is obtained by dividing the traceable FFB volume to total area by the total external FFB volume. Meanwhile, FFB traceability for Agent suppliers is the lowest. This is due to the complexity of the supply chain, which often results in Agent managers not knowing the identity of their supplier farmers because purchases are made indirectly.

d. Traceability to Plantation Kernel Crushing Plant DSNG (TTP-KCP)

In addition to its 12 palm oil mills, DSNG also owns a Kernel Crushing Plant (KCP) that produces palm kernel oil (PKO). The KCP is located near PKS 4 and is RSPO-SCCS certified. KCP's kernel supply comes from several DSNG PKSs, as shown in the following table.

Table 3 Traceability to Plantation KCP

Sumber PKS	Kernel Olah (Ton)	Persentase Traceability PKS	Volume Kernel Traceable (Ton)
POM 2	11,764	99.5%	11,705
POM 3	4,060	100%	4,060

POM 4	13,039	100%	13,039
POM 6	13,475	99.99%	13,473
POM 7	13,825	98.18%	13,573
POM 9	12,979	99.94%	12,971
POM 10	5,797	100.12%	5,803
POM 11	14,245	98.92%	14,091
Total	89,183	99.48%	88,716

In 2025, the total processed kernel entering the KCP was 89,183 tons. Meanwhile, the traceable kernel volume was 88,716 tons. This traceable volume is obtained by multiplying the processed kernel volume by the traceability percentage for each palm oil mill. Thus, the KCP Traceability to Plantation percentage reached 99.48% of the total processed kernel entering the mill.

e. NDPE Implementation Strategy

• Landscape Monitoring

Landscape monitoring using satellite imagery aims to monitor deforestation in landscapes associated with plantation operations. In accordance with DSNG's NDPE Policy, the company must ensure that there is no deforestation **after March 2020** within DSNG's operational areas. The areas included in the monitoring scope (*Area of Interest (AOI)*) are nucleus plantation areas, plasma plantations, DSNG supplier independent smallholder plantations, and conservation areas outside concessions managed with communities. The total area of DSNG's AOI is **±1.8 million hectares**, which will be monitored during 2025 using the Nusantara Atlas platform. During 2025, deforestation monitoring in this landscape resulted in the findings of suspected deforestation as shown below.

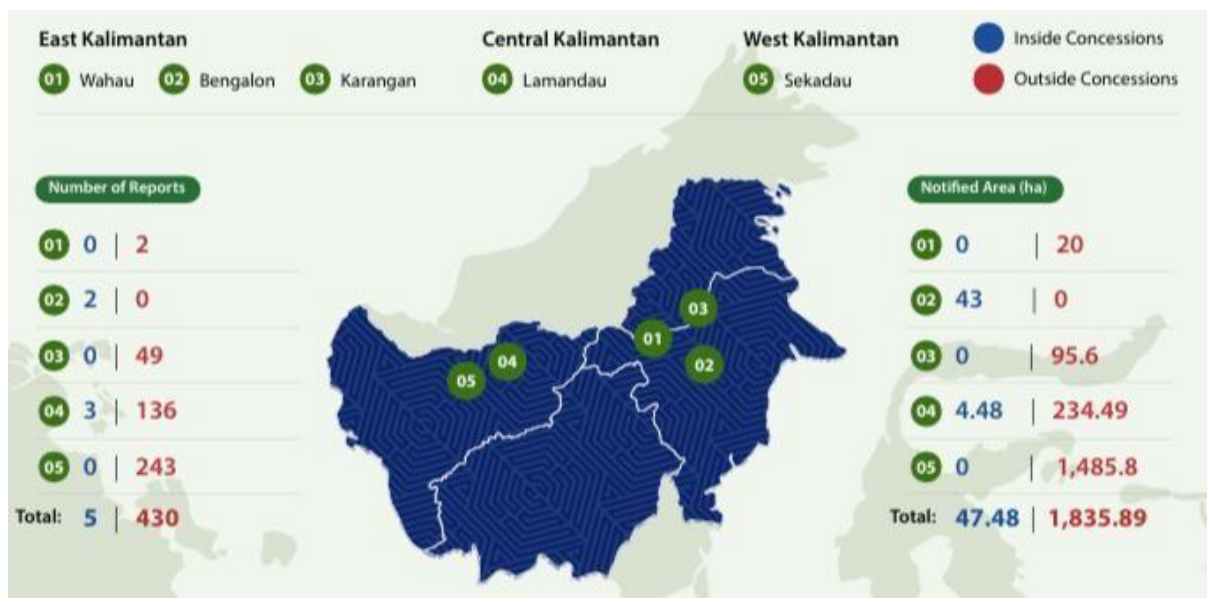


Figure 6 DSNG 2025 Landscape Monitoring Results

Throughout 2025, a total of 435 suspected deforestation incidents across the DSNG landscape were identified in satellite imagery deforestation alerts. Five incidents (0.003% of the total AOI) occurred within the DSNG concession, and the remaining 430 incidents (0.001% of the total AOI) occurred outside the concession. The Survey and Verification Team conducted field verification to confirm the presence of deforestation or land cover change within the DSNG concession. A summary of the field verification results is presented in the table below.

Table 4 Landscape Monitoring Verification Results 2025

Lokasi		Hasil Verifikasi
Inside the Concession	Bengalon	There are clearings in low-lying swampy areas around the partnership location 1.1, Block D49, Estae SM1, and there are clearings for the normalization of the Danau Padang 1 Estate.
	Lamandau	There are clearings around the Tapin Bini concession.
Outside the Concession	Wahau	Land clearings by the community for gardening, some for planting oil palm.
	Karangan	- Land clearings by the community for gardening, some for planting oil palm. - Land clearings in other parties' concessions (plantations, HTI, or Somalindo).
	Lamandau	Land clearings by the community for gardening, some for planting oil palm.
	Sekadau	Land clearings by the community for gardening, some for planting oil palm.

Based on deforestation monitoring data by Nusantara Atlas in 2025, the percentage of FFB volume that is free from deforestation and conversion is 97.76% of the total FFB entering the DSNG PKS.

• Certification and MRV Procedures

To ensure NDPE implementation by all suppliers in the supply chain, DSNG implements the following strategies:

- 1) For Nucleus and Plasma plantations, internal requirements are met through certification (ISPO, RSPO, ISCC) and compliance with the International Finance Corporation - Performance Standard (IFC-PS). All aspects of the NDPE are similar to these requirements..
- 2) For external suppliers, the NDPE implementation stages start with registration of suppliers and supplying farmers, farmer socialization, *self-assessment*, and MRV. MRV or *Monitoring, Reporting, and Verification* is the final step to ensure that external suppliers have met NDPE requirements. From the stages passed, the status of suppliers and supplying farmers will be classified into three, namely *Registered*, *Controlled*, and *Compliant*. Only suppliers and supplying farmers that are MRV Audits are conducted by Supplier Audits that are found to be NDPE *compliant*. If the supplier is still in Registered and Controlled status, it cannot be said to be NDPE compliant.



Figure 1 Flow of NDPE Implementation Stages

DSNG certification achievements up to December 2025 are summarized in following table.

Table 1 Achievement of Certification of POM, Nucleus, Plasma YTD December 2025

Aspect	Certification Achievement	
	ISPO	RSPO
POM	11 palm oil mills have been certified (100%)	10 of 11 palm oil mills (90.91%) have been certified
Nucleus Plantation	97,283 ha have been certified (91.48% of the total concession area)	97,890 ha have been certified (92.05% of the total concession area)
Plasma Plantation	3,339 ha have been certified (13.39% of the total planted area)	4,855 ha have been certified (19.47% of the total planted area)

The one palm oil mills that have not yet been RSPO-certified are POM 12 in Central Kalimantan. The core plantations that have not yet been ISPO and RSPO-certified are one plantation in West Kalimantan (PT MNS) and one plantation in East Kalimantan (PT PUL).

- **Grievance Handling**

In March 2020, DSNG launched its No Deforestation, No Peat, and No Exploitation (NDPE) policy that applies to all operations, subsidiaries, joint ventures, any productive assets owned, managed, or invested in, including plasma plantations managed and operated by DSNG; and the supply chain (including FFB suppliers), other suppliers, and contractors associated with DSNG's palm oil activities.

In order to fulfill commitments in accordance with NDPE policies, a "check and balance" mechanism is needed in the form of complaint handling communication from all stakeholders. Stakeholders' input and concerns are necessary for the implementation of NDPE in a transparent and accountable manner. The handling of external complaints is regulated in SOP No. SOP-AGR-096-R00. During 2025,

there were grievances lodged and most of them have been resolved. The following is a breakdown of grievances from external stakeholders along with their status and follow-up.

Table 5 Number of External Grievances during 2025

Complaint Type	Total	Status		Complaint Type
		Closed	In Progress	
Infrastructure	29	29	-	1. Conduct field checking 2. Coordination with the Operations Team to request road maintenance assistance and communicate with society
Plantation/Cooperative Partnership	69	69	-	Coordinate the process and method of delivering commercial FFB prices to suppliers to prevent delays in information regarding price updates.
Compensation for Growing Plants (GRTT)/Land Compensation (GRL)/Land Claims	76	76	-	1. Conduct a field inspection 2. Conduct a data search 3. Meet face-to-face or online with the community to address complaints 4. Inform the individual concerned that the claimed location is an area already designated as GRTT by the company.
Job Opportunities and Employment	35	35	-	1. Inform management about available job opportunities. 2. Inform them if there are any job opportunities for road paving contractors. 3. Assist in resolving employment issues, explaining employment regulations regarding retirement age limits.
External TBS	24	21	3	Provide re-socialization to the relevant parties regarding the Company's External TBS standards.
Fruit and Fertilizer Theft	26	26	-	1. Coordinate with village officials, traditional leaders, and the police. 2. Coordinate and provide assistance.
Security Misunderstandings with the Public	0	0	-	-
Health Services	0	0	-	-
Education	6	6	-	Submit complaints to relevant parties so they can support and/or facilitate educational activities.

Complaint Type	Total	Status		Complaint Type
		Closed	In Progress	
CSR Program/Community Empowerment	36	36	-	1. Identify potential programs that can be implemented in accordance with the environment of the assisted village. 2. Conduct discussions/communicate effectively with the community. 3. Help ensure the empowerment process runs smoothly.
Deforestation	4	4	-	The company informed the community that land clearing in the conservation area was prohibited and appealed to them to work together to preserve the forest.
POM/FFB/CPO/Bulking	1	1	-	Evaluation and socialization to all vendors by PIC dispatch, CSR and Mill Head regarding CPO/FFB payment arrangement policies
Contractors/Contractor Payments	9	9	-	1. Reporting contractor complaints to management 2. Providing an understanding of the time required for disbursement
Territory Boundaries	0	0	-	
Operational Processes	13	13	-	Communication with relevant parties to immediately follow up on any complaints.
Environment	7	6	1	Environmental issues have been verified and followed up according to existing complaints and are in the process of mitigating existing environmental improvements.
Total	335	331	4	

Of all the external grievances received, there are two issues related to NDPE, namely the regulation of external FFB received at the DSN POM and the issue of deforestation for land burning for plasma land clearing by the community. All grievances from the Community related to NDPE can be resolved properly.

f. Supplier and Smallholder Engagement

- **Socialization of NDPE Program**

DSNG strives to provide an understanding of NDPE to FFB suppliers and supplying farmers through the NDPE Program Socialization. This socialization is step number 1 and 3 in the NDPE implementation stage for external suppliers. There are two ways of providing socialization. First, farmers are gathered



in groups and explained about NDPE and its requirements. The second is to brief each farmer at the same time as the Supplier Engagement Team is collecting data on the farmer's plantation.

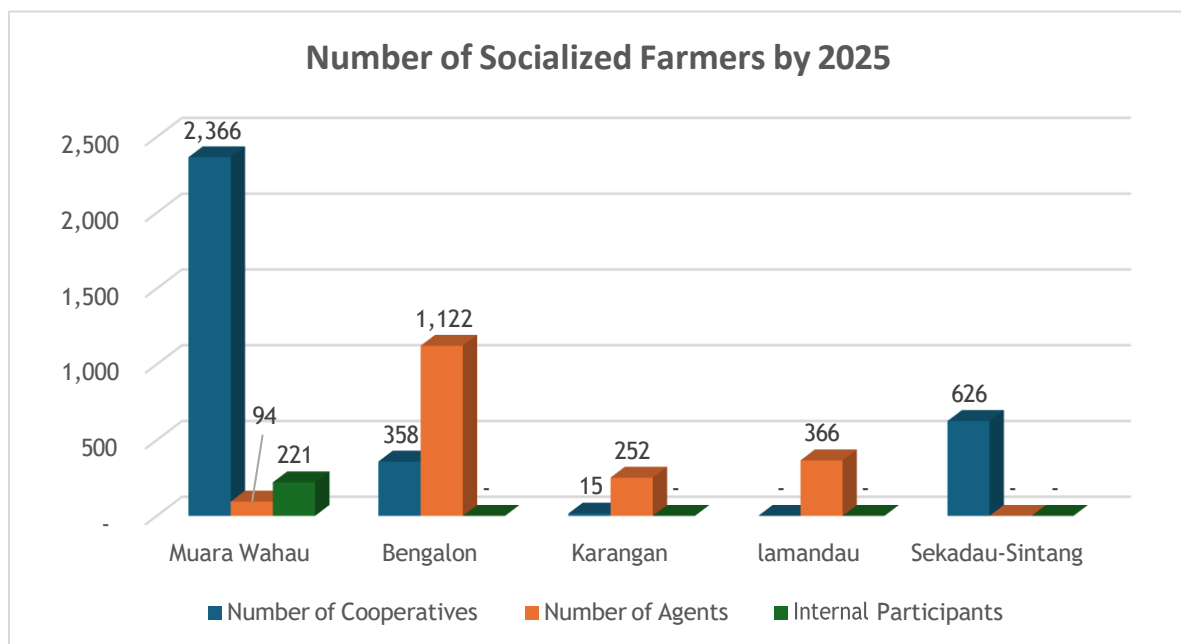


Figure 7 Number of Socialized Farmers 2025

For 2025, NDPE socialization has reached 103 Cooperatives/Agents, including independent smallholder suppliers. By the end of 2025, this program has reached 3,365 independent cooperative farmers (62%), 1,834 agent farmers (34%), and 221 internal company participants (4%) who have received guidance and capacity building materials for sustainable plantation management regarding NDPE & complaints, OHS topics, ISPO, RSPO socialization, and Palm Oil Agronomy through the Field School program. The number of socialization participants this year has also increased compared to 2024.

To help farmers better understand and implement NDPE, the Sustainability Operations team developed a Farmer NDPE Guidebook, which was distributed during the outreach process. The booklet summarizes general information about NDPE implementation by third-party suppliers.

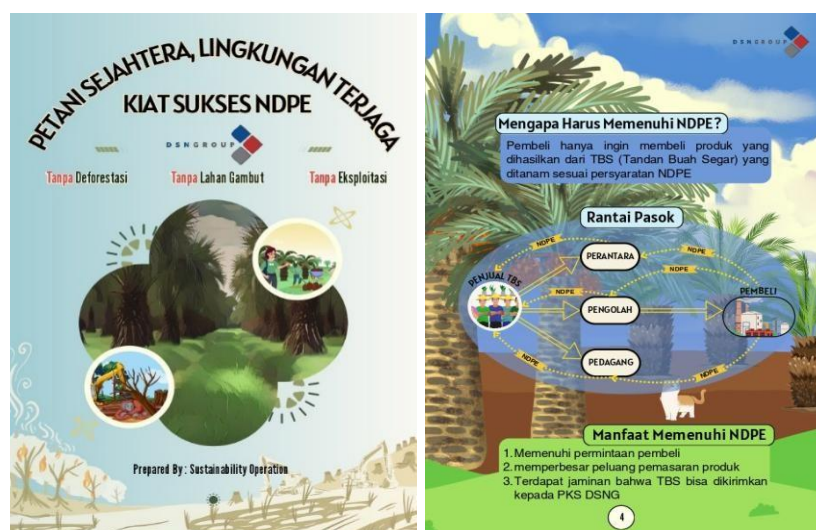


Figure 2 NDPE Guidebook for Farmers

• Supplier Organization Engagement

Supplier engagement that is carried out towards direct suppliers begins with an agreement to implement the Ethical Commitment and NDPE signed by the Supplier. As of this reporting period, 100% of the registered Suppliers have committed to the implementation of NDPE. The commitments made by the Suppliers include:

- Identify member farmers (for cooperatives) and customer farmers (for agents) who do not yet meet NDPE requirements. This identification is included in the *Self-Assessment* program. The results of the Self-Assessment are summarized in a *Gap Analysis*, which also formulates the steps planned to meet NDPE requirements.
- Agents can arrange for the supply of fresh fruit bunches from qualified farmers to be sent to the DSNG Palm Oil Mill.
- The cooperative will encourage unqualified supplier farmers until they are able to meet the requirements.

The implementation of this institutional commitment is being carried out in stages, with the assistance of the DSNG Supplier Engagement Team. Suppliers who have been institutionally involved are referred to as "Controlled." The achievement of supplier engagement in the provision of NDPE to date has exceeded the target set for 2025. All IPC and Cooperative suppliers have achieved "Controlled" status. For suppliers and agents with "Controlled" status, 100% are included. The supplier status data is shown in **Figure 12**.

• Capacity Building

DSNG made efforts to supply smallholders with gaining additional knowledge and skills in the NDPE engagement program. Capacity building is carried out in a series of **Field Schools** (in Indonesian: **Sekolah Lapang/SL**) with various materials ranging from understanding NDPE and its important aspects, oil palm plantation best practices, Occupational Safety and Health (OHS), to institutional improvement.

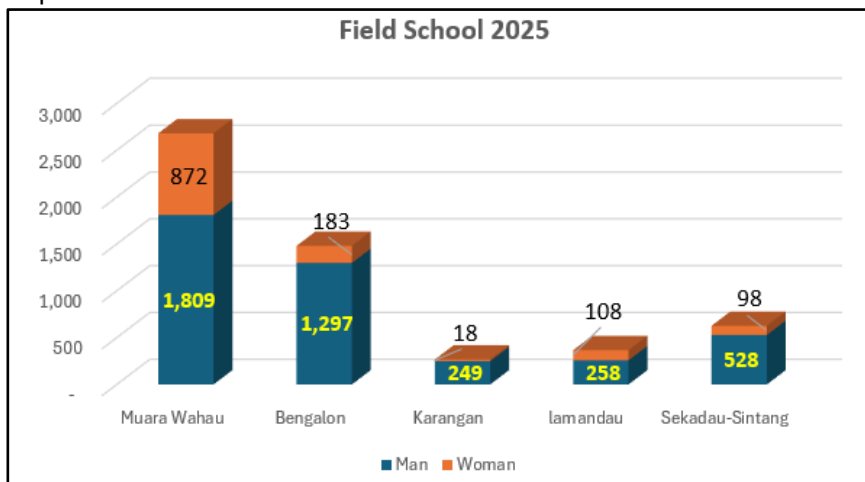


Figure 8 Number of Field School Participants 2025

In the 2025 period, a Field School was held with **5,420 farmers participating**, as shown in Figure 10. This year's Field School participants increased compared to 2024, which was 2,278 people.



Figure 9 Field School Implementation

- **RSPO Certification Support**

Until now, there are 5 Independent Farmer Cooperatives in the Muara Wahau landscape that have received RSPO and ISPO Certification support in the DSNG supply chain, including:

Table 6 RSPO Certified Cooperatives

Cooperative	Location	Farmers	Plot	Area (Ha)
Sumber Rejeki Cooperative	Karya Bhakti Village, Muara Wahau Subdistrict, Kutim District	362	671	961.43
Sawit Usaha Tani Sejahtera Cooperative	Long Bau Village, Muara Wahau Subdistrict, Kutim District	117	191	400.99
Makarti Cooperative	Sidomulyo Village, Kongbeng Subdistrict, Kutim District	172	245	435.77
Karya Indah Cooperative	Wahau Baru Village, Muara Wahau Subdistrict, Kutim District	195	463	634.16
Usaha Tani Sejahtera Cooperative	Wanasari Village, Muara Wahau Subdistrict, Kutim District	169	320	444.55

The above Cooperative Certification has taken place in 2023 and DSNG Supplier Engagement Team is supporting the first Surveillance process in 2025.

g. NDPE Fulfillment

To ensure NDPE implementation for each external supplier, a *Monitoring, Reporting and Verification* (MRV) process is conducted. This is the final process that determines whether the supplier can be declared NDPE compliant or not. MRV is conducted by the Supplier Audit Team by **sampling farmers in proportion to the number of farmers per Supplier**. Sampling refers to the **ISO 19011 Management System Audit sample calculation standard**. The following is a table of NDPE Status of DSNG 2025 External Suppliers per landscape.



Table 7 NDPE Status of DSNG External Suppliers 2025 per Landscape

No.	Supplier Type	Target		Status					
				Registered		Terkontrol		Compliant	
				Total	%	Jumlah	%	Total	%
IPC									
1	Muara Wahau	1	unit	1	100%	1	100%	1	100%
2	Karangan	2	unit	2	100%	2	100%	0	0%
3	Sekadau-Sintang	1	unit	1	100%	1	100%	1	100%
Cooperative									
1	Muara Wahau	2,526	farmers	2,526	100%	2,526	100%	1.882	75%
2	Bengalon	525	farmers	525	100%	525	100%	525	100%
3	Lamandau	62	farmers	62	100%	62	100%	62	100%
4	Sekadau	1,978	farmers	1,978	100%	1,978	100%	715	36%
Agent									
1	Muara Wahau	1,158	farmers	1,158	100%	1,158	100%	523	45%
2	Bengalon	1,427	farmers	1,427	100%	1,427	100%	1.262	88%
3	Karangan	409	farmers	409	100%	409	100%	98	24%
4	Lamandau	2,055	farmers	2,055	100%	2,055	100%	379	18%
5	Sekadau	828	farmers	828	100%	828	100%	828	100%

REGISTERED status is the status of external suppliers who have been registered in the DSNG supplier database system as regulated in the *Third Party Supplier Registration SOP Number SOP-AGR-093-R00*. These registered suppliers already have known **priority data** for FFB supply traceability, including **Farmer Name, Planting Year, Coordinate Point, Total Area, Planted Area, Plantation Area Status, and Land Legality Type**. Therefore, suppliers with this status are eligible to supply FFB to DSNG mills during the registration phase until an agreed period. After that period, the supplier is required to **commit** to the DSNG NDPE Policy by signing the **Supplier Code of Conduct Declaration**. If the supplier is **unwilling to commit**, DSNG will remove the supplier from the DSNG supplier list.

CONTROLLED status is only granted to external suppliers who have met two conditions, namely:

1. Complete the DSNG supplier registration process and commit to implementing the DSNG NDPE Policy by **signing the Supplier Code of Conduct Declaration**
2. Has been included in the **Compliance Roadmap** program as stipulated in the *Third Party Compliance Roadmap SOP Number SOP-AGR-094-R00*

The Third Party Supplier Compliance Roadmap Program is a **long-term program (according to the specified deadline)** implemented by DSNG to help suppliers prepare all requirements that must be met in the NDPE Policy. The Compliance Roadmap program consists of **self-assessment, compliance testing, corrective action implementation, and verification of corrective action results**. The results of monitoring and compliance testing are evaluated. If the result states that the supplier is unable to complete the specified actions within the deadline, DSNG will **suspend** the supplier, and they will not be allowed to supply FFB until the specified actions are completed.

COMPLIANT status is the status of external suppliers that have been registered in DSNG's supplier *database* system and have met the compliance requirements based on **MRV Criteria and Indicators (K&I)**. Suppliers with fulfilling status are allowed to supply FFB to DSNG mill for an indefinite period or based on the period of cooperation between the supplier and DSNG. Compliance audits will be conducted at least once a year on compliant suppliers to monitor their compliance. However, if there are indications of violations of compliance with the K&I MRV as stipulated in the *Third Party Supplier Compliance MRV SOP Number SOP-AGR-095-R00*, then compliance audits may be conducted at any time.

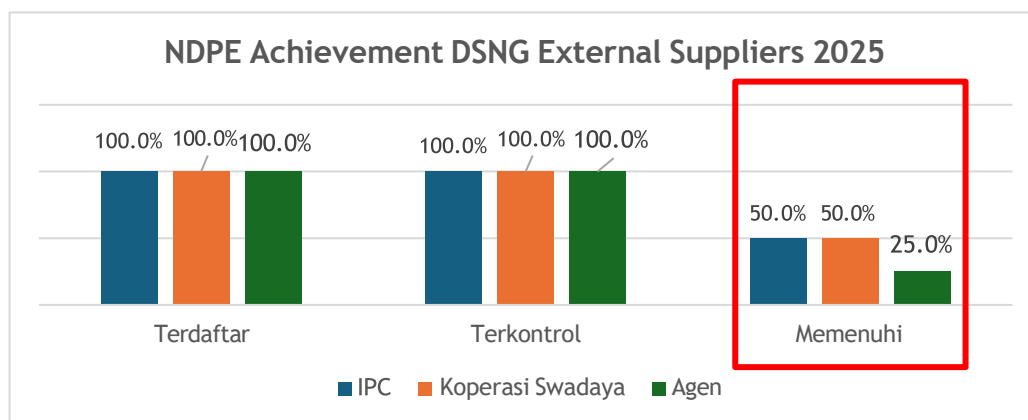


Figure 10 NDPE Achievement of DSNG External Suppliers in 2025

Based on **Figure 12**, the progress of NDPE implementation (**Compliant status**) for IPC and **External Cooperative** suppliers by the end of 2025 reached **50%**. For **Agent** suppliers, NDPE **implementation was 25%**. By the end of 2025, the overall traceability of the implementation of the MRV NDPE for external suppliers in the relevant category had reached 66%.

3. IMPLEMENTATION “NO DEFORESTATION” AND “NO PEAT”

To monitor the progress of No Deforestation and No Peat (NDP) compliance by all suppliers in the supply chain, DSNG uses the **NDPE Implementation Reporting Framework (NDPE IRF) reporting tool**. Using the NDPE IRF, the company can classify suppliers' progress in NDPE implementation (currently only available *tools* for No Deforestation and No Peat) based on FFB supply volume into **six categories**, including **Unknown, Known, Awareness, Commitment and Starting Action, Progressing, and Delivering**. Below are the results of DSNG's NDPE IRF Profile for **No Deforestation and No Peat**.

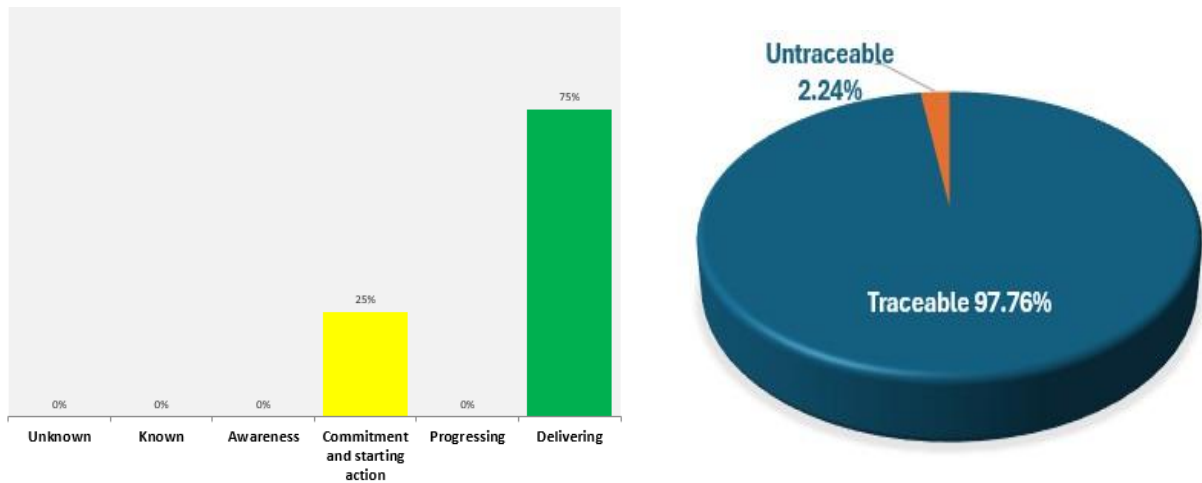


Figure 11 NDPE IRF DSNG Profile (*No Deforestation*)

Figure 13 shows that **97.76% of DSNG's deforestation-free FFB** supply volume comes from suppliers with NDPE Delivering status as seen for the DSNG No Peat IRF NDPE Profile. **2.24%** of the supply volume is declared Unknown because its plantation origin cannot be traced. All of this untraceable volume comes from third-party or external suppliers. The following is a breakdown of the FFB volume entering all DSNG mills based on the NDPE IRF categorization.

Table 8 No Deforestation and No Peat Progress Based on Estimated FFB Proportion

FFB Production Categories (Delivering)	Volume from directly managed areas	Volume from independent plantations	Volume from independent smallholders	% of Volume (Overall)
Unknown	0.0%	0.0%	0.0%	0.0%
Known	0.0%	0.0%	0.0%	0.0%
Awareness	0.0%	0.0%	0.0%	0.0%
Commitment and Starting Action	0.0%	100%	100%	25.4%
Progressing	0.0%	0.0%	0.0%	0.0%
Delivering	100%	0.0%	0.0%	74.6%
Total	100%	100%	100%	100%
Proportion of FFB volume	74.6%	1.4%	24%	24%

Lebih Beyond compliance with No Deforestation implementation throughout its supply chain, DSNG is committed to reducing the impact of environmental and social risks and conserving forests within the company's operating landscape. In other words, DSNG's ambition is not only to prevent or avoid deforestation, but also to preserve forest areas and the biodiversity within them through the management of conservation areas inside and outside the company's concessions.

DSNG has a list of identified *Integrated Conservation Areas* (ICAs), covering land function zoning, forest areas, peatland areas, company-designated conservation areas, and other conservation areas identified in the landscape. These conservation efforts are carried out in collaboration with various stakeholders, such as the government, academics, civil society, and local customary institutions. This Integrated Conservation



Area is contained in DSNG's **Landscape Protection Plan (LPP)**, which was prepared by the company as a form of commitment in collaboration with &Green. The LPP is implemented through **long-term Environmental and Social Returns**, including:

- Forest Protection (ER* 1);
- Sustainable Intensification of Productive Land (ER* 2);
- Forest Restoration (ER* 3), and Social Inclusion (SI);
- (*) = Environmental Return. Sesuai komitmen DSNG dengan &Green,

The implementation of LPP will begin in seven plantations in East Kalimantan with targets and achievements of Environmental Return contained in the following table:

Table 9 Environmental Return Achievement based on LPP & Green East Kalimantan Region

Target & Realization	Forest Conserved (ER 1)	Land Sustainability Intensified (ER 2)	Forest Restored (ER 3)	Smallholders Benefitting (SI)
	Ha	Ha	Ha	Farmers
Achievement Plan by 2030	4,402	82,010	113	7,494
Realization by 2025	4,203	80,079	131.5	8,834
Realization by 2024	4,203	79,286	65	8,454
Realization by 2023	4,084	79,110	36	8,454
Realization by 2022	7,221*	77,208	36	8,454

Note:

The total area of Conserved Forest is compiled from the results:

- Minutes of Field Review with Local Government
- Indicative result of *High Conservation Value* (HCV) assessment by consultant
- Delineation from HCV consultant
- The above area is subject to change once the indicative area has been delineated by relevant parties. Asterisk (*) on Forest Preservation Targets and achievements until 2022 include an area under the *Off-Concession Conservation Area* - OCCA program of 3,148 Ha. Since December 2023, the 3,148 Ha area is excluded (not counted) in accordance with the change of *Area of Interest* (AOI).

A full report on landscape protection achievements is available in the DSNG **Sustainability Report 2025**. DSNG also supports the No Peat commitment by continuing to implement water conservation efforts and not developing plantations on peatlands, both plantations within company concessions and those owned by independent smallholders in the supply chain.

4. IMPLEMENTASI "TANPA EKSPLOITASI"

DSNG is committed to no exploitation of workers and communities around the company's operational areas as stipulated in DSNG's NDPE Policy in March 2020, including ensuring that all activities in the palm oil supply chain by all suppliers and their supplying smallholders are free from exploitation practices.

For internal suppliers (Inti and Partnership estates), the implementation of No Exploitation is done by meeting internal requirements through certification (ISPO, RSPO, ISCC) and fulfillment of the International Finance Corporation - Performance Standard (IFC-PS). These requirements have set standards for the implementation of exploitation-free palm oil business, such as respecting all aspects of internationally recognized human rights, namely:

- **Gender protection:** No discrimination against women, respecting reproductive rights (pregnancy and menstruation), preventing sexual harassment
- **Age of workers:** Prohibition of child labor (workers must be > 18 years old), also applies to contractor workers within the company
- **Wage eligibility:** Wages equal to or exceed the legal minimum wage (UMR), labor contracts are in place, wages are paid according to labor agreements
- **Safe working conditions:** Provision of Personal Protective Equipment for all workers, available healthcare facilities

Companies must also respect and recognize the rights of Indigenous Peoples and Local Communities to tenure and ownership by implementing the Free, Prior, and Informed Consent (FPIC) protocol and involving Indigenous Peoples in Indigenous Peoples development programs. For third-party or external suppliers (IPC, Self-Help Cooperatives, Agents), the implementation of No Exploitation is carried out by involving suppliers in Environmental and Social Commitments that follow the standards in the Third-Party Supplier MRV Criteria & Indicators (C&I) as shown in **Figure 14**.

MRV Criteria and Indicators (C&I)	Implementing Group			
	IPC	SAPR	ECOOP	AGENT
Registration and Commitment				
Complete Socialization, registration and commitment of NDPE code of conduct at Company/Group Level	✓	✓	✓	✓
Complete NDPE code of conduct socialization, registration and commitment at member/ISH level	-	✓	✓	✓
Complete and up-to-date list of group members and data requirements	-	✓	✓	✓
Group-level Supplier Roadmap Implemented and agreed (if required)	✓	✓	✓	✓
RSPO/ISPO Certification				
ISPO certified - as applicable	✓	-	-	-
Legal Compliance				
Comply with applicable national regulations	✓	✓	✓	✓
Valid land tenure	✓	✓	✓	✓
Positive Environmental Performance				
No development in the ICA area after the cut-off date	✓	✓	✓	✓
Plantation management on peatland follows RSPO best management practices.	✓	✓	✓	✓
No use of burning for new planting or replanting	✓	✓	✓	✓
No use, or reduced use, of paraquat, and WHO CLASS 1A/B pesticides	✓	✓	✓	✓
Acquisition of existing plantations on peatland in accordance with RSPO BMPs	✓	-	-	-
New plantings in accordance with the RSPO New Planting Procedure (applicable to RSPO members only).	✓	-	-	-
Promotion of Human Rights, Health and Safety in the Workplace				
Ethical recruitment practices under fair conditions	✓	-	-	-
Workers have freedom of expression and the right to collective bargaining	✓	-	-	-
No harassment	✓	-	-	-
No forced labor	✓	-	-	-
No child labor	✓	✓	✓	✓
Employment Contract available	✓	-	-	-
Wages equal to or exceed the legal minimum wage (UMR)	✓	✓	✓	✓
Personal Protective Equipment is available for workers	✓	✓	✓	✓
Access to Health Center available	✓	-	-	-
Recognize and respect the rights of indigenous peoples and local communities	✓	-	-	-
Respect the right to raise grievances and be free from retaliation (grievance mechanism) and have access to follow-up.	✓	-	-	-
Community Empowerment, Smallholder Engagement and Social Impacts				
Communication and grievance procedures are in place.	✓	✓	✓	✓
Traceable Supply Chain				
FFB sources can be traced to registered suppliers as per DSNG SOP: AGR- 079-R00 (Receipt of Fresh Fruit Bunches)	✓	✓	✓	✓

Figure 14. MRV Criteria and Indicator

5. HUMAN RIGHTS DUE DILIGENCE

In 2025, DSNG conducted internal Human Rights Due Diligence (HRDD) through a self-assessment based on the PRISMA Due Diligence framework to identify and prevent potential human rights violations in its operational activities. The assessment covered 12 key aspects, including labor, working conditions, freedom of association, non-discrimination, privacy, environment, grievance mechanisms, supply chain, and risk management. The process was carried out collaboratively with an independent human rights consultant and involved CSR, Human Capital, and Risk Management functions to ensure a comprehensive and integrated evaluation.

The self-assessment results indicated that DSNG is supported by various policies and practices, including NDPE, worker protection measures, RSPO/ISPO grievance systems, standard operating procedures, and supplier monitoring. Identified gaps were analyzed and translated into a phased corrective action plan, which serves as the foundation for developing and enhancing social management practices, thereby strengthening sustainable human rights governance across all operations and the supply chain.

Table 10 DSNG Self-Assessment of Human Rights Due Diligence

No	PRISMA FRAMEWORK DUE DILIGENCE	DSNG SELF ASSESSMENT
1	Human Rights	The Company has implemented several key policies, including NDPE, Sustainability Policy, Child Protection, Women Protection, Equal Employment Opportunity, and a special memo on women's and children's rights protection. These policies have been communicated to employees and suppliers, most recently between September and November 2022.
2	Workforce	Written contracts, compliance with minimum wage, BPJS coverage, regulated overtime, annual leave, and benefits are provided.
3	Working Conditions	SHE procedures, SHE training, and emergency procedures are available.
4	Freedom of Association	Workers are allowed to form/join trade unions, collective agreements exist, and dialogue with management is permitted.
5	Privacy	NDA completion, CCTV at offices/entrances, and separate toilets for men and women are in place.
6	Non-Discrimination	Facilities for female workers are provided (maternity, training, promotion, violence prevention)
7	Environment	Emergency SOPs and AMDAL have been conducted, land permits are available, and two disputes were resolved through dialogue, with reporting to the government.
8	Social Responsibility	CSR is integrated into the sustainability policy; programs include support for communities and smallholder farmers



9	Grievance Mechanism	Internal and external channels, grievance mechanisms, are available, related to RSPO/ISPO compliance.
10	Supply Chain	NDPE compliance, training, and supplier monitoring were conducted (2022–2024)
11	Risk Management	Identified risks (environment, safety, overtime, health) have mitigation procedures applied
12	Company Liability	Risk identification (fire, overtime, HSE) is mitigated through SOPs, policies, and compliance systems.



Figure 15. Learning Process in Childcare Center