



2025

SUSTAINABILITY REPORT



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ABOUT LONSUM, OUR VISION, MISSION AND VALUES (GRI 2-1)

PT PP London Sumatra Indonesia Tbk, also known as LONSUM, is a plantation company in Indonesia founded in 1906 when Harrisons & Crosfield Plc, a general trading and plantation management services firm based in London, United Kingdom, started its first plantation in Indonesia near the city of Medan, North Sumatra.

LONSUM's principal activities are plant breeding, planting, harvesting, processing and the selling of palm products, rubber, oil palm seeds, cocoa and tea.


LONSUM went public and was listed on the Indonesia Stock Exchange in 1996. LONSUM's shareholding structure consists of 59.51% ownership by PT Salim Ivomas Pratama Tbk, 0.11% ownership by Indofood Agri Resources Ltd and 40.38% public ownership (with ownership interest below 5% each).

TENTANG LONSUM, VISI, MISI, DAN NILAI-NILAI KAMI I (GRI 2-1)

PT PP London Sumatra Indonesia Tbk, yang dikenal sebagai LONSUM, adalah perusahaan perkebunan di Indonesia yang didirikan pada tahun 1906 pada saat Harrisons & Crosfield Plc, perusahaan perdagangan dan perkebunan yang berbasis di London, Inggris, memulai lahan perkebunan pertamanya di Indonesia berlokasi dekat kota Medan, Sumatera Utara.

Kegiatan utama LONSUM meliputi pemuliaan tanaman, penanaman, pemanenan, pengolahan dan penjualan produk-produk sawit, karet, benih bibit kelapa sawit, kakao dan teh.

LONSUM menjadi perusahaan publik dan mencatatkan sahamnya di Bursa Efek Indonesia pada tahun 1996. Struktur pemegang saham LONSUM terdiri atas 59,51% kepemilikan oleh PT Salim Ivomas Pratama Tbk, 0,11% kepemilikan oleh Indofood Agri Resources Ltd dan 40,38% kepemilikan oleh publik (dengan kepemilikan saham masing-masing di bawah 5%).

 For more information on our business, please refer to the section on Business Overview found on page 37
Untuk informasi lebih lanjut tentang bisnis kami, silahkan baca bagian Ringkasan Bisnis yang terdapat pada halaman 37



Our Vision | Visi Kami

To be the leading 3C (Crops, Cost, Conditions) and research-driven sustainable agribusiness.

Menjadi Perusahaan Agribisnis Terkemuka yang Berkelanjutan dalam hal Produksi, Biaya, Kondisi (3C) yang Berbasis Penelitian dan Pengembangan



Our Values | Nilai-Nilai Kami

With discipline as the basis of our way of life, we conduct our business with integrity, we treat our stakeholders with respect, and together we unite to strive for excellence and continuous innovation.

Dengan disiplin sebagai falsafah hidup; Kami menjalankan usaha kami dengan menjunjung tinggi integritas; Kami menghargai seluruh pemangku kepentingan; dan secara bersama-sama membangun kesatuan untuk mencapai keunggulan dan inovasi yang berkelanjutan kelebihan.

Our Mission | Misi Kami

To add value for stakeholder in agribusiness.

Menambah Nilai bagi Stakeholders di Bidang Agribisnis

For further information, suggestions, and inquiries related to this report, please contact:

Untuk informasi, saran dan pertanyaan lebih lanjut terkait laporan ini, harap menghubungi kontak berikut:

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OUR POLICY (GRI 2-1)

For LONSUM's long-term success, it is essential that our agricultural products are traceable and sustainably produced. That requires tracking and verifying every stage of our supply chains - from plantations to processing - to uphold standards and provide accountability.

Our approach to sustainable agriculture is built on three interconnected pillars:



Sustainable Agricultur & Products Keberlanjutan Pertanian & Produk

We prioritise responsible agricultural practices that minimise environmental impact and enhance biodiversity, ensuring strict compliance with applicable laws, regulations, and sustainability certifications. .

Kami memprioritaskan praktik pertanian berkelanjutan yang meminimalkan dampak lingkungan dan meningkatkan keanekaragaman hayati, dengan memastikan kepatuhan yang ketat terhadap undang-undang, peraturan, dan sertifikasi keberlanjutan yang berlaku.



Sustainable Communities Keberlanjutan Masyarakat

We are committed to building strong relationships with local communities and promoting social responsibility. We strive to respect human rights, enhance social well-being, and support the development of sustainable communities through fair practices and active local engagement.

Kami berkomitmen untuk membangun hubungan yang kuat dengan masyarakat lokal dan mempromosikan tanggung jawab sosial. Kami berupaya menghormati hak asasi manusia, meningkatkan kesejahteraan sosial, dan mendukung pengembangan komunitas yang berkelanjutan melalui praktik yang adil dan keterlibatan aktif dengan komunitas lokal.



Responsible Employment & Workplace Ketenagakerjaan Yang Bertanggung Jawab & Tempat Kerja

We prioritise responsible agricultural practices that minimise environmental impact and enhance biodiversity, ensuring strict compliance with applicable laws, regulations, and sustainability certifications.

Kami memprioritaskan praktik pertanian berkelanjutan yang meminimalkan dampak lingkungan dan meningkatkan keanekaragaman hayati, dengan memastikan kepatuhan yang ketat terhadap undang-undang, peraturan, dan sertifikasi keberlanjutan yang berlaku.

KEBIJAKAN KAMI (GRI 2-1)

Untuk kesuksesan jangka panjang LONSUM, sangat penting agar produk pertanian kami dapat dilacak dan diproduksi secara berkelanjutan. Hal ini memerlukan pemantauan dan verifikasi setiap tahap rantai pasok kami - mulai dari perkebunan hingga proses pengolahan - untuk menjaga standar dan menjamin akuntabilitas.


Pendekatan kami terhadap keberlanjutan pertanian didasarkan pada tiga pilar yang saling terkait:



The cornerstone of all our sustainability efforts is our **Sustainable Agriculture Policy (Policy)**, which has been approved and signed by the Board.

The Policy's key commitments to deliver sustainable products are as follows:

- No deforestation; conservation of High Conservation Value (HCV) and High Carbon Stock (HCS) areas
- No planting on peat regardless of depth
- No burning
- Respect for Labour and Human Rights, including Freedom of Association and non-discrimination
- Free Prior and Informed Consent (FPIC)

 Available on our website, the Policy applies universally to all our operations, including plasma smallholders and other third-party suppliers from whom we source materials for our factories. [Read more online](#)

Tersedia di situs web kami, Kebijakan ini berlaku secara umum untuk semua operasi kami, termasuk petani plasma dan pemasok pihak ketiga lainnya dari mana kami memperoleh bahan baku untuk pabrik-pabrik kami. [Baca lebih lanjut secara online](#)

Landasan utama dari semua upaya keberlanjutan kami adalah Kebijakan Pertanian Berkelanjutan (Kebijakan) kami, yang telah disetujui dan ditandatangani oleh Direksi.

Komitmen utama Kebijakan ini untuk menyediakan produk berkelanjutan adalah sebagai berikut:

- Tidak ada deforestasi; pelestarian kawasan Nilai Konservasi Tinggi (NKT) dan Stok Karbon Tinggi (SKT)
- Tidak ada penanaman di lahan gambut, terlepas dari kedalamannya
- Tidak ada pembakaran
- Menjunjung tinggi terhadap Hak Tenaga Kerja dan Hak Asasi Manusia, termasuk Kebebasan Berserikat dan non-diskriminasi
- Persetujuan atas Dasar Informasi di Awal tanpa Paksaan (PADIATAPA)



OUR SUSTAINABILITY REPORT

(GRI 2-3, 2-6)

We are pleased to share our performance and progress against our policy commitments and targets on key material topics for financial year 2025 (FY2025) in LONSUM's 9th Sustainability Report.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards and complies with requirements of the Peraturan Otoritas Jasa Keuangan Nomor 51/POJK.03/2017. Our decision to adopt the GRI standards and principles reflects our commitment to stakeholder inclusiveness, ensuring that the information we provide is accurate, clear, reliable, and comparable.

We continue to disclose relevant climate-related information aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework (see page 56 for details) and will progressively align to IFRS S2 Climate-related Disclosures from the International Sustainability Standards Board (ISSB) in line with the Indonesia Stock Exchange (IDX) regulations. Furthermore, this report references the Agricultural Products standard under the Sustainability Accounting Standards Board (SASB) to provide sector-specific guidance on the most relevant sustainability metrics and risks for our stakeholders. This approach reinforces our accountability in managing climate-related risks and opportunities, ensuring LONSUM remains resilient in a changing environment.

To uphold accuracy and reliability, we have engaged an independent third party to assure this report. Details of the assurance scope are provided in the external assurance statement on the following page.

For full context, please review this document in conjunction with our Annual Report and website; relevant links to these resources are embedded within this report.

LAPORAN KEBERLANJUTAN KAMI

(GRI 2-3, 2-6)

Kami dengan senang hati menyampaikan kinerja dan kemajuan kami dalam memenuhi komitmen kebijakan dan target pada topik-topik material utama untuk laporan keuangan tahun 2025 (FY2025) dalam Laporan Keberlanjutan ke-9 LONSUM.

Laporan ini disusun sesuai dengan standar Global Reporting Initiative (GRI) 2021 dan persyaratan dari Peraturan Otoritas Jasa Keuangan Nomor 51/POJK.03/2017. Keputusan kami untuk memberlakukan standar dan prinsip-prinsip GRI mencerminkan komitmen kami terhadap inklusivitas pemangku kepentingan, memastikan bahwa informasi yang kami berikan akurat, jelas, dapat diandalkan, dan dapat dibandingkan.

Kami terus mengungkapkan informasi terkait iklim yang relevan sesuai dengan kerangka kerja Task Force on Climate-related Financial Disclosures (TCFD) (lihat halaman 56 untuk rincian) dan akan secara bertahap menyelaraskan dengan IFRS S2 Climate-related Disclosures dari International Sustainability Standards Board (ISSB) sesuai dengan ketentuan dari Bursa Efek Indonesia (BEI). Selain itu, laporan ini merujuk pada standar Produk Pertanian di bawah Sustainability Accounting Standards Board (SASB) untuk memberikan panduan spesifik sektor mengenai metrik dan risiko keberlanjutan yang paling relevan bagi pemangku kepentingan kami. Pendekatan ini memperkuat akuntabilitas kami dalam mengelola risiko dan peluang terkait iklim, memastikan LONSUM tetap tangguh dalam lingkungan yang terus berubah.


Untuk memastikan akurasi dan keandalan, kami telah melibatkan pihak ketiga independen untuk memastikan laporan ini. Rincian ruang lingkup jaminan tersebut tercantum dalam pernyataan jaminan eksternal pada halaman berikut.

Untuk konteks yang lengkap, silakan meninjau dokumen ini bersama dengan Laporan Tahunan kami dan situs web kami; tautan yang relevan ke sumber ini telah disertakan dalam laporan ini.



White-throated Kingfisher (*Halcyon smyrnensis*) spotted at Rambong Sialang Estate, Serdang Bedagai, North Sumatra. A vibrant symbol of wetland biodiversity thriving within

Burung Cekakak Belukar (*Halcyon smyrnensis*) terlihat di Perkebunan Rambong Sialang, Serdang bedagai, Sumatera Utara. Sebuah simbol hidup keanekaragaman hayati lahan basah yang berkembang di tengah hamparan perkebunan

 We welcome feedback or questions at sustainability@londonsumatra.com. The GRI, TCFD, and SASB Content Indices are collated into a separate document, which is available online along with reports from previous fiscal years.

Kami menerima masukan atau pertanyaan melalui sustainability@londonsumatra.com. Indeks Konten GRI, TCFD, dan SASB dikumpulkan dalam dokumen terpisah, yang tersedia secara online bersama dengan laporan dari tahun fiskal sebelumnya.



REPORTING SCOPE

This report focuses on our primary crops and operations, specifically:

- Oil Palm, which is our principal crop, accounting for 82% of our total planted area.
- Rubber, which occupies 15% of our total planted area.

There have been no significant changes to the company's size, structure, or ownership since the previous report. This report encompasses the performance of LONSUM group for key metrics, including financial, employee, community, and health and safety data.

Environmental data covers the following sites within our palm oil and rubber operations:

- 31 out of 38 plantations, all of which are ISPO-certified/audited
dari 38 perkebunan, semuanya telah bersertifikat/diaudit ISPO
- 6 out of 6 Rubber plantations
dari 6 perkebunan karet
- 12 out of 12 palm oil mills, all of which are either ISPO or PROPER certified/audited
dari 12 pabrik kelapa sawit, semuanya telah bersertifikat/diaudit ISPO atau PROPER
- 3 out of 3 Rubber factories
dari 3 pabrik karet

The use of drones for plantation land monitoring at Isuy Makmur Estate, West Kutai, East Kalimantan, enabling more efficient and precise field surveillance.
Penggunaan drone untuk pemantauan lahan perkebunan di Perkebunan Isuy Makmur, Kutai Barat, Kalimantan Timur, memungkinkan pengawasan lapangan yang lebih efisien dan tepat.

RUANG LINGKUP LAPORAN

Laporan ini berfokus pada komoditas utama dan operasi kami, khususnya:

- Kelapa Sawit, yang merupakan komoditas utama kami, mencakup 82% dari total luas tanam kami.
- Karet, yang menempati 15% dari total luas tanam kami.

Tidak ada perubahan yang signifikan pada ukuran, struktur, atau kepemilikan perusahaan sejak laporan sebelumnya. Laporan ini mencakup kinerja LONSUM untuk metrik kunci, termasuk data keuangan, karyawan, komunitas, dan kesehatan serta keselamatan.

Data lingkungan mencakup lokasi-lokasi berikut dalam operasi kelapa sawit dan karet kami:





EXTERNAL ASSURANCE REPORT

(GRI 2-5)



Independent Assurance Statement
Report No. 0426/BD/0058/JK

To the Management of PT PP London Sumatra Indonesia Tbk,

We were engaged PT PP London Sumatra Indonesia Tbk ('LSIP') to provide assurance in respect to its Sustainability Report 2025 ('the Report'). The assurance engagement was conducted by a multidisciplinary team with relevant experience in sustainability reporting.

Independence

We carried out all our assurance undertakings with independence and autonomy having not been involved in the preparation of any key part of the Report, nor did we provide any services to LSIP during 2025 that could conflict with the independence of the assurance engagement.

Assurance Standards

Our work was carried out in accordance with ISAE3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

Level of Assurance

By designing our evidence-gathering procedures to obtain a limited level of assurance based on ISAE3000, readers of the Report can be confident that all risks or errors have been reduced to a very low level, although not necessarily to zero.

Scope of Assurance

The scope of our work was restricted to the following selected information:

- Protection of forest and peat land and biodiversity
- Water, waste and effluents management
- Fire control and haze prevention
- Occupational health and safety

Responsibility

LSIP is responsible for the preparation of the Report and all the information and claims therein, which include established sustainability management targets, performance management, data collection, etc. In performing this assurance engagement our responsibility to the management of LSIP was solely for the purpose of verifying the statements it has made in relation to its sustainability performance, specifically as described in the selected information, and expressing our opinion on the conclusions reached.

Methodology

To assess the veracity of certain assertions and specified data sets included within the Report, as well as the systems and processes used to manage and report them, the following methods were employed during the engagement process:

- Review the Report, internal policies, documentation, management and information systems.

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LAPORAN VERIFIKASI EKSTERNAL

(GRI 2-5)



- Interview relevant staff involved in sustainability-related management and reporting.
- Examine data samples at depth from their initial aggregated source.

Limitations

Our scope of work was limited to a review of the accuracy and reliability of selected sustainability performance-related information. It was not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement was not performed continuously throughout the preparation period, and the procedures performed were undertaken on a test basis.

Conclusions

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Report has not been properly prepared and presented, in all material respects.

All key assurance findings are included herein, while detailed observations and follow-up recommendations have been submitted to LSIP management in a separate report.

Jakarta, April 16, 2026

James Kallman
Chief Executive Officer

Moores Rowland is an international organization specializing in auditing, accounting and outsourcing, tax, legal and advisory, business and human rights services. Moores Rowland is a member of Praxity AISBL, the world's largest Alliance of independent and unaffiliated audit and consultancy companies.

With more than 65,000 professionals operating in 120 countries across the globe, each sharing the same values and sense of responsibility, Praxity is served by Moores Rowland in Indonesia, one of the leading sustainability assurance providers.

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PRESIDENT DIRECTOR STATEMENT (GRI 2-22)

SAMBUTAN PRESIDEN DIREKTUR (GRI 2-22)



We continued to uphold our commitments to no deforestation, no peat development, no exploitation and no burning across our operations.

Kami terus menjunjung komitmen tanpa deforestasi, tanpa pengembangan di lahan gambut, tanpa eksploitasi, dan tanpa pembakaran di seluruh operasi kami

DEAR STAKEHOLDERS

I am pleased to present LONSUM's Sustainability Report for the financial year 2025. This report outlines our progress over the past year and reflects the steps we have taken across our operations to uphold our sustainability commitments and respond to the priorities that are most important to our stakeholders.

We continued to uphold our commitments to no deforestation, no peat development, no exploitation and no burning across our operations. During the year, we recorded no primary forest clearance and no degradation of High Conservation Value (HCV) areas. We also updated our biodiversity disclosures in line with revised reporting requirements while advancing several practical conservation efforts. These included establishing a Biodiversity Seed Bank to cultivate native species and initiating a programme to protect *Nepenthes* pitcher plants by developing suitable micro-habitats.

Fire prevention and response remained a priority. Building on the group-wide rollout of our mobile hotspot tool in 2024, in 2025 we integrated fire incident reporting into the same application to reduce manual reporting and speed up response times. To enhance prevention, we have constructed a total of 80 fire towers following the tightening of Indonesia's plantation fire-prevention regulations, have implemented the required measures and confirmed full compliance.

We also progressed our climate-related reporting and continue to disclose our climate risks and opportunities in line with TCFD. We are progressively aligning with the additional IFRS S2 requirements. Operationally, we recorded a reduction in GHG emission intensity per tonne of palm product, with 99% of fuel used in our palm oil mills originating from renewable sources. At the mill level, energy

PEMANGKU KEPENTINGAN YANG TERHORMAT

Saya dengan senang hati menyampaikan Laporan Keberlanjutan LONSUM untuk tahun buku 2025. Laporan ini menguraikan kemajuan kami selama setahun terakhir serta mencerminkan langkah-langkah yang telah kami ambil di seluruh operasi untuk menjunjung komitmen keberlanjutan dan merespons prioritas yang paling penting bagi para pemangku kepentingan kami.

Kami terus menjunjung komitmen tanpa deforestasi, tanpa pengembangan di lahan gambut, tanpa eksploitasi, dan tanpa pembakaran di seluruh operasi kami. Selama tahun ini, kami tidak mencatat adanya pembukaan hutan primer maupun degradasi pada area Bernilai Konservasi Tinggi NKT. Kami juga memperbarui pengungkapan keanekaragaman hayati sejalan dengan persyaratan pelaporan yang direvisi, sekaligus mendorong berbagai upaya konservasi praktis. Upaya tersebut meliputi pembentukan Bank Benih Keanekaragaman Hayati untuk membudidayakan spesies lokal serta inisiasi program perlindungan tanaman kantong semar (*Nepenthes*) melalui pengembangan mikro-habitat yang sesuai.

Pencegahan dan penanganan kebakaran tetap menjadi prioritas. Melanjutkan implementasi alat hotspot berbasis mobile di seluruh grup pada 2024, pada 2025 kami mengintegrasikan pelaporan insiden kebakaran ke dalam aplikasi yang sama guna mengurangi pelaporan manual dan mempercepat waktu respons. Untuk meningkatkan pencegahan, kami telah membangun total 80 menara pantau api seiring dengan diperketatnya regulasi pencegahan kebakaran perkebunan di Indonesia, telah menerapkan langkah-langkah yang dipersyaratkan serta memastikan kepatuhan penuh.

Kami juga melanjutkan pengembangan pelaporan terkait iklim dan terus mengungkapkan risiko serta peluang iklim sesuai dengan TCFD. Kami secara bertahap menyelaraskan diri dengan persyaratan tambahan IFRS S2. Secara operasional, kami mencatat penurunan intensitas emisi GRK per ton produk sawit, dengan 99% bahan bakar yang digunakan di pabrik kelapa sawit berasal



and water initiatives delivered a 1% reduction in energy intensity and a 5% increase in water intensity relative to the 2020 baseline. We also began installing on-site waste-sorting and temporary storage facilities at worker-living sites to meet updated waste-segregation regulations.

Building on these operational improvements, we continued to test and deploy practical agronomy solutions to strengthen long-term sustainability performance. This included launching an EFB biochar project to improve soil quality and reduce reliance on synthetic fertilisers, and expanding the use of drone sprayers to control bagworm in 5 -10-year-old palms, enabling more precise application and improved efficiency.

Our support for smallholders remained active across training and livelihoods. In 2025 we provided training and supervision with local authorities on estate management and harvesting, supplied inputs such as fertiliser and seeds in North Sumatra, supported potato farming and small business opportunities in West Java, and provided working capital to brown sugar producers in East Java. We remain committed to assisting smallholders and independent farmers toward ISPO certification, in line with Presidential Regulation No. 16/2025.

Safety remains central to our operations, and it is with deep regret that we report one work-related fatalities. We offer our sincere condolences to the families and colleagues affected by these tragedies. Following the incidents, we carried out full investigations, strengthened the relevant safety measures, and cooperated fully with government audits of our incident records and training procedures. We have supported the families throughout this difficult period, including facilitating compensation and dependants' pensions.

Beyond our sites, we continued community services through Posyandu and Rumah Pintar. In 2025, we supported 167 Posyandu community health posts, helping families access care close to home. We also maintained 19 Rumah Pintar community learning centres, offering early-learning support, tutoring, and practical skills programmes for children and adults. These facilities complement our day-care and school support and remain an important touchpoint for health, education, and lifelong learning in the communities around our operations.

As we look ahead, I would like to thank all our employees, partners, and stakeholders for their continued support and engagement. Your commitment has been central to our progress, and we remain focused on working together to strengthen our sustainability performance and advance the long-term resilience of our operations.

Sincerely, Hormat kami,
Tan Agustinus Dermawan
President Director | Presiden Direktur

dari sumber terbarukan. Di tingkat pabrik, inisiatif energi dan air menghasilkan penurunan intensitas energi sebesar 1% dan kenaikan intensitas air sebesar 5% dibandingkan *baseline* 2020. Kami juga mulai memasang fasilitas pemilahan dan penyimpanan sementara limbah di lokasi hunian pekerja untuk memenuhi regulasi pemilahan limbah yang diperbarui.

Seiring dengan peningkatan operasional ini, kami terus menguji dan menerapkan solusi agronomi praktis untuk memperkuat kinerja keberlanjutan jangka panjang. Hal ini termasuk peluncuran proyek biochar dari tandan kosong (EFB) untuk meningkatkan kualitas tanah dan mengurangi ketergantungan pada pupuk sintetis, serta perluasan penggunaan drone sprayer untuk mengendalikan hama ulat kantong pada tanaman berusia 5 -10 tahun, sehingga memungkinkan aplikasi yang lebih presisi dan efisien.

Dukungan kami terhadap petani kecil tetap aktif melalui pelatihan dan penguatan mata pencaharian. Pada 2025, kami memberikan pelatihan dan pendampingan bersama otoritas setempat terkait pengelolaan kebun dan panen, menyediakan input seperti pupuk dan benih di Sumatra Utara, mendukung budidaya kentang dan peluang usaha kecil di Jawa Barat, serta menyediakan modal kerja bagi produsen gula merah di Jawa Timur. Kami tetap berkomitmen membantu petani kecil dan petani mandiri menuju sertifikasi ISPO, sejalan dengan Peraturan Presiden No. 16/2025.

Keselamatan tetap menjadi fokus utama dalam operasi kami, dan dengan sangat menyesal kami melaporkan satu insiden fatal terkait pekerjaan. Kami menyampaikan belasungkawa yang tulus kepada keluarga dan rekan kerja yang terdampak. Menindaklanjuti kejadian tersebut, kami melakukan investigasi menyeluruh, memperkuat langkah-langkah keselamatan yang relevan, serta bekerja sama penuh dengan audit pemerintah atas catatan insiden dan prosedur pelatihan kami. Kami juga terus mendukung keluarga korban selama masa sulit ini, termasuk memfasilitasi kompensasi dan pensiun bagi tanggungan.

Di luar area operasional, kami melanjutkan layanan kepada masyarakat melalui Posyandu dan Rumah Pintar. Pada 2025, kami mendukung 167 Posyandu, membantu keluarga memperoleh akses layanan kesehatan yang lebih dekat. Kami juga mempertahankan 19 Rumah Pintar sebagai pusat pembelajaran masyarakat yang menyediakan pendidikan anak usia dini, bimbingan belajar, serta program keterampilan praktis bagi anak-anak dan orang dewasa. Fasilitas ini melengkapi dukungan kami terhadap layanan penitipan anak dan pendidikan, serta menjadi titik penting bagi kesehatan, pendidikan, dan pembelajaran sepanjang hayat di komunitas sekitar operasi kami.

Ke depan, saya ingin menyampaikan terima kasih kepada seluruh karyawan, mitra, dan pemangku kepentingan atas dukungan dan keterlibatan yang berkelanjutan. Komitmen Anda menjadi kunci kemajuan kami, dan kami tetap fokus untuk bekerja bersama dalam memperkuat kinerja keberlanjutan serta meningkatkan ketahanan jangka panjang operasi kami.

2025 AT A GLANCE



BUSINESS AND PEOPLE OPERASI BISNIS DAN SUMBER DAYA MANUSIA

Vertically integrated agribusiness | Agribisnis yang terintegrasi secara vertikal

- 110,982** Hectares of nucleus planted area | hektar area tanam inti
- 82%** Under palm oil | ditanami kelapa sawit
- 18%** Other crops | tanaman lain
- 12** Mills | Pabrik
- 5** Rubber processing plants | Pabrik pengolahan karet

Workforce representation | Representasi tenaga kerja

- 86%** of our permanent operational employees are registered with a union
dari karyawan tetap operasional kami terdaftar pada serikat pekerja
- 14%** covered by Company Regulations | dilindungi oleh Peraturan Perusahaan

Labour conditions and safety | Kondisi pekerja dan keselamatan

- 100%** Elimination of Paraquat (since March 2018)
pengurangan penggunaan Paraquat (sejak Maret 2018)
- 100%** SMK3 management system sites | lokasi yang menerapkan sistem manajemen SMK3
- 54** Sites with SMK3 gold rating | lokasi dengan peringkat emas SMK3

Child labour | Pekerja dibawah umur

- NO** registered worker < 18 years old
Tidak ada pekerja yang terdaftar berusia di bawah 18 tahun



ENVIRONMENT LINGKUNGAN

Preventing deforestation | Mencegah deforestasi

- ZERO** clearance of primary forest, degradation of HCV areas, new planting on peat regardless of depth, or burning
Tidak ada pembukaan hutan primer, degradasi kawasan NKT, penanaman baru di gambut berapa pun kedalamannya, atau pembakaran
- 13,428** Hectares of HCV areas identified | Hektar area NKT telah teridentifikasi
- 100%** of sites have HCV Management and Rehabilitation plans
lokasi memiliki rencana pengelolaan dan rehabilitasi NKT

Energy and Water | Energi dan Air

- 1%** reduction in energy consumption intensity in mills (2020 baseline)
penurunan intensitas konsumsi energi di pabrik (baseline 2020)
- 5%** increase of water intensity in mills (2020 baseline)
peningkatan intensitas penggunaan air di pabrik (baseline 2020)
- 99%** of fuel used in mills from renewable sources
bahan bakar yang digunakan di pabrik berasal dari sumber yang terbarukan
- 100%** of milling waste reused by our estates and mills
limbah pengolahan yang didaur ulang oleh perkebunan dan pabrik kami

SEKILAS TENTANG 2025



COMMUNITY MASYARAKAT

Health facilities and related data | Fasilitas kesehatan beserta data terkait

- 82** Clinics | Klinik
- 90** Posyandu Community Health Facilities | Posyandu Pusat Kesehatan Masyarakat
- 30** Doctors | Dokter
- 88** Midwives and nurses | bidan dan perawat
- 11** Ambulances | ambulans

Education facilities and related data | Fasilitas pendidikan beserta data terkait

- 8** day care centres | pusat penitipan anak
- 110** day care centre visitors | pengunjung pusat penitipan anak
- 55** schools | sekolah
- 362** teachers | guru
- 4,005** students | murid
- 10** Rumah Pintar (Community Learning Centre) | Rumah Pintar (Pusat Pembelajaran Masyarakat)
- 16,680** Rumah Pintar visitors | Pengunjung Rumah Pintar



SOURCING RANTAI PASOK

ISPO-Certification | Sertifikasi ISPO

- 94%** of all nucleus estates production ISPO-certified | dari seluruh produksi perkebunan inti telah bersertifikat ISPO
- 99%** of nucleus CPO production ISPO-certified | dari produksi CPO inti telah bersertifikat ISPO

Supply chain traceability and transparency
Ketertelusuran dan transparansi rantai pasok

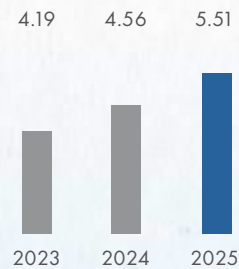
- 100%** of FFB processed in mills traceable to estates
dari TBS yang diolah di pabrik dapat ditelusuri hingga ke perkebunan

Financial Performance (In trillion of Rupiah)

Performa Ekonomi (Dalam triliun rupiah)

Economic Aspect | Aspek Ekonomi

Net Sales
Penjualan Neto

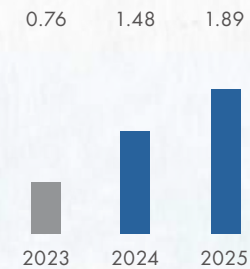


Operational Income
Pendapatan Operasional

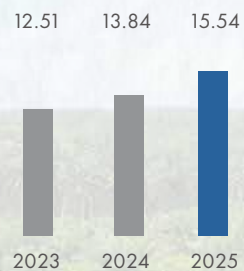


Profit for the Year Attributable to Owners of the Parent

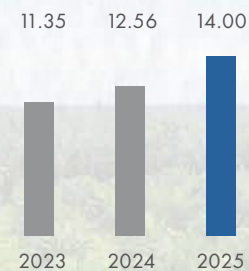
Laba Tahun Berjalan yang Dapat Diatribusikan Kepada Pemilik Entitas Induk



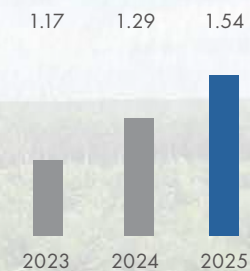
Total Assets
Total Aset



Total Equity**
Total Ekuitas**



Total Liabilities
Total Liabilitas



* Taking into account Non-controlling interests
* Dengan memperhitungkan Kepentingan Nonpengendali

OUR APPROACH TO SUSTAINABILITY

PENDEKATAN KAMI TERHADAP KEBERLANJUTAN

16 **Governance and Management**
Tata Kelola dan Manajemen


17 **Sustainability Governance**
Tata Kelola Keberlanjutan

- Board Statement | Pernyataan Direksi
- Whistleblowing Policy and Grievance Mechanism
Kebijakan Informasi/ Pengaduan Pelanggaran
- Risk Management, Business Continuity and Supply
Chain Resilience
Manajemen Risiko, Kelanjutan Operasi Bisnis, dan
Ketahanan Rantai Pasok

29 **Material Topics and Management**
Topik Material dan Manajemen

32 **Our Approach to Key Sustainability Focus Areas**
Pendekatan Kami Terhadap Area Fokus Utama
Keberlanjutan

- Environmental Protection | Perlindungan Lingkungan
- Responsible Sourcing | Pemasokan yang
Bertanggung jawab,
- People | Sumber Daya Manusia
- Community Relations | Hubungan Masyarakat



A barn owl (*Tyto alba*), a natural predator of rats, used in our estates as part of an integrated, environmentally friendly pest control approach.
Burung Hantu Lumbung (*Tyto alba*), predator alami tikus, digunakan di lahan kami sebagai bagian dari pendekatan pengendalian hama terpadu yang ramah lingkungan.

Material Topic Topik Material	Goal/Target Sasaran/Target	Update for 2025 Perkembangan terbaru untuk tahun 2025
Responsible Business Conduct (RBC) Kode Etik Bisnis yang Bertanggung Jawab	Zero cases of bribery and corruption Tidak ada kasus penyuapan dan korupsi	Zero confirmed incidents of bribery and corruption in our operations in 2025. Terkonfirmasi tidak terdapat kejadian penyuapan dan korupsi di wilayah operasional kami selama 2025.

GOVERNANCE AND MANAGEMENT (GRI 2-3, 2-6)

Our sustainability efforts are guided by a comprehensive framework of policies, targets, certifications, standards and programs designed to address risks and opportunities tied to our material topics, including (but not limited to) the following areas:

- Compliance with ISPO, a mandatory national certification system that ensures all oil palm growers comply with sustainable practices.
- Adherence to the specifications set out in Indonesia Government's PROPER environmental standard, which evaluates and rates companies on their environmental performance.
- Uphold our commitments to No Deforestation, No Peat, No *Exploitation*. This means zero deforestation, no peatland development regardless of depth, no exploitation, and a strict no-burning policy.
- Support smallholders and safeguard land and human rights, ensuring our operations benefit local communities.

To drive implementation, we engage both internal and external stakeholders, aligning our partners with these standards and reinforcing the critical importance of their buy-in and participation.

TATA KELOLA DAN MANAJEMEN (GRI 2-3, 2-6)

Upaya keberlanjutan kami didasarkan pada kerangka kerja komprehensif yang mencakup kebijakan, target, sertifikasi, standar, dan program yang dirancang untuk menangani risiko dan peluang yang terkait dengan topik-topik material kami, termasuk (namun tidak terbatas pada) bidang-bidang berikut:

- Ketaatan terhadap ISPO, sistem sertifikasi nasional wajib yang memastikan semua petani kelapa sawit mematuhi praktik berkelanjutan.
- Ketaatan terhadap spesifikasi yang ditetapkan dalam standar lingkungan PROPER Pemerintah Indonesia, yang mengevaluasi dan menilai perusahaan berdasarkan kinerja lingkungan mereka.
- Menjaga komitmen kami terhadap *No Deforestation, No Peat, No Exploitation*. Ini berarti nol deforestasi, tidak ada pengembangan lahan gambut berapapun kedalamannya, tidak ada eksploitasi, dan kebijakan larangan pembakaran yang ketat.
- Mendukung petani kecil dan melindungi hak atas tanah dan hak asasi manusia, memastikan operasi kami memberikan manfaat bagi masyarakat lokal.

Untuk mendorong implementasi, kami melibatkan para pemangku kepentingan internal dan eksternal, menyelaraskan mitra kami dengan standar-standar ini, dan menekankan pentingnya dukungan dan partisipasi mereka.



Anti-Bribery sign installed at Begerpang Mills, Deliserdang, North Sumatra, reinforcing the company's commitment to integrity and good governance.

Pemasangan tanda Anti Penyuapan di Begerpang Mill, Deliserdang, Sumatera Utara memperkuat komitmen perusahaan terhadap integritas dan tata kelola yang baik.

We apply a systematic approach to data tracking through our SAP enterprise resource planning system, enabling us to monitor our sustainability performance and progress against defined targets. Our management approach is rigorously assessed through internal and external audits, trend analysis, and stakeholder feedback. Our routine audits and monitoring processes follow recognised frameworks and standards, including ISPO, ISO 14001 (Environmental Management Systems), ISO 45001 (Occupational Health and Safety), and ISO 9001 (Quality Management). This ensures a thorough review of our operations and environmental controls to comply with these standards and relevant government regulations.

Kami menerapkan pendekatan sistematis dalam pelacakan data melalui sistem perencanaan sumber daya perusahaan SAP kami, yang memungkinkan kami memantau kinerja dan perkembangan keberlanjutan kami sesuai dengan target yang telah ditetapkan. Pendekatan manajemen kami dievaluasi secara ketat melalui audit internal dan eksternal, analisis tren, dan masukan dari pemangku kepentingan. Proses audit rutin dan pemantauan kami mengikuti kerangka kerja dan standar yang diakui, termasuk ISPO, ISO 14001 (Sistem Manajemen Lingkungan), ISO 45001 (Kesehatan dan Keselamatan Kerja), dan ISO 9001 (Sistem Manajemen Mutu). Hal ini memastikan tinjauan menyeluruh terhadap operasi dan kontrol lingkungan kami untuk mematuhi standar-standar tersebut dan peraturan pemerintah yang berlaku.

SUSTAINABILITY MANAGEMENT MANAJEMEN KEBERLANJUTAN



COMMITMENT | KOMITMEN

- Mission Misi
- Code of Conduct Kode Etik
- Values Nilai-nilai
- Policy Kebijakan



ASSES TO IMPROVE | EVALUASI UNTUK BERKEMBANG

- Indicators Indikator
- Evaluation through audit Evaluasi melalui audit
- Targets Target
- Materiality Review Penilaian Materialitas



ACTION | TINDAKAN

- R&D Penelitian dan Pengembangan
- Management System Manajemen Sistem
- Certification Sertifikasi
- Internal Collaboration Kerja Sama Internal
- Training Pelatihan
- Stakeholder Engagment Pelibatan Para Pemangku Kepentingan



PLANNING | PERENCANAAN

- Government Policy Kebijakan Pemerintah
- Sustainability Programmes Program Keberlanjutan
- Corporate Businnes Bisnis Korporat



REPORTING | PELAPORAN

- Annual Report Laporan Tahunan
- Sustainability Report Laporan Keberlanjutan
- Website Situs Web

SUSTAINABILITY GOVERNANCE (GRI 2-9, 2-12, 2-14)

The Board of Directors holds ultimate responsibility for our sustainability governance, including overseeing climate-related risk management. Sustainability and climate considerations are embedded into our business strategy to ensure this is central to decision-making. The Board reviews and approves the annual sustainability report, validates material topics, and monitors ESG impacts across the Group.

The Sustainability Think Tank (STT) provides updates at the quarterly Board meetings on our sustainability performance, recent developments and actions taken. This includes updates on climate-related risks, opportunities and progress against targets. The committee is responsible for reviewing our material topics each year and makes recommendations to the Board to ensure

TATA KELOLA KEBERLANJUTAN (GRI 2-9, 2-12, 2-14)

Direksi memegang tanggung jawab tertinggi atas tata kelola keberlanjutan kami, termasuk mengawasi manajemen risiko terkait iklim. Pertimbangan keberlanjutan dan iklim terintegrasi ke dalam strategi bisnis kami untuk memastikan hal ini menjadi inti dalam pengambilan keputusan. Direksi meninjau dan menyetujui laporan keberlanjutan tahunan, memvalidasi topik-topik material, dan memantau dampak ESG di seluruh Grup.

Komite Pemikir Keberlanjutan disebut *Sustainability Think Tank* (STT) menyampaikan laporan perkembangan pada rapat dewan triwulanan mengenai kinerja keberlanjutan kami, perkembangan terbaru, dan tindakan yang telah diambil. Hal ini mencakup pembaruan mengenai risiko terkait iklim, peluang, dan kemajuan terhadap target. Komite ini bertanggung jawab



our sustainability reporting scope remains relevant. Chaired by our President Director, the STT comprises representatives from each of our business units, including Executive Directors, Chief Operating Officers, Enterprise Risk Management (ERM), R&D, and sustainability officers. Information shared at these meetings guides the Board in strategic decision-making.

The STT is responsible for:

- Implementing climate change strategies within its delegated authority and the Group's strategy, policies, targets, and goals concerning climate issues, health and safety, and community matters
- Monitoring and assuming accountability for various key metrics, including those tied to climate performance
- Assisting the Board in overseeing climate-related performance, including monitoring, management and identifying risks
- Reviewing relevant frameworks for identifying, managing and reporting climate risks
- Recommending climate-related key performance metrics for evaluating the performance of the President Director and other Directors

We apply the precautionary principle while managing our material ESG topics to avoid and prevent negative impacts on the environment, economy and communities in which we operate. This includes any potential impacts on human rights. Where necessary, significant sustainability risks and related concerns are escalated on a quarterly basis to the Audit committee (AC). This body works together with the ERM team to help the Board monitor and review emerging and priority risks, including climate-related issues, risk management strategies and internal controls.

To ensure accountability, executive compensation is aligned with the achievement of specific sustainability performance indicators that are tailored to drive sustainable practices within each executive's area of influence.

Members of the BOD and all individuals in our sustainability governance structure participate in various sustainability training programs, workshops, and seminars to build capabilities and enhance proficiency in sustainable business practices. In 2025, training programs attended included Global and Indonesia's Economic Outlook 2026, GHG Emissions Measurement, TCFD, GRI Standards, International Sustainability Standards Board (ISSB) Standards, and more. [2-17]

untuk meninjau topik-topik material kami setiap tahun dan memberikan rekomendasi kepada Dewan untuk memastikan cakupan pelaporan keberlanjutan kami tetap relevan. Dipimpin oleh Presiden Direktur kami, STT terdiri dari perwakilan dari setiap unit bisnis kami, termasuk Direktur Eksekutif, Kepala Operasional, Manajemen Risiko Perusahaan (ERM), R&D, dan petugas keberlanjutan. Informasi yang dibagikan dalam rapat-rapat ini membimbing Direksi dalam pengambilan keputusan strategis.

STT bertanggung jawab atas:

- Menerapkan strategi perubahan iklim dalam lingkup wewenangnya dan sesuai dengan strategi, kebijakan, target, dan tujuan Grup terkait isu perubahan iklim, kesehatan dan keselamatan, serta urusan masyarakat
- Memantau dan bertanggung jawab atas berbagai metrik kunci, termasuk yang terkait dengan kinerja iklim
- Membantu Direksi dalam mengawasi kinerja terkait iklim, termasuk pemantauan, pengelolaan, dan identifikasi risiko
- Meninjau kerangka kerja yang relevan untuk mengidentifikasi, mengelola, dan melaporkan risiko iklim
- Merekomendasikan metrik kinerja utama terkait iklim untuk mengevaluasi kinerja Presiden Direktur dan Direksi lainnya

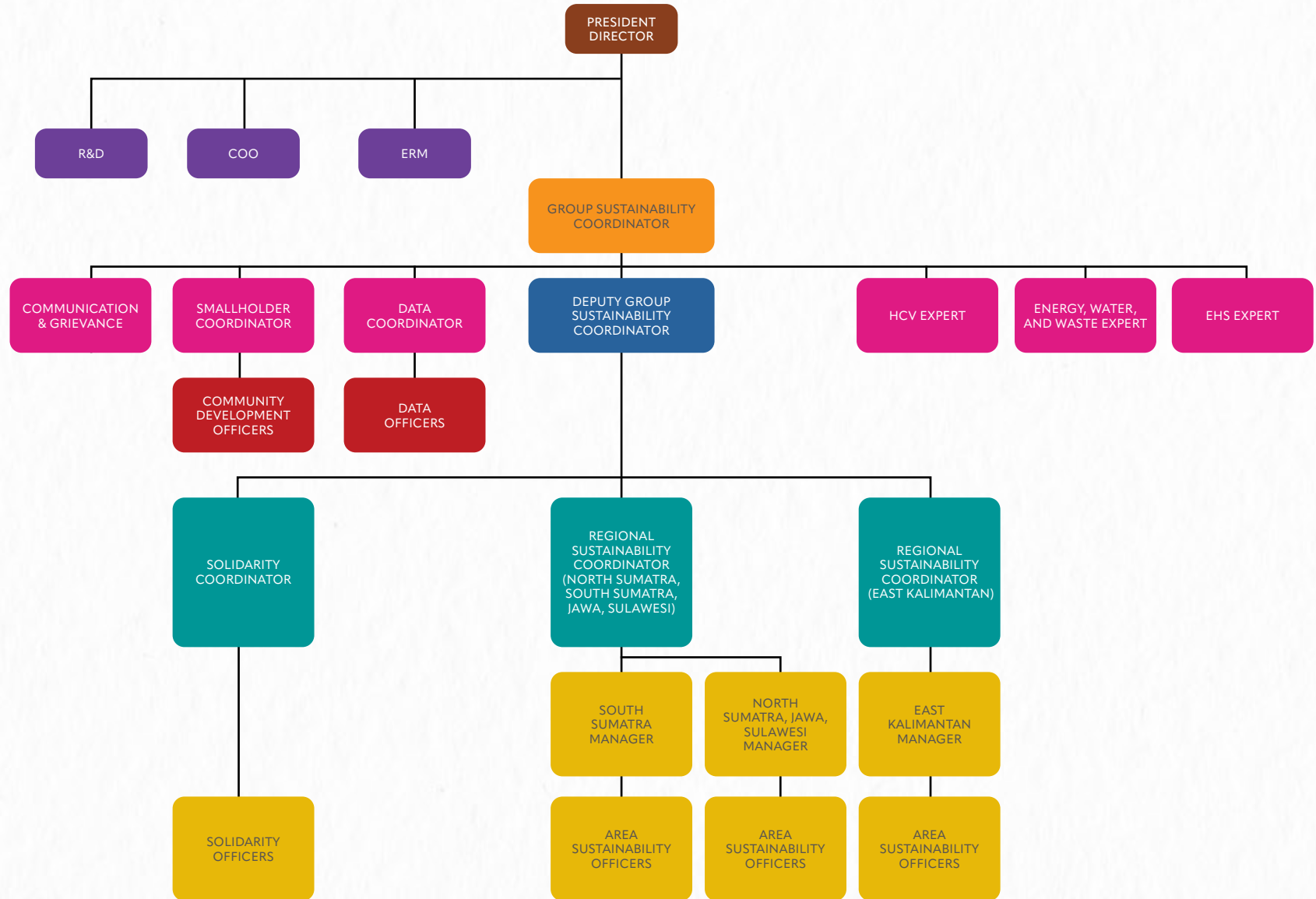
Kami menerapkan prinsip kehati-hatian dalam mengelola topik ESG material kami untuk menghindari dan mencegah dampak negatif terhadap lingkungan, ekonomi, dan masyarakat tempat kami beroperasi. Hal ini mencakup potensi dampak terhadap hak asasi manusia. Jika diperlukan, risiko keberlanjutan yang signifikan dan masalah terkait diangkat secara triwulanan ke Komite Audit (AC). Badan ini bekerja sama dengan tim ERM untuk membantu Direksi memantau dan meninjau risiko dan prioritas yang muncul, termasuk isu terkait iklim, strategi manajemen risiko, dan pengendalian internal.

Untuk memastikan akuntabilitas, kompensasi eksekutif diselaraskan dengan pencapaian indikator kinerja keberlanjutan spesifik yang dirancang untuk mendorong praktik berkelanjutan dalam pengaruhnya pada masing-masing bidang eksekutif.

Anggota Direksi (BOD) dan seluruh individu dalam struktur tata kelola keberlanjutan kami berpartisipasi dalam berbagai program pelatihan, lokakarya, dan seminar keberlanjutan untuk membangun kapasitas serta meningkatkan kompetensi dalam praktik bisnis berkelanjutan. Pada tahun 2025, pelatihan yang diikuti antara lain Global and Indonesia's Economic Outlook 2026, pengukuran emisi GRK, TCFD, Standar GRI, Standar International Sustainability Standards Board (ISSB), dan lainnya. [2-17]

SUSTAINABILITY GOVERNANCE STRUCTURE

STRUKTUR TATA KELOLA KEBERLANJUTAN





Good Corporate Governance

Lonsum believes that good corporate governance is fundamental to the creation of long-term value for all stakeholders. The Company conducts its business activities responsibly, ethically and in compliance with prevailing rules and regulations in Indonesia. Lonsum's Good Corporate Governance policies were developed in line with the Indonesian laws and regulations, the Company's Articles of Association (AOA) and Good Corporate Governance (GCG) principles, which advocate transparency, accountability, responsibility, independence and fairness.

Based on Law No. 40 Year 2007 regarding Limited Liability Company (Company Laws), the Company's organs consist of the General Meeting of Shareholders (GMS), the Board of Commissioners (BOC) and the Board of Directors (BOD). They are assisted by the Committees and Corporate Secretary and play an important role in the implementation of GCG. The Company's organs are required to perform their functions based on prevailing regulations, the AOA and the GCG principles.

General Meeting of Shareholders

The GMS is a forum where shareholders can interact with the BOC and BOD regarding the Company's issues that are pertinent to the meeting agenda and not conflicting with the interest of the Company. The authority of the GMS cannot be delegated to the BOC or BOD, as stipulated in the Company Law, prevailing regulations in the capital market and the AOA.

The GMS comprises the Annual General Meeting (AGM) and Extraordinary General Meeting (EGM), as described in the AOA. During the GMS, the Company adopts either open or closed voting by poll for all resolutions to promote the independence and interest of the shareholders. Each shareholder is entitled to one vote per share. All shareholders have the option to appoint a proxy to attend and vote in the GMS through a signed proxy letter or using the electronic means provided by PT Kustodian Sentral Efek Indonesia (Indonesia Central Securities Depository). An independent Public Notary and a Share Registrar are appointed to count and validate the votes at the GMS.

Tata Kelola Perusahaan yang Baik

Lonsum meyakini bahwa pelaksanaan tata kelola perusahaan yang baik merupakan landasan untuk menciptakan nilai dalam jangka panjang bagi seluruh pemangku kepentingan. Perseroan menjalankan kegiatan usahanya secara bertanggung jawab dan etis, dengan mematuhi berbagai ketentuan dan peraturan yang berlaku di Indonesia. Kebijakan Tata Kelola Perusahaan Lonsum disusun berdasarkan peraturan perundang-undangan yang berlaku di Indonesia, Anggaran Dasar Perseroan (AD), serta prinsip-prinsip Tata Kelola Perusahaan yang Baik (GCG) yang mengedepankan aspek transparansi, akuntabilitas, tanggung jawab, independensi dan kesetaraan.

Sesuai dengan Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas (UUPT), organ Perseroan terdiri dari Rapat Umum Pemegang Saham (RUPS), Dewan Komisaris dan Direksi. Organ tersebut didukung oleh berbagai Komite dan Sekretaris Perusahaan, serta memegang peranan penting dalam pelaksanaan GCG. Organ Perseroan menjalankan fungsinya sesuai dengan ketentuan dalam peraturan perundang-undangan yang berlaku, serta AD dan prinsip-prinsip GCG.

Rapat Umum Pemegang Saham

RUPS merupakan forum bagi pemegang saham untuk memperoleh keterangan yang berkaitan dengan Perseroan dari Dewan Komisaris dan Direksi sepanjang berhubungan dengan agenda rapat dan tidak bertentangan dengan kepentingan Perseroan. RUPS mempunyai wewenang yang tidak dapat diberikan kepada Dewan Komisaris atau Direksi, dalam batasan yang ditentukan dalam UU PT dan peraturan yang berlaku di bidang pasar modal dan AD.

RUPS terdiri dari Rapat Umum Pemegang Saham Tahunan (RUPST) dan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) sesuai yang ditetapkan dalam AD. Dalam penyelenggaraan RUPS, Perseroan menjalankan prosedur *voting by poll* secara terbuka maupun tertutup untuk seluruh keputusan rapat yang mengedepankan independensi dan kepentingan pemegang saham dimana setiap lembar saham berhak memberikan satu suara. Setiap pemegang saham juga dapat menunjuk kuasa untuk hadir dan memberikan suara dalam RUPS melalui surat kuasa yang telah ditandatangani atau menggunakan sarana elektronik yang disediakan oleh PT Kustodian Sentral Efek Indonesia. Perseroan menunjuk Notaris dan Biro Administrasi Efek sebagai pihak independen yang melakukan perhitungan dan memvalidasi suara di RUPS.



Board of Commissioner

The BOC is responsible for overseeing the Company's management policies and advising the BOD on the strategy, management and operations of the Company. The BOC is required to perform its duties in good faith and in a responsible and prudent manner. In carrying out its oversight function, the BOC is assisted by the Audit Committee (AC) and the Nomination and Remuneration Committee (NRC), both of which are responsible directly to the BOC.

The BOC comprises 6 (six) members including the President Commissioner and 2 (two) Independent Commissioners. Members of the BOC are nominated by the NRC and appointed by the shareholders at the GMS. The nominations are based on the level of expertise, knowledge and experience required to perform the duties of the BOC. The term of office for BOC members starts from the date of appointment at the GMS until the closing of the third AGM following the date of appointment (three-year term), without prejudice to the GMS' right to dismiss the individual at any time. All the Independent Commissioners have fulfilled the independence requirements stipulated in the prevailing regulation.

In exercising the GCG principles, the BOC has developed the BOC Charter to guide its oversight and advisory duties. The BOC Charter outlines the legal considerations, description of duties, responsibilities and authority, values, working hours, meeting policies, competency development, performance evaluation, reporting and accountability of the BOC among other matters.

With regards to share ownership, the BOC members shall notify the Company of any changes in their share ownership within 3 (three) working days. In 2025, the Company did not receive any notification from the BOC on changes in share ownership.

Under prevailing requirements, the BOC shall conduct at least 6 (six) BOC meetings and 3 (three) joint meetings with the BOD in a year. In 2025, the BOC held and/ or participated in 15 (fifteen) meetings, including AGM and 7 (seven) joint meetings with the BOD to discuss the Company's business strategies, achievements and developments.

Dewan Komisaris

Dewan Komisaris bertanggung jawab atas pengawasan terhadap kebijakan pengurusan dan memberikan masukan atau nasihat kepada Direksi terkait strategi, pengelolaan dan kegiatan operasional Perseroan. Dewan Komisaris wajib melaksanakan tugasnya dengan itikad baik, penuh tanggung jawab dan kehati-hatian. Dalam melaksanakan tugas pengawasannya, Dewan Komisaris dibantu oleh Komite Audit serta Komite Nominasi dan Remunerasi yang bertanggung jawab langsung kepada Dewan Komisaris.

Dewan Komisaris Perseroan terdiri dari 6 (enam) orang anggota termasuk seorang Presiden Komisaris dan 2 (dua) orang Komisaris Independen. Anggota Dewan Komisaris dinominasikan oleh Komite Nominasi dan Remunerasi serta diangkat oleh pemegang saham melalui RUPS. Nominasi Dewan Komisaris memperhatikan keahlian, pengetahuan dan pengalaman yang dibutuhkan dalam pelaksanaan tugasnya. Masa jabatan anggota Dewan Komisaris terhitung sejak tanggal yang ditentukan pada RUPS yang mengangkatnya sampai dengan penutupan RUPST yang ketiga setelah tanggal pengangkatan (tiga tahun masa jabatan), tanpa mengurangi hak RUPS untuk memberhentikannya sewaktu-waktu. Seluruh Komisaris Independen telah memenuhi persyaratan independensi sesuai dengan ketentuan yang berlaku.

Dalam menjalankan prinsip-prinsip GCG, Dewan Komisaris telah menetapkan Piagam Dewan Komisaris sebagai pedoman dalam menjalankan tugas pengawasan dan pemberian nasihat. Piagam Dewan Komisaris tersebut antara lain menguraikan dasar pertimbangan hukum, deskripsi tugas, tanggung jawab dan wewenang, nilai-nilai, waktu kerja, kebijakan penyelenggaraan rapat, pengembangan kompetensi, penilaian kinerja, serta pelaporan dan pertanggungjawaban Dewan Komisaris.

Sehubungan dengan kepemilikan saham, anggota Dewan Komisaris wajib memberitahukan kepada Perseroan atas perubahan kepemilikan sahamnya dalam waktu 3 (tiga) hari kerja. Selama 2025, Perseroan tidak menerima pemberitahuan dari anggota Dewan Komisaris atas adanya perubahan kepemilikan saham.

Sesuai dengan ketentuan yang berlaku, Dewan Komisaris melakukan sekurang-kurangnya 6 (enam) rapat Dewan Komisaris dan 3 (tiga) rapat Bersama Direksi dalam setahun. Di sepanjang tahun 2025, Dewan Komisaris menyelenggarakan dan/atau berpartisipasi di 15 (lima belas) rapat, termasuk RUPST dan 7 (tujuh) rapat bersama Direksi yang membahas strategi, pencapaian dan perkembangan kegiatan usaha.

Board of Commissioners Dewan Komisaris	Number of Meetings Attended Jumlah Kehadiran Rapat	Attendance rate Tingkat Kehadiran
Paulus Moleonoto - President Commissioner	15	100%
Axton Salim - Commissioner	15	100%
Hendra Widjaja - Commissioner	15	100%
Benny Tjoeng — Commissioner*	8	100%
Edy Sugito - Independent Commissioner	15	100%
Amelia Setiawan — Independent Commissioner*	8	100%

*Appointed since June 19,2025 | *Menjabat sejak 19 Juni 2025

The BOC Charter requires all the BOC members to undergo continuous competency development. The Company supported this requirement through the provision of various training programmes, and seminars. The training programmes and seminars attended by each BOC member during 2025 are listed in their respective profiles in our AR.

Piagam Dewan Komisaris mewajibkan pengembangan kompetensi anggota Dewan Komisaris secara terus menerus. Perseroan senantiasa mendukung kebijakan tersebut melalui penyelenggaraan berbagai program pelatihan dan seminar. Program pelatihan, dan seminar yang dihadiri oleh masing-masing anggota Dewan Komisaris selama tahun 2025 tercantum di bagian profil anggota Dewan Komisaris di Laporan Tahunan kami.

The BOC’s performance is reviewed once a year through self-assessment, in accordance with the duties and responsibilities of the members.

Kinerja Dewan Komisaris dievaluasi setiap tahun dengan menggunakan penilaian sendiri berdasarkan tugas dan kewajibannya.



The BOD and BOC of LONSUM took a group photo after the 2025 GMS. Jajaran Dewan Komisaris dan Direksi LONSUM berfoto bersama usai pelaksanaan RUPS 2025



Board of Director

The BOD is responsible for leading the management of the Company in delivering its business objectives, including establishing broad policies and setting out corporate strategies, as well as monitoring of its implementation. The BOD is required to perform its duties in good faith and in a responsible and prudent manner. The BOD has the authority to take management actions based on the policies stipulated in the AOA, Company Laws and prevailing regulations. Currently, the BOD does not establish any committees.

The BOD comprises the President Director and 8 (eight) Directors. BOD members are nominated by the NRC and appointed by shareholders at the GMS. The nomination is based on the level of expertise, knowledge and experience to perform the BOD duties. The term of office for BOD members starts from the date of appointment at the GMS until the closing of the third AGM following the date of appointment (three-year term), without prejudice to the GMS' right to dismiss the individual at any time.

In exercising the GCG principles, the BOD has developed the BOD Charter to guide its management duties. The BOD Charter outlines the legal considerations, description of duties, responsibilities and authority, values, working hours, meeting policies, competency development, performance evaluation, reporting and accountability of the BOD among other matters. With regards to share ownership, the BOD members shall notify the Company of any changes in their share ownership within 3 (three) working days. In 2025, the Company did not receive any notification from the BOD on changes in share ownership.

Under prevailing requirements, the BOD shall conduct at least 12 (twelve) BOD meetings and 3 (three) joint meetings with the BOC in a year. In 2025, the BOD held and/or participated in 20 (twenty) meetings, including AGM and 7 (seven) joint meetings with the BOC to discuss the Company's business strategies, achievements and developments.

Direksi

Direksi bertanggung jawab memimpin jalannya kepengurusan Perseroan dalam mencapai sasaran usahanya, termasuk menyusun kebijakan umum dan menetapkan strategi perusahaan, serta pemantauan pelaksanaannya. Direksi wajib melaksanakan tugasnya dengan itikad baik, penuh tanggung jawab dan kehati-hatian. Direksi memiliki kewenangan untuk mengambil tindakan pengurusan berdasarkan kebijakan yang ditentukan dalam AD, UU PT, serta peraturan yang berlaku. Saat ini, Direksi tidak membentuk komite tertentu.

Direksi Perseroan terdiri dari seorang Presiden Direktur dan 8 (delapan) orang anggota Direksi. Anggota Direksi dinominasikan oleh Komite Nominasi dan Remunerasi, serta diangkat oleh pemegang saham melalui RUPS. Nominasi anggota Direksi memperhatikan keahlian, pengetahuan dan pengalaman yang dibutuhkan dalam melaksanakan tugasnya. Masa jabatan anggota Direksi terhitung sejak tanggal yang ditentukan pada RUPS yang mengangkatnya sampai dengan penutupan RUPST yang ketiga setelah tanggal pengangkatan (tiga tahun masa jabatan), tanpa mengurangi hak RUPS untuk memberhentikannya sewaktu-waktu.

Dalam menjalankan prinsip-prinsip GCG, Direksi telah menetapkan Piagam Direksi sebagai pedoman dalam menjalankan tugas pengurusannya. Piagam Direksi tersebut antara lain menguraikan dasar pertimbangan hukum, deskripsi tugas, tanggung jawab dan wewenang, nilai-nilai, waktu kerja, kebijakan penyelenggaraan rapat, pengembangan kompetensi, penilaian kinerja, serta pelaporan dan pertanggungjawaban Direksi. Sehubungan dengan kepemilikan saham, anggota Direksi wajib memberitahukan kepada Perseroan atas perubahan kepemilikan sahamnya dalam waktu 3 (tiga) hari kerja. Selama tahun 2025, Perseroan tidak menerima pemberitahuan dari anggota Direksi atas adanya perubahan kepemilikan saham.

Sesuai dengan ketentuan yang berlaku, Direksi melakukan sekurang-kurangnya 12 (dua belas) rapat Direksi dan 3 (tiga) rapat bersama Dewan Komisaris dalam setahun. Sepanjang tahun 2025, Direksi menyelenggarakan dan/atau berpartisipasi dalam 20 (dua puluh) rapat, termasuk RUPST, serta 7 (tujuh) rapat bersama Dewan Komisaris yang membahas strategi, pencapaian, dan perkembangan kegiatan usaha.

Board of Directors Direksi	Number of Meetings Attended Jumlah Kehadiran Rapat	Attendance rate Tingkat Kehadiran
Tan Agustinus Dermawan — President Director	20	100%
Tio Eddy Hariyanto — Director	20	100%
Joefly Joesoef Bahroeny — Director	20	100%

Board of Directors Direksi	Number of Meetings Attended Jumlah Kehadiran Rapat	Attendance rate Tingkat Kehadiran
In She — Director	20	100%
Peter Kradolfer — Director	20	100%
Ferdi Gunawan — Director	20	100%
Harrijanto Kusumo — Director	20	100%
Herlina Sugiarto — Director	20	100%
Roger Hadikusuma Wirawan - Director	10	100%

Appointed since June 19, 2025 | Menjabat sejak 19 Juni 2025

The BOD Charter requires all the BOD members to undergo continuous competency development. The Company supported this requirement through the provision of various training programmes and seminars. The training programmes and seminars attended by each BOD member during 2025 are listed in their respective profiles in our AR.

The BOD's performance is reviewed once a year by the NRC using the agreed annual performance indicators, and through self-assessment by each BOD member, according to their respective duties and responsibilities in overseeing the day-to-day operations of the Company.

Fair Treatment Policy for Shareholders

As a public-listed company, LONSUM maintains timely, transparent and open communications of its financial results, strategy and other relevant matters with all the shareholders, investors and analysts through the Investor Relations Division.

In 2025, the Investor Relations Division conducted engagements with analysts and investors through meetings and conferences.

Code of Conduct

The Company's Code of Conduct (the LONSUM's Code of Conduct) applies to the Company and its subsidiaries (LONSUM's Group) for their respective business operations and support. It acts as a reference for the subsidiaries in establishing their own codes of conduct. The LONSUM's

Piagam Direksi mengharuskan seluruh anggota Direksi untuk menjalani pengembangan kompetensi secara berkelanjutan. Perseroan mendukung persyaratan ini melalui penyediaan berbagai program pelatihan dan seminar. Program pelatihan dan seminar yang diikuti oleh masing-masing anggota Direksi selama tahun 2025 tercantum dalam profil masing-masing di Laporan Tahunan kami.

Kinerja Direksi ditinjau setahun sekali oleh NRC dengan menggunakan indikator kinerja tahunan yang disepakati, dan melalui penilaian mandiri oleh masing-masing anggota Direksi, sesuai dengan tugas dan tanggung jawab masing-masing dalam mengawasi operasional Perseroan sehari-hari.

Kebijakan Perlakuan Adil terhadap Pemegang Saham

Sebagai perusahaan publik, LONSUM menjaga komunikasi yang tepat waktu, transparan, dan terbuka mengenai hasil keuangan, strategi, dan hal-hal relevan lainnya dengan semua pemegang saham, investor, dan analis melalui Divisi Hubungan Investor.

Pada tahun 2025, Divisi Hubungan Investor melakukan interaksi dengan analis dan investor melalui rapat dan konferensi.

Kode Etik

Kode Etik Perseroan (Kode Etik LONSUM) berlaku bagi Perseroan dan seluruh entitas anaknya (Grup LONSUM) dalam menjalankan kegiatan operasional dan pendukung. Kode Etik ini juga berlaku sebagai pedoman bagi penyusunan kode etik entitas anak Perseroan yang menyusun



Code of Conduct applies to the BOC, BOD and all the employees of the LONSUM's Group (Company Members), as well as the organ support of the LONSUM's Group (Organ Support).

The LONSUM's Code of Conduct comprises a policy on Company Business Ethics and a policy on Work Ethics applicable to all Company Members and Organ Support

The policy on Company Business Ethics regulates the following, among others:

- a. Compliance to Laws and Regulations;
- b. Relation with Shareholders;
- c. Relation with Customers;
- d. Relation with Business Partners;
- e. Confidentiality of Information;
- f. Corporate Social Responsibility;
- g. Environmental Conservation;
- h. Health and Safety; and
- i. Fair Treatment.

The policy of Work Ethics regulates the following, among others:

- a. Compliance to laws and regulations;
- b. Abuse of power and violence;
- c. Protection and use of tangible and intangible assets;
- d. Health and safety;
- e. Other work outside the Company;
- f. Conflict of interest and transaction with related parties;
- g. Prohibited behaviour or action;
- h. Gratification;
- i. Illegal drugs and alcoholic beverages/liquor;
- j. Gambling;
- k. Weapon;
- l. Misuse of communication and social media;
- m. Organisational/political relations;
- n. Insider trading;
- o. Family Relation;
- p. Whistleblowing policy.

Any violation of the LONSUM's Code of Conduct is considered a violation of their employee contract and may result in sanctions up to disciplinary action. The LONSUM's Code of Conduct is socialised to all Company Member through internal communication media.

kode etik tersendiri. Kode Etik LONSUM berlaku bagi Dewan Komisaris, Direksi dan seluruh karyawan Grup LONSUM (Anggota Perusahaan), serta pendukung organ Grup LONSUM (Pendukung Organ).

Kode Etik LONSUM terdiri dari kebijakan Etika Bisnis Perusahaan dan kebijakan Etika Kerja Pekerja yang berlaku bagi seluruh Anggota Perusahaan dan Pendukung Organ.

Kebijakan Etika Bisnis Perusahaan mengatur antara lain:

- a. Ketaatan terhadap Hukum dan Peraturan;
- b. Hubungan dengan Pemegang Saham;
- c. Hubungan dengan Pelanggan;
- d. Hubungan dengan Mitra Usaha;
- e. Kerahasiaan Informasi;
- f. Tanggung Jawab Sosial Perusahaan;
- g. Pemeliharaan Lingkungan;
- h. Kesehatan dan Keselamatan Kerja; serta
- i. Perlakuan yang Wajar.

Kebijakan Etika Kerja mengatur antara lain:

- a. Kepatuhan terhadap peraturan perundang-undangan;
- b. Penyalahgunaan Kekuasaan dan Tindakan Kekerasan;
- c. Perlindungan dan penggunaan aset berwujud dan tidak berwujud;
- d. Kesehatan dan keselamatan kerja;
- e. Pekerjaan lain di luar Perusahaan;
- f. Benturan kepentingan dan transaksi dengan pihak terkait;
- g. Perilaku atau tindakan yang dilarang;
- h. Gratifikasi;
- i. Obat-obatan terlarang dan minuman keras;
- j. Perjudian;
- k. Senjata;
- l. Penyalahgunaan Media Komunikasi dan Media Sosial;
- m. Hubungan organisasi/politik;
- n. *Insider Trading*;
- o. Hubungan Keluarga;
- p. Kebijakan Informasi/Pengaduan Pelanggaran.

Setiap pelanggaran Kode Etik LONSUM dianggap sebagai pelanggaran kontrak kerja dan dapat mengakibatkan sanksi hingga tindakan disipliner. Kode Etik LONSUM disosialisasikan kepada seluruh Anggota Perusahaan melalui media komunikasi internal.



Whistleblowing Policy and Grievance

(GRI 2-16, 2-25, 2-26, 3-3, 205-1, 205-2)

We maintain a strong commitment against all forms of corruption, an expectation that applies equally to our own operations and throughout our supply chain.

Every new employee is required to attend our mandatory induction training that covers our Code of Conduct, which explicitly prohibits bribery, inducements, and any form of corrupt practice. Existing employees are also required to complete an annual anti-corruption training, which is delivered through our online platform to ensure employees remain familiar with our policies.

LONSUM maintains a whistleblowing policy and system with clear channels for employees and interested parties to report any suspected misconduct, including fraud, corruption, and unethical practices. Our protocol guarantees confidentiality and independent analysis and review by the Internal Audit team. It also protects employees from retaliation when raising concerns. Our whistleblowing procedures are available in Indonesia's national language to improve accessibility, and the policy is circulated across the organisation every six months to maintain awareness. Further details are provided in our Annual Report.

We ensure all relevant stakeholders, internal or external, have access to our grievance process via dedicated channels. Employees are informed of the internal grievance process through regular email and morning briefings. For our external stakeholders, the complaints procedure is shared with village leaders and local communities. The effectiveness of the mechanisms is routinely verified through periodic evaluations conducted by our internal audit teams.

All whistleblowing and grievance reports submitted to company representatives are channelled for review and analysis by the Internal Audit Division and other relevant departments. Detailed reports are shared with the Board quarterly, ensuring they stay informed and engaged in resolving any issues. In 2025, the company received five whistleblowing reports. Four of these reports were fully investigated, with one case relating to misconduct while the other three reports were closed as unproven cases. The remaining one report is still under investigation.

Kebijakan Whistleblowing dan Mekanisme Pengaduan

(GRI 2-16, 2-25, 2-26, 3-3, 205-1, 205-2)

Kami memiliki komitmen yang kuat untuk menolak segala bentuk korupsi, suatu harapan yang berlaku sama bagi operasi kami sendiri maupun di seluruh rantai pasokan kami.

Setiap karyawan baru diwajibkan untuk mengikuti pelatihan orientasi wajib kami yang mencakup Kode Etik Perusahaan, yang secara tegas melarang suap, janji-janji, dan segala bentuk praktik korupsi. Karyawan yang sudah bekerja juga diwajibkan untuk mengikuti pelatihan anti-korupsi tahunan, yang diselenggarakan melalui platform online kami untuk memastikan karyawan tetap familiar dengan kebijakan perusahaan.

LONSUM menjaga penerapan kebijakan dan sistem pelaporan pelanggaran dengan saluran yang jelas bagi karyawan dan pihak terkait untuk melaporkan dugaan pelanggaran, termasuk penipuan, korupsi, dan praktik-praktik tidak etis. Protokol kami menjamin kerahasiaan dan analisis serta tinjauan independen oleh Tim Audit Internal. Protokol ini juga melindungi karyawan dari tindakan balasan saat melaporkan kekhawatiran. Prosedur pelaporan pelanggaran kami tersedia dalam bahasa nasional Indonesia untuk meningkatkan aksesibilitas, dan kebijakan ini disebarluaskan di seluruh organisasi setiap enam bulan sekali untuk menjaga kesadaran. Rincian lebih lanjut tersedia dalam Laporan Tahunan kami.

Kami memastikan bahwa semua pemangku kepentingan yang relevan, baik internal maupun eksternal, memiliki akses ke proses pengaduan kami melalui saluran khusus. Karyawan diberitahu tentang proses pengaduan internal melalui email rutin dan *briefing* pagi. Bagi pemangku kepentingan eksternal, prosedur pengaduan dibagikan kepada pemimpin desa dan komunitas lokal. Efektivitas mekanisme tersebut secara rutin diverifikasi melalui evaluasi berkala yang dilakukan oleh tim audit internal kami.

Semua laporan pengaduan dan keluhan yang diajukan kepada perwakilan perusahaan dikirimkan untuk ditinjau dan dianalisis oleh Divisi Audit Internal dan departemen terkait lainnya. Laporan rinci dilaporkan kepada Direksi setiap kuartal, memastikan mereka tetap terinformasi dan terlibat dalam menyelesaikan masalah apa pun. Pada tahun 2025, perusahaan menerima lima laporan *whistleblowing*. Empat laporan tersebut telah diselidiki secara menyeluruh, dengan satu kasus terkait pelanggaran, sementara tiga laporan lainnya ditutup karena tidak terbukti. Satu laporan lainnya masih dalam proses investigasi.

GRIEVANCE MECHANISM MEKANISME PENGADUAN

SUBMISSION OF COMPLAINTS PENGAJUAN PENGADUAN



Complaints from Employees
Pengaduan dari Karyawan

Complaints from Internal Employees related to Employment Matters
Pengaduan dari karyawan internal terkait masalah ketenagakerjaan

Complaints related to Gender: Discrimination, sexual harassment, violation of women rights
Pengaduan terkait isu gender: Diskriminasi, Pelecehan seksual, Pelanggaran hak-hak perempuan



Complaints from External Parties Community, NGOs, etc
Pengaduan dari pihak eksternal (masyarakat, NGO, dll)

Complaints related to Operational Matters Price determination, land compensation, etc
Pengaduan mengenai masalah operasional (penentuan harga, kompensasi lahan, dll)

Complaints related to Social and Environmental Matters
Pengaduan berkenaan dengan masalah sosial dan lingkungan

Submission of Written Complaints + Supporting documents/ proof (if any) to
Disampaikan melalui pengaduan tertulis + disertai dokumen/bukti pendukung

RECEPTION OF COMPLAINTS PENERIMAAN PENGADUAN

For Gender related complaints
Untuk pengaduan yang berkaitan dengan Gender



Company Representatives (Unit Manager, Head Administration, Head Assistant)
Perwakilan Perusahaan (Manajer Unit, Kepala Administrasi, Kepala Asisten)



HANDLING OF COMPLAINTS PENANGANAN PENGADUAN

1 Verification and follow up by management
Verifikasi dan tindak lanjut oleh manajemen



2 Mediation and resolution of complaints
Mediasi dan penyelesaian pengaduan





Risk Management, Business Continuity and Supply Chain Resilience

We work in close partnership with our suppliers to proactively anticipate and mitigate potential supply chain disruptions. This strategic approach includes the close monitoring of government regulations and other restrictions to minimise interruptions in product delivery to our customers. Additionally, we ensure continuous product availability by maintaining a healthy inventory on e-commerce platforms.

Our risk management approach is guided by a robust framework, which our ERM team is responsible for maintaining. Strong governance and clear controls enable proactive risk identification, assessment, and mitigation. Through cross-functional collaboration with risk owners, managers, and internal audit, the ERM team ensures quarterly risk assessments are conducted, and control measures are evaluated for overall effectiveness.

Management recognises corruption as a potential risk that could impact the business. In response to this, the company has implemented several robust mitigating controls. A core component of this effort is the regular communication of our Code of Conduct to all employees, which encompasses two essential policies: Company Business Ethics and Employee Working Ethics. Violations of these policies constitute a breach of the employment contract and may lead to disciplinary action. We also empower employees to report any witnessed or suspected instances of bribery through our established whistleblowing channels. We extend these anti-corruption standards and commitments to our third-party vendors and suppliers and conduct due diligence to ensure their compliance.

The AC facilitates risk review by meeting quarterly with the ERM team and presenting the findings, including risk profiles and mitigation strategies, directly to the Board. To maintain resilience, business continuity plans are regularly updated to reflect global developments, particularly in strengthening strategies for climate-related risks and preparing for future pandemics.

- ▶ Further details on programs, certifications, management systems, R&D, governance, and stakeholder engagement are available online.
Rincian lebih lanjut mengenai program, sertifikasi, sistem manajemen, R&D, tata kelola, dan keterlibatan pemangku kepentingan tersedia secara online

Manajemen Risiko, Kelanjutan Operasi Bisnis, dan Ketahanan Rantai Pasok

Kami bekerja sama secara erat dengan para pemasok kami untuk secara proaktif mengantisipasi dan mengurangi potensi gangguan rantai pasokan. Pendekatan strategis ini mencakup pemantauan ketat terhadap peraturan pemerintah dan pembatasan lainnya untuk meminimalkan gangguan dalam pengiriman produk kepada pelanggan kami. Selain itu, kami memastikan ketersediaan produk yang berkelanjutan dengan menjaga persediaan yang memadai di platform e-commerce.

Pendekatan manajemen risiko kami didasarkan pada kerangka kerja yang kokoh, yang dikelola oleh tim ERM kami. Tata kelola yang kuat dan kontrol yang jelas memungkinkan identifikasi, penilaian, dan mitigasi risiko secara proaktif. Melalui kolaborasi lintas fungsi dengan pemilik risiko, manajer, dan audit internal, tim ERM memastikan penilaian risiko triwulanan dilakukan, dan langkah-langkah pengendalian dievaluasi untuk efektivitas secara keseluruhan.

Manajemen menyadari bahwa korupsi merupakan risiko potensial yang dapat berdampak pada bisnis. Sebagai tanggapan atas hal ini, perusahaan telah menerapkan beberapa langkah pengendalian mitigasi yang kuat. Salah satu komponen utama dari upaya ini adalah komunikasi rutin mengenai Kode Etik Perusahaan kepada semua karyawan, yang mencakup dua kebijakan esensial: Etika Bisnis Perusahaan dan Etika Kerja Karyawan. Pelanggaran terhadap kebijakan-kebijakan ini merupakan pelanggaran terhadap kontrak kerja dan dapat mengakibatkan tindakan disiplin. Kami juga memberdayakan karyawan untuk melaporkan setiap kasus suap yang diamati atau dicurigai melalui saluran pelaporan pelanggaran yang telah ditetapkan. Kami memperluas standar dan komitmen anti-korupsi ini kepada vendor dan pemasok pihak ketiga kami, serta melakukan due diligence untuk memastikan kepatuhan mereka.

AC memfasilitasi tinjauan risiko dengan mengadakan pertemuan triwulanan bersama tim ERM dan menyajikan temuan, termasuk profil risiko dan strategi mitigasi, langsung kepada Direksi. Untuk menjaga ketahanan, rencana kelangsungan bisnis secara rutin diperbarui untuk mencerminkan perkembangan global, terutama dalam memperkuat strategi untuk risiko terkait iklim dan mempersiapkan diri menghadapi pandemi di masa depan.

MATERIAL TOPICS AND MANAGEMENT (GRI 3-1, 3-2)

Our sustainability strategy is directly guided by our material priorities, which are identified, prioritised, and validated through a comprehensive materiality assessment exercise conducted in 2025. This process was supported by an independent consultant to ensure rigor and objectivity.

The exercise involved a three-stage methodology. The foundational first stage involved extensive desktop research against industry-specific standards and peer benchmarking. This analysis allowed us to not only confirm existing priorities but also to pinpoint potential emerging issues and ensure the topics remained fully aligned with our unique business context and overall sustainability strategy. Following this, stakeholder engagement and review were conducted through targeted interviews to gather feedback. Finally, the STT reviewed and validated the resulting 15 topics before presenting them to the Board for final validation¹.

This ongoing oversight is maintained as the STT monitors our material topics and the Board conducts an annual review of these key issues, ensuring their continued relevance and alignment with both our business objectives and stakeholder expectations. We intend to regularly reassess our material issues to ensure they accurately reflect our evolving business strategy and the dynamic expectation of our stakeholders.



TOPIK MATERIAL DAN MANAJEMEN (GRI 3-1, 3-2)

Strategi keberlanjutan kami secara langsung dipandu oleh prioritas material kami, yang diidentifikasi, diprioritaskan, dan diverifikasi melalui proses penilaian materialitas komprehensif yang dilakukan pada tahun 2025. Proses ini didukung oleh konsultan independen untuk memastikan ketepatan dan objektivitas

Pengujian ini melibatkan metodologi tiga tahap. Tahap pertama yang mendasar melibatkan penelitian mendalam berdasarkan standar industri spesifik dan perbandingan dengan pesaing. Analisis ini memungkinkan kami tidak hanya untuk mengonfirmasi prioritas yang sudah ada, tetapi juga mengidentifikasi potensi masalah yang muncul dan memastikan topik-topik tersebut tetap sepenuhnya selaras dengan konteks bisnis unik kami dan strategi keberlanjutan secara keseluruhan. Setelah itu, keterlibatan pemangku kepentingan dan tinjauan dilakukan melalui wawancara terfokus untuk mengumpulkan masukan. Akhirnya, STT meninjau dan memvalidasi 15 topik yang dihasilkan sebelum menyajikannya kepada Direksi untuk validasi akhir¹.

Pengawasan yang berlangsung ini dijaga karena STT memantau topik-topik material kami dan Dewan melakukan tinjauan tahunan terhadap isu-isu kunci ini, memastikan relevansi dan keselarasan mereka dengan tujuan bisnis kami serta harapan pemangku kepentingan. Kami berencana untuk secara rutin mengevaluasi kembali isu-isu material kami untuk memastikan bahwa mereka secara akurat mencerminkan strategi bisnis kami yang terus berkembang dan harapan pemangku kepentingan yang dinamis.

CPO tank filling operations at Isuy Makmur Mill, West Kutai, East Kalimantan, as part of the palm oil production process. Operasi pengisian tangki CPO di Pabrik Isuy Makmur, Kutai Barat, Kalimantan Timur, sebagai bagian dari proses produksi minyak kelapa sawit.





¹In the 2025 Materiality Assessment exercise, we have classified “Energy Management” as a separate material topic, which was previously included under “Climate Change and GHG Emissions”, reflecting our strategic focus on energy transition and investment in renewable energy technologies.

¹Dalam pelaksanaan Penilaian Materialitas tahun 2025, kami telah mengklasifikasikan “Pengelolaan Energi” sebagai topik material yang terpisah, yang sebelumnya termasuk dalam “Perubahan Iklim dan Emisi GRK”, mencerminkan fokus strategis kami terhadap transisi energi dan investasi pada teknologi energi terbarukan.

Implemented through six distinct, policy-aligned Sustainability Programs, our strategy drives action across our 15 material topics and supports contributions toward the 16 UN Sustainable Development Goals (SDGs).

Melalui enam program keberlanjutan yang terpisah dan selaras dengan kebijakan, strategi kami mendorong tindakan di seluruh 15 topik material kami dan mendukung kontribusi terhadap 16 Tujuan Pembangunan Berkelanjutan PBB (SDGs).

Sustainability Programmes Program Keberlanjutan	Material topics governed by or indirectly influenced by the programmer Topik-topik yang diatur oleh atau secara tidak langsung dipengaruhi oleh program tersebut.	Corresponding SDGs Tujuan Pembangunan Berkelanjutan (SDGs) yang terkait
 <p>Growing Responsibly Sets the policy framework for high standards of corporate governance and professional integrity. Pertumbuhan yang Bertanggung jawab Menetapkan kerangka kebijakan untuk standar tinggi tata kelola korporasi dan integritas profesional.</p>	<ul style="list-style-type: none"> Responsible Business Conduct (RBC) Product Quality and Safety Climate Change and GHG Emissions Energy Management Water, Waste and Effluents Use of Fertilisers, Pesticides and Chemicals 	
 <p>Sustainable Agriculture and Products Drives the adoption of sustainable practices in crop cultivation and the operation of refineries and mills. Keberlanjutan Pertanian dan Produknya Mendorong penerapan praktik berkelanjutan dalam budidaya tanaman dan operasional pabrik kilang dan penggilingan.</p>	<ul style="list-style-type: none"> Protection of Forests, Peatland and Biodiversity Fire Control and Haze Prevention Climate Change and GHG Emissions Energy Management Water, Waste and Effluents Use of Fertilisers, Pesticides and Chemicals Occupational Health and Safety (OHS) Yield Resilience and Innovation 	
 <p>Safe and Traceable Products Aims to ensure that all our CPO-derived products are traceable, safe, and beneficial for human consumption. Produk yang Aman dan Dapat Dilacak Tujuan kami adalah memastikan bahwa semua produk yang dihasilkan dari CPO kami dapat dilacak, aman, dan bermanfaat untuk dikonsumsi manusia.</p>	<ul style="list-style-type: none"> Supply Chain Traceability and Transparency Sustainability Certification Product Quality and Safety Yield Resilience and Innovation 	
 <p>Smallholders Covers our efforts with the plasma and ex-plasma farmers, and supports the Indonesian government's Nucleus-Plasma scheme through the development of inclusive supply chains. Petani kecil Mencakup upaya kami dengan petani plasma dan mantan petani plasma, serta mendukung skema Nucleus-Plasma pemerintah Indonesia melalui pengembangan rantai pasok yang inklusif.</p>	<ul style="list-style-type: none"> Smallholder Engagement and Livelihoods Community Rights and Relations Water, Waste and Effluents Use of Fertilisers, Pesticides and Chemicals Yield Resilience and Innovation 	

Sustainability Programmes Program Keberlanjutan	Material topics governed by or indirectly influenced by the programmer Topik-topik yang diatur oleh atau secara tidak langsung dipengaruhi oleh program tersebut.	Corresponding SDGs Tujuan Pembangunan Berkelanjutan (SDGs) yang terkait
 <p>Work and Estate Living Covers aspects relating to safety, health and wellbeing of our workers and their families, and to human rights. Kantor dan Hunian Perumahan Meliputi aspek-aspek yang berkaitan dengan keselamatan, kesehatan dan kesejahteraan pekerja kami dan keluarga mereka, dan hak asasi manusia.</p>	<ul style="list-style-type: none"> Human, Child and Labour Rights Community Rights and Relations Occupational Health and Safety (OHS) Yield Resilience and Innovation Protection of Forests, Peatland and Biodiversity Fire Control and Haze Prevention Climate Change and GHG Emissions Energy Management Water, Waste and Effluents Use of Fertilisers, Pesticides and Chemicals 	
 <p>Solidarity Seeks to improve the quality of life in the estates through capacity building, education and financial support. Solidaritas Usaha untuk meningkatkan kualitas hidup di perkebunan melalui peningkatan kapasitas, pendidikan dan dukungan keuangan.</p>	<ul style="list-style-type: none"> Smallholder Engagement and Livelihoods Protection of Forests, Peatland and Biodiversity Fire Control and Haze Prevention Climate Change and GHG Emissions Energy Management Water, Waste and Effluents Use of Fertilisers, Pesticides and Chemicals Community Rights and Relations Occupational Health and Safety (OHS) Yield Resilience and Innovation Human, Child and Labour Rights Pandemic Resilience 	

OUR APPROACH TO KEY SUSTAINABILITY FOCUS AREAS

Environmental Protection (GRI 3-3)

Our Policy articulates our dedication to environmental conservation. This document, endorsed by the Board, sets the strategic objective for all our factories to achieve the ISO 14001 environmental management standard. We carefully and responsibly manage our interactions with nature and the environment by optimising resource consumption to reduce our overall environmental impact. This approach includes regularly assessing risks and conserving areas of HCV and HCS to protect forests, peatlands, and biodiversity.

We provide accountability and transparency to our stakeholders concerning the environmental performance of our agricultural practices through our annual sustainability reports. This commitment is supported by our submission of monthly online reports detailing our environmental impacts to Indonesia's Ministry of Environment (KLH) and Indonesia's Ministry of Forestry (KemenHut) to ensure regulatory compliance and supply site-specific data, thereby contributing to national environmental reporting.

We recognise that forest fires and haze events are an evident threat within our operations, posing severe consequences for local and global ecosystems and communities. We take a proactive approach to fire and haze prevention by rigorously monitoring hotspots and actively engaging stakeholders to implement comprehensive fire prevention initiatives across our land concessions.

We manage resources responsibly by complying with Indonesian water regulations and repurposing 100% of milling waste into organic fertiliser and renewable boiler fuel. We continually innovate to reduce dependency on synthetic chemicals in fertilisers and pesticides in oil palm cultivation and replace them with natural, eco-friendly alternatives.

PENDEKATAN KAMI TERHADAP AREA FOKUS UTAMA KEBERLANJUTAN

Perlindungan Lingkungan (GRI 3-3)

Kebijakan kami menegaskan komitmen kami terhadap pelestarian lingkungan. Dokumen ini, yang disetujui oleh Direksi, menetapkan tujuan strategis bagi semua pabrik kami untuk mencapai standar manajemen lingkungan ISO 14001. Kami mengelola interaksi kami dengan alam dan lingkungan secara hati-hati dan bertanggung jawab dengan mengoptimalkan penggunaan sumber daya untuk mengurangi dampak lingkungan secara keseluruhan. Pendekatan ini mencakup penilaian risiko secara berkala dan konservasi area dengan NKT dan SKT untuk melindungi hutan, rawa gambut, dan keanekaragaman hayati.

Kami memberikan pertanggungjawaban dan transparansi kepada pemangku kepentingan kami mengenai kinerja lingkungan dari praktik pertanian kami melalui laporan keberlanjutan tahunan kami. Komitmen ini didukung oleh penyampaian laporan daring bulanan yang merinci dampak lingkungan kami kepada Kementerian Lingkungan Hidup (KLH) dan Kementerian Kehutanan (KemenHut) Indonesia, guna memastikan kepatuhan terhadap regulasi serta menyediakan data spesifik per lokasi, sehingga turut berkontribusi pada pelaporan lingkungan nasional.

Kami menyadari bahwa kebakaran hutan dan peristiwa kabut asap merupakan ancaman nyata dalam operasional kami, yang dapat menimbulkan konsekuensi serius bagi ekosistem dan komunitas lokal maupun global. Kami mengambil pendekatan proaktif dalam pencegahan kebakaran dan kabut asap dengan memantau secara ketat titik-titik panas dan berkolaborasi aktif dengan pemangku kepentingan untuk menerapkan inisiatif pencegahan kebakaran yang komprehensif di seluruh wilayah konsesi lahan kami.

Kami mengelola sumber daya secara bertanggung jawab dengan mematuhi peraturan Indonesia tentang air dan mendaur ulang 100% limbah pengolahan menjadi pupuk organik dan bahan bakar boiler terbarukan. Kami terus berinovasi untuk mengurangi ketergantungan pada bahan kimia sintesis dalam pupuk dan pestisida pada budidaya kelapa sawit, dan menggantinya dengan alternatif pengganti alami dan ramah lingkungan.



The Lesser Adjutant (*Leptoptilos javanicus*), a protected species, has been observed in Tanjung Makmur Estate, West Kutai, East Kalimantan. Bangau tongtong (*Leptoptilos javanicus*), salah satu spesies yang dilindungi, teramati di Kebun Tanjung Makmur, Kutai Barat, Kalimantan Timur



Effective environmental protection requires collaboration across our entire value chain. Therefore, we mandate all suppliers adhere to the sustainability standards outlined in our Policy and utilise our Enterprise Risk Management (ERM) framework and whistle-blowing mechanisms to ensure compliance and mitigate risks. This applies to all major suppliers, commodity providers, and smallholders.

Beyond adhering to our baseline standards, managing the increasing complexity and severity of the climate crisis is also a key priority given its significant impact on our plantation ecosystems, operating communities, and the entire agribusiness value chain. We have conducted a comprehensive climate risk assessment, which aligns with the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) (further details on page 56). Recognising our exposure to climate risks such as water scarcity and unpredictable weather patterns, we are actively implementing mitigation and adaptation measures, particularly focusing on increasing renewable energy use, enhancing energy efficiency, and reducing GHG emissions.

Responsible Sourcing (GRI 3-3)

Our commercial success depends on the trust consumers have in our products. Customers value clear accountability and ethical sourcing across our supply chain, including clear visibility into the origins of our raw materials. We promote best practices among our suppliers by urging them to maintain transparency throughout their own supply chains and to operate responsibly. Additionally, we conduct regular supplier assessments and audits to ensure their compliance with established standards.

Our palm oil production follows a standard “nucleus–plasma” model. To ensure the traceability of every tonne of palm oil, we document the following:

- Name, parent company, address
- GeoCoordinates of plantation² and mill
- Nucleus or plasma Koperasi Unit Desa (KUD) / group farmers profile and data
- Refinery dispatch number
- Certification status

² This includes batch barcodes for FFBs from our South Sumatra plasma estates.

² Ini termasuk barcode batch untuk TBS dari perkebunan plasma Sumatera Selatan kami.

Perlindungan lingkungan yang efektif memerlukan kerja sama di seluruh rantai nilai kami. Oleh karena itu, kami mewajibkan semua pemasok untuk mematuhi standar keberlanjutan yang tercantum dalam Kebijakan kami dan menggunakan kerangka kerja *Enterprise Risk Management* (ERM) SERTA mekanisme pelaporan pelanggaran untuk memastikan kepatuhan dan memitigasi risiko. Hal ini berlaku untuk semua pemasok utama, penyedia komoditas, dan petani kecil.

Selain mematuhi standar dasar kami, mengelola kompleksitas dan dampak yang semakin parah dari krisis iklim juga menjadi prioritas utama mengingat dampaknya yang signifikan terhadap ekosistem perkebunan kami, komunitas operasional, dan rantai nilai agribisnis secara keseluruhan. Kami telah melakukan penilaian resiko iklim yang komprehensif, yang sejalan dengan kerangka kerja yang ditetapkan oleh Task Force on Climate-related Financial Disclosures (TCFD) (rincian lebih lanjut pada halaman 56). Mengakui paparan kami terhadap risiko iklim seperti kelangkaan air dan pola cuaca yang tidak dapat diprediksi, kami secara aktif menerapkan langkah-langkah mitigasi dan adaptasi, terutama dengan fokus pada peningkatan penggunaan energi terbarukan, peningkatan efisiensi energi, dan pengurangan emisi gas rumah kaca (GRK).

Pemasokan yang Bertanggungjawab (GRI 3-3)

Kesuksesan komersial kami bergantung pada kepercayaan konsumen terhadap produk kami. Pelanggan menghargai transparansi dan etika dalam rantai pasok kami, termasuk visibilitas yang jelas mengenai asal-usul bahan baku kami. Kami mendorong praktik terbaik di antara pemasok kami dengan mendorong mereka untuk menjaga transparansi sepanjang rantai pasok mereka sendiri dan beroperasi secara bertanggung jawab. Selain itu, kami melakukan penilaian dan audit pemasok secara rutin untuk memastikan kepatuhan mereka terhadap standar yang telah ditetapkan.

Produksi minyak sawit kami mengikuti model standar “inti–plasma”. Untuk memastikan jejak setiap ton minyak sawit, kami mendokumentasikan hal-hal berikut:

- Nama, perusahaan induk, alamat
- Koordinat geografis perkebunan² dan pabrik
- Profil dan data Koperasi Unit Desa (KUD) / kelompok petani inti atau plasma
- Nomor pengiriman dari fasilitas penyulingan
- Status sertifikasi



Field officers recording fresh fruit bunch (FFB) palm oil harvest data at Isuy Makmur Estate, West Kutai, East Kalimantan.
Petugas lapangan mencatat data panen tandan buah segar (TBS) kelapa sawit di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur.

Compliance with third-party sustainability certifications is critical to implementing best practices and assuring our stakeholders on the integrity of our sourcing practices. Our policies and commitments are underpinned by the ISPO standards, mandated by the Indonesian Government. Our original 2024 target for full ISPO certification was delayed due to new regulations, but we remain committed to maintaining and renewing existing certificates. We are aligning with updated requirements and aim to achieve 100% ISPO certification across all operations.

Smallholders account for over 40% of Indonesia’s oil palm cultivation. Recognising their crucial role, we provide training and capacity-building initiatives to improve their yields, enhance quality, and help them achieve ISPO certification.

To reduce the need for land conversion while achieving long-term profitability, we focus our R&D efforts on enhancing the yield and quality of our seeds and advancing crop management practices. Consequently, these initiatives strengthen crop resilience, including the development of varieties resistant to extreme weather and climate change.

Ketaatan terhadap sertifikasi keberlanjutan pihak ketiga sangat penting untuk menerapkan praktik terbaik dan meyakinkan pemangku kepentingan kami mengenai integritas praktik rantai pasok kami. Kebijakan dan komitmen kami didasarkan pada standar ISPO, yang diwajibkan oleh Pemerintah Indonesia. Target awal kami untuk sertifikasi ISPO penuh pada tahun 2024 tertunda akibat peraturan baru, namun kami tetap berkomitmen untuk mempertahankan dan memperbarui sertifikat yang ada. Kami sedang menyesuaikan diri dengan persyaratan yang diperbarui dan berencana untuk mencapai sertifikasi ISPO 100% di seluruh operasi kami.

Petani kecil menyumbang lebih dari 40% dari total luas tanaman kelapa sawit di Indonesia. Mengakui peran penting mereka, kami menyediakan program pelatihan dan pengembangan kapasitas untuk meningkatkan hasil panen, meningkatkan kualitas, dan membantu mereka memperoleh sertifikasi ISPO.

Untuk mengurangi kebutuhan konversi lahan sambil mencapai keuntungan jangka panjang, kami memfokuskan upaya riset dan pengembangan (R&D) kami pada peningkatan hasil dan kualitas benih kami serta pengembangan praktik pengelolaan tanaman. Pengaruhnya, inisiatif ini memperkuat ketahanan tanaman, termasuk pengembangan varietas yang tahan terhadap cuaca ekstrem dan perubahan iklim.

People (GRI 3-3)

Employee welfare is central to our success. We uphold workers' rights in line with Indonesian law, the UN Universal Declaration of Human Rights, and International Labour Organization's (ILO) conventions ratified by Indonesia. Our Policy and Labour Policy commit to fair wages, safe working conditions, and equal opportunities, while enforcing strict measures to prevent forced and child labour.

All LONSUM employees earn above regional minimum wages. This factors in sector variations, living costs in each province, and any applicable collective labour agreements. All permanent plantation employees who are not office-based receive housing, healthcare, and education benefits for their families. We also respect the right to collective bargaining and support union membership.

The safety and security of our employees is a top priority. We ensure that every site operates under SMK3, which is Indonesia's occupational health and safety (OHS) management standard. We also provide annual refresher training, daily safety briefings, and strict compliance protocols to minimise health risks and accidents.

Our training and development programs foster professional growth, helping retain talent and attract new employees. By investing in skills and career advancement, we strengthen job satisfaction and position ourselves competitively in the labour market.

Sumber Daya Manusia (GRI 3-3)

Kesejahteraan karyawan merupakan hal utama dari kesuksesan kami. Kami menjunjung tinggi hak-hak pekerja sesuai dengan undang-undang Indonesia, Deklarasi Universal Hak Asasi Manusia PBB, dan konvensi-konvensi Organisasi Buruh Internasional (ILO) yang telah diratifikasi oleh Indonesia. Kebijakan Perusahaan dan Kebijakan Ketenagakerjaan kami berkomitmen untuk upah yang adil, kondisi kerja yang aman, dan kesempatan yang setara, sambil menerapkan langkah-langkah ketat untuk mencegah kerja paksa dan kerja anak.

Semua karyawan LONSUM mendapatkan gaji di atas upah minimum regional. Hal ini memperhitungkan perbedaan sektor, biaya hidup di setiap provinsi, dan perjanjian kerja kolektif yang berlaku. Semua karyawan perkebunan tetap yang tidak bekerja di kantor mendapatkan tunjangan perumahan, kesehatan, dan pendidikan untuk keluarga mereka. Kami juga menghormati hak untuk bernegosiasi secara kolektif dan mendukung keanggotaan serikat pekerja.

Keselamatan dan keamanan karyawan kami merupakan prioritas utama. Kami memastikan setiap lokasi beroperasi sesuai dengan SMK3, yaitu standar manajemen kesehatan dan keselamatan kerja (K3) Indonesia. Kami juga menyediakan pelatihan penyegaran tahunan, briefing keselamatan harian, dan protokol kepatuhan yang ketat untuk meminimalkan risiko kesehatan dan kecelakaan.

Program pelatihan dan pengembangan kami mendorong pertumbuhan profesional, membantu mempertahankan talenta dan menarik karyawan baru. Dengan berinvestasi dalam pengembangan keterampilan dan kemajuan karier, kami meningkatkan kepuasan kerja dan memperkuat posisi kami secara kompetitif di pasar tenaga kerja.



Our plantation staff at Pahu Makmur Estate, West Kutai, East Kalimantan. Staff perkebunan kami di Pahu Makmur Estate, Kutai Barat, Kalimantan Timur.

Community Relations (GRI 3-3)

As a leading palm oil company, we recognise our responsibility to create positive impacts for local communities where we operate. We uphold community rights, including the FPIC rights of indigenous peoples affected by our activities and work proactively to address stakeholder needs. Our engagement with the community is guided by the relevant practices established by Indonesian law, the UN Universal Declaration of Human Rights, and International Labour Organization (ILO) conventions ratified by Indonesia. This includes supporting local development through partnerships with government programs such as our *Work and Estate Living Programme* and by providing access to essential services like healthcare and education.

Hubungan Masyarakat (GRI 3-3)

Sebagai perusahaan kelapa sawit terkemuka, kami menyadari tanggung jawab kami untuk menciptakan dampak positif bagi komunitas lokal di mana kami beroperasi. Kami menghormati hak-hak komunitas, termasuk hak FPIC (Free, Prior and Informed Consent) masyarakat adat yang terdampak oleh kegiatan kami, dan bekerja secara proaktif untuk memenuhi kebutuhan pemangku kepentingan. Keterlibatan kami dengan komunitas didasarkan pada praktik-praktik yang ditetapkan oleh undang-undang Indonesia, Deklarasi Universal Hak Asasi Manusia PBB, dan konvensi-konvensi Organisasi Buruh Internasional (ILO) yang telah diratifikasi oleh Indonesia. Hal ini termasuk mendukung pengembangan lokal melalui kemitraan dengan program pemerintah seperti Program Kerja dan Kehidupan Perkebunan kami, serta menyediakan akses ke layanan esensial seperti kesehatan dan pendidikan.



Training for MSMEs at Kertasarie Estate, Bandung Regency, West Java, aimed at strengthening local entrepreneurship and enhancing community skills. Pelatihan bagi UMKM di Kebun Kertasarie, Kabupaten Bandung, Jawa Barat, bertujuan untuk memperkuat kewirausahaan lokal dan meningkatkan keterampilan masyarakat

BUSINESS OVERVIEW

TINJAUAN USAHA

INTRODUCTION

LONSUM operates as a diversified, vertically integrated agribusiness spanning the entire value chain. Our operations stretch from plantation management and crop production to processing. Our processing facilities produce palm oil, rubber, cocoa, and tea. Our Indonesian oil palm estates are mainly in rural Sumatra and Kalimantan.

We have plantation R&D centres at Sumatra Bioscience (SumBio) in Bah Lias, North Sumatra. These focus on improving yield, crop resilience, pest and disease control, and estate management practices. They carefully select oil palm varieties from Southeast Asia and Africa to develop high-yield, non-GMO seeds.

PENGANTAR

LONSUM beroperasi sebagai perusahaan agribisnis yang beragam dan terintegrasi secara vertikal yang mencakup seluruh rantai nilai. Operasi kami mencakup pengelolaan perkebunan dan produksi tanaman hingga pengolahan. Fasilitas pengolahan kami memproduksi minyak kelapa sawit, karet, kakao, dan teh. Kebun kelapa sawit kami di Indonesia sebagian besar terletak di daerah pedesaan Sumatra dan Kalimantan.

Kami memiliki pusat penelitian dan pengembangan (R&D) perkebunan di Sumatra Bioscience (SumBio) di Bah Lias, Sumatera Utara. Pusat-pusat ini berfokus pada peningkatan hasil panen, ketahanan tanaman, pengendalian hama dan penyakit, serta praktik pengelolaan perkebunan. Mereka secara selektif memilih varietas kelapa sawit dari Asia Tenggara dan Afrika untuk mengembangkan benih berproduksi tinggi dan non-GMO.



Fresh Fruit Bunch (FFB) harvest at Sei Rumbia Estate, South Labuhan Batu, North Sumatra
Hasil panen TBS di Sei Rumbiya Estate, Labuhan Batu Selatan, Sumatera Utara

OUR OPERATIONS IN INDONESIA (GRI 2-6) | OPERASI KAMI DI INDONESIA (GRI 2-6)



SEED BREEDING PEMBIBITAN BENIH

At our R&D centre, we engineer more efficient, resilient seeds and planting materials.
Di pusat Litbang, kami merekayasa benih dan bahan tanam yang lebih efisien dan tangguh.

1
R&D Centre
Pusat R&D



PLANTATIONS PERKEBUNAN

In nucleus and smallholders' plantations, we grow oil palms, rubber, cocoa and tea in a responsible manner.
Di perkebunan inti dan perkebunan rakyat, kami menanam kelapa sawit, karet, kakao, dan teh secara bertanggung jawab.

Planted area (hectares)
Area yang ditanami (hektar)

90,798
oil palm | kelapa sawit

16,203
rubber | karet

110,982
nucleus area covering
all crops
luas lahan inti yang mencakup
semua tanaman

3,981
other crops
tanaman lain

35,861
plasma partnership for
oil palm and rubber
kemitraan plasma untuk kelapa
sawit dan karet

Partnership
Kemitraan

>17,000
plasma smallholders
petani plasma



MILLS PABRIK

At our mills, we process FFB into CPO and CPKO, latex into crumb and sheet rubber
Di pabrik kami, kami mengolah TBS menjadi CPO dan CPKO, lateks menjadi karet serpihan dan lembaran

FFB processing capacity | Kapasitas pengolahan TBS

12
palm oil mills
pabrik kelapa sawit

2.7M
tonnes of FFB per year
ton TBS per tahun

1.3M
tonnes of FFB from our nucleus estates, plasma, and third parties milled into
292,000 tonnes of CPO and **82,000** tonnes of PK in FY2025
ton TBS dari perkebunan inti, plasma, dan pihak ketiga diolah menjadi
292.000 ton CPO dan **82.000** ton PK pada FY2025

290,000 tonnes of CPO sold: **86%** to SIMP, **14%** to external parties
290.000 ton CPO dijual: **86%** ke SIMP, **14%** ke pihak eksternal

Rubber processing capacity | Kapasitas pengolahan karet

5 (3 crumb and 2 sheet)
rubber processing facilities

33,000 tonnes of crumb and sheet
rubber per year

5 (3 karet remah dan 2 karet lembaran)

33.000 ton karet remah dan karet lembaran

LONSUM Subsidiary, PT LONSUM, Secures Third Katadata ESG Index Award for ESG Excellence

Anak Perusahaan LONSUM, PT LONSUM, Raih Penghargaan Ketiga Katadata ESG Index untuk Keunggulan ESG

PT LONSUM was honoured with the Katadata ESG Index Award for the third consecutive time, recognising the company's sustained commitment to initiatives that generate positive environmental outcomes and support resilient, sustainable business systems.

The award was presented at the Sustainability Action for the Future Economy (SAFE) 2025 appreciation night, held on 10 September 2025 at Hotel Kempinski, Jakarta. The assessment is based on the Katadata ESG Index, introduced in 2022 and covers eight industry sectors. A gender pillar was added to the index in 2025, further broadening its scope.

For PT LONSUM, this achievement underscores a long-term commitment to integrating ESG principles into core business strategies and operational practices. The award also reinforces LONSUM Group's ongoing efforts to drive responsible, sustainable, and inclusive practices throughout our value chain.

PT LONSUM kembali meraih penghargaan Katadata ESG Index Award untuk ketiga kalinya secara berturut-turut, sebagai pengakuan atas komitmen berkelanjutan perusahaan dalam melaksanakan inisiatif yang menghasilkan dampak positif bagi lingkungan dan mendukung sistem bisnis yang tangguh dan berkelanjutan.

Penghargaan tersebut diserahkan pada malam penghargaan Sustainability Action for the Future Economy (SAFE) 2025, yang diselenggarakan pada 10 September 2025 di Hotel Kempinski, Jakarta. Penilaian didasarkan pada Katadata ESG Index, yang diperkenalkan pada 2022 dan mencakup delapan sektor industri. Pilar gender ditambahkan ke dalam indeks pada 2025, memperluas cakupannya lebih lanjut.

Bagi PT LONSUM, pencapaian ini menandakan komitmen jangka panjang untuk mengintegrasikan prinsip-prinsip ESG ke dalam strategi bisnis inti dan praktik operasional. Penghargaan ini juga memperkuat upaya berkelanjutan Grup LONSUM dalam mendorong praktik yang bertanggung jawab, berkelanjutan, dan inklusif di seluruh rantai nilai kami.



Group Head of Sustainability at PT LONSUM, Muhammad Waras, proudly accepting KataData ESG Award for the 3rd time.
Head of Sustainability di PT LONSUM, Muhammad Waras, dengan bangga menerima Penghargaan ESG KataData untuk ketiga kalinya.

WORKFORCE PROFILE (GRI 2-7,2-8) PROFIL TENAGA KERJA (GRI 2-7,2-8)



23,616 WORKFORCE
23.616 TENAGA KERJA

By employment status:
Berdasarkan status ketenagakerjaan:

13,944
permanent employees
karyawan tetap

4,750
non permanent employees
karyawan tidak tetap

4,922
seasonal contract workers
karyawan kontrak musiman

By gender:
Berdasarkan jenis kelamin:

15%
female
wanita

85%
male
pria

By operation:
Berdasarkan operasi:

95%
based in field and
processing sites
berbasis di lapangan dan
lokasi pemrosesan

5%
based in head and
regional offices
berbasis di kantor pusat
dan wilayah

By region:
Berdasarkan wilayah:

89%
based in Sumatra and
Kalimantan
berada di Sumatra dan
Kalimantan

11%
based in Java and Sulawesi
berada di Jawa dan Sulawesi

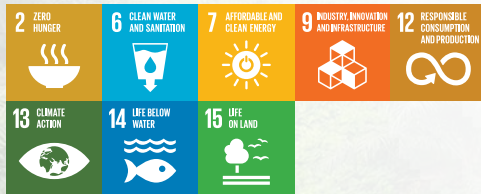
PROTECTING OUR ENVIRONMENT PERLINDUNGAN LINGKUNGAN

INTRODUCTION

Indonesia's archipelago is rich in biodiversity but faces growing climate challenges, including extreme weather patterns that impact ecosystems and communities. LONSUM is committed to operating as a responsible agribusiness by prioritising ecosystem protection and building long-term resilience and sustainability

This section outlines our progress in environmental stewardship, focusing on key areas such as fire management, climate change mitigation and adaptation, resource efficiency, waste management and the responsible use of chemicals.

Aligned with SDGs | Sebagaimana SDGs



Scope of section | Ruang lingkup bagian ini

Palm oil and rubber operations
Operasi minyak sawit dan karet

PENGANTAR

Kepulauan Indonesia kaya akan keanekaragaman hayati, namun menghadapi tantangan iklim yang semakin meningkat, termasuk pola cuaca ekstrem yang berdampak pada ekosistem dan masyarakat. LONSUM berkomitmen untuk beroperasi sebagai agribisnis yang bertanggung jawab dengan memprioritaskan perlindungan ekosistem dan membangun ketahanan jangka panjang serta keberlanjutan.

Bagian ini menjelaskan kemajuan kami dalam pengelolaan lingkungan, dengan fokus pada bidang-bidang utama seperti pengelolaan kebakaran, mitigasi dan adaptasi perubahan iklim, efisiensi sumber daya, pengelolaan limbah, dan penggunaan bahan kimia yang bertanggung jawab..

Material topics and focus areas:

- Protection of forests, peatland and biodiversity
- Fire control and haze prevention
- Climate change and GHG emissions
- Energy management
- Water, waste and effluents
- Use of fertilisers, pesticides and chemicals

Topik dan bidang fokus:

- Pelestarian hutan, lahan gambut, dan keanekaragaman hayati
- Pengendalian kebakaran dan pencegahan bencana asap
- Perubahan iklim dan emisi gas rumah kaca
- Pengelolaan energi
- Air, limbah, dan limbah cair
- Penggunaan pupuk, pestisida, dan bahan kimia



UPDATES FOR 2025 PEMBARUAN UNTUK 2025



In this section
Pada bagian ini

Protection of forests, peatland and biodiversity

Perlindungan hutan, lahan gambut, dan keanekaragaman hayati

- **No primary forest clearance on our sites**
Tidak ada pembukaan hutan primer di lokasi kami
- **No degradation of HCV areas**
Tidak ada degradasi area HCV
- **No new planting on peatland since 2013**
Tidak ada penanaman baru di lahan gambut sejak 2013
- **Maintained healthy water levels**
Menjaga tingkat air yang sehat

Fire control and haze prevention

Pengendalian kebakaran dan pencegahan bencana asap

- **Zero burning for land clearing and replanting**
Nol pembakaran untuk pembukaan lahan dan penanaman ulang
- **Trained fire control team in every estate**
Tim pengendalian kebakaran yang terlatih di setiap perkebunan

Climate change and GHG emissions

Perubahan iklim dan emisi gas rumah kaca

- **1% increase in Total GHG emissions from mills and estate operations**
1% peningkatan total emisi GRK dari operasional pabrik dan perkebunan
- **99% of fuel used in palm oil mills is from renewable products**
99% bahan bakar yang digunakan di pabrik kelapa sawit berasal dari sumber terbarukan

Energy management

Manajemen Energi

- **1% reduction of energy intensity for mills compared to 2020 baseline**
1% penurunan intensitas energi di pabrik dibandingkan baseline 2020
- **99% of fuel used in mills from renewable sources**
99% bahan bakar yang digunakan di pabrik berasal dari sumber terbarukan
- **10 mills implemented the Energy Management Systems**
10 pabrik telah menerapkan Sistem Manajemen Energi

Water, waste and effluents

Air, limbah, dan limbah cair

- **5% increase of water intensity for mills compared to 2020 baseline**
5% peningkatan intensitas penggunaan air di pabrik dibandingkan baseline 2020
- **100% hazardous waste disposed by an accredited 3rd party**
100% limbah B3 dikelola oleh pihak ketiga yang terakreditasi
- **100% of milling waste reused by estates and mills**
100% limbah pabrik dimanfaatkan kembali oleh perkebunan dan pabrik

PROTECTING OUR ENVIRONMENT MELINDUNGI LINGKUNGAN KITA

Material Topics Topik Materi	Goal/target Tujuan/target	Updates for 2025 Perkembangan di tahun 2025
Climate Change and GHG Emissions Perubahan Iklim dan Emisi Gas Rumah Kaca	3% Energy intensity reduction in 2025 based on 2020 baseline across all oil palm operations Penurunan intensitas energi sebesar 3% pada tahun 2025 dibandingkan dengan baseline 2020 di seluruh operasi perkebunan kelapa sawit	1% reduction of energy intensity for mills compared to 2020 baseline 1% penurunan intensitas energi di pabrik dibandingkan baseline 2020
	Reduce GHG emissions per tonne of palm product Mengurangi emisi gas rumah kaca per ton produk kelapa sawit	1% increase in Total GHG emissions from mills and estate operations 1% peningkatan total emisi GRK dari operasional pabrik dan perkebunan

Material Topics Topik Materi	Goal/target Tujuan/target	Updates for 2025 Perkembangan di tahun 2025
Water, Waste and Effluents Air, Limbah, dan Limbah Cair	3.5 % Intensity reduction across all oil palm operations (M3/tonne of CPO production) by 2025, based on 2020 baseline Mengurangi 3.5% intensitas di seluruh operasi kelapa sawit (M3/ton produksi CPO) pada tahun 2025, berdasarkan data dasar tahun 2020	5% increase of water intensity for mills compared to 2020 baseline 5% peningkatan intensitas penggunaan air di pabrik dibandingkan baseline 2020
	Maintain effluent levels to be within local regulation thresholds Menjaga level limbah cair agar berada dalam batasan peraturan setempat	All effluent levels within regulation thresholds Semua tingkat limbah cair berada dalam batas ambang yang ditetapkan oleh peraturan
Fire Control and Haze Prevention Pengendalian kebakaran dan pencegahan kabut asap	Conduct a fire control training sessions at 57 locations to ensure coverage across all estates. Menyelenggarakan sesi pelatihan pengendalian kebakaran di 57 lokasi untuk memastikan cakupan di seluruh kawasan pemukiman.	Fire control training sessions have been conducted at 45 or 79% locations to ensure coverage throughout our plantation Pelatihan pengendalian kebakaran telah dilaksanakan di 45 lokasi atau 79% dari seluruh lokasi untuk memastikan cakupan di seluruh area perkebunan kami..
Protection of Forests, Peatlands and Biodiversity Perlindungan hutan, lahan gambut, dan keanekaragaman hayati	Compliance with our policy of no deforestation and zero HCV loss Kepatuhan terhadap kebijakan terkait deforestasi dan nihil kerusakan NKT	No primary forest or HCV land was affected during new planting and replanting in 2025 Tidak ada hutan primer atau lahan NKT yang terdampak selama penanaman baru dan penanaman ulang pada tahun 2025
Use of Fertilisers, Pesticides and Chemicals Penggunaan pupuk, pestisida, dan bahan kimia	To achieve 100% use of available organic fertiliser (Empty Fruit Bunches (EFBs) and POME from our mills) Untuk mencapai penggunaan 100% pupuk organik yang tersedia (Empty Fruit Bunches (EFBs) dan POME dari pabrik kami)	Achieved Tercapai
	Improve Integrated Pest Management and reduce chemical pesticide use by 5% by 2030 from 2020 baseline Meningkatkan Pengelolaan Hama Terpadu dan mengurangi penggunaan pestisida kimia sebesar 5% pada tahun 2030 berdasarkan data tahun 2020	54% increase in pesticides used compared to 2020 baseline 54% peningkatan penggunaan pestisida dibandingkan baseline 2020



PROTECTION OF FORESTS, PEATLAND AND BIODIVERSITY (GRI 3-3, 101-1, 2, 4, 5, 6, 7, 8)

We recorded zero primary forest clearance and degradation of HCV areas in 2025.

Our dedication centers on the preservation of HCV and HCS areas. This commitment is operationalised through our Policy, which establishes the essential framework for all our procedures and practices. We have established biodiversity targets focused on conservation encompassing the management of HCV and HCS areas within our operations. We recognise the alignment of the Indonesian Biodiversity Strategy and Action Plan (IBSAP 2025–2045) with the Kunming-Montreal Global Biodiversity Framework (KMGBF). To further support these national and global biodiversity goals, we will actively work to align our biodiversity efforts more closely, ensuring we contribute to broader conservation goals.

Before any new planting, we apply the HCS Approach Toolkit, a standardised, science-based methodology developed by the multi-stakeholder HCS Approach Steering Group (HCSA)³, to accurately determine whether land should be cultivated or permanently preserved by identifying protected species in our concessions and surrounding areas. Each land area is given a rating based on their ecological and social significance, whether they are areas of high biodiversity, areas facing declining ecosystem integrity, areas of high water risk, or areas vital to local communities. The assessment of HCV areas is verified through internal reviews and accredited third-party assessments.

The designated HCV areas within our operational landscape consist of indigenous territories, habitats for endangered species and so-called riparian zones⁴. In 2025, no negative impacts on primary forests or HCV areas were recorded during our planting and replanting operations.

³HCSA is a multi-stakeholder body composed of companies, environmental NGOs, and technical experts. It was established to develop, govern, and promote the HCS Approach methodology, which aims to halt deforestation caused by the clearing of high-carbon forests for commodity production.

³HCSA adalah badan multi-pemangku kepentingan yang terdiri dari perusahaan, LSM lingkungan, dan pakar teknis. Badan ini didirikan untuk mengembangkan, mengatur, dan mempromosikan metodologi Pendekatan HCS, yang bertujuan untuk menghentikan deforestasi yang disebabkan oleh penebangan hutan berkarbon tinggi untuk produksi komoditas.

⁴Riparian zones are areas of land directly adjacent to rivers, stream or other bodies of water that are ecologically important.

⁴ Zona riparian adalah area lahan yang berbatasan langsung dengan sungai, aliran air, atau badan air lainnya yang penting secara ekologis.

PERLINDUNGAN HUTAN, LAHAN GAMBUT, DAN KEANEKARAGAMAN HAYATI (GRI 3-3, 101-1, 2, 4, 5, 6, 7, 8)

Tidak ada pembukaan lahan hutan primer dan degradasi area NKT pada tahun 2025.

Fokus komitmen kami terletak pada pelestarian area NKT dan SKT. Komitmen ini dioperasionalkan melalui Kebijakan kami, yang menjadi kerangka dasar bagi seluruh prosedur dan praktik yang kami jalankan. Kami telah menetapkan target keanekaragaman hayati yang berfokus pada upaya konservasi, termasuk pengelolaan area NKT dan SKT dalam operasional kami. Kami juga mengakui keselarasan antara Strategi dan Rencana Aksi Keanekaragaman Hayati Indonesia (IBSAP 2025–2045) dengan Kunming-Montreal Global Biodiversity Framework (KMGBF). Untuk semakin mendukung target keanekaragaman hayati di tingkat nasional dan global, kami akan secara aktif menyelaraskan upaya keanekaragaman hayati kami secara lebih erat, sehingga dapat berkontribusi pada tujuan konservasi yang lebih luas.

Sebelum melakukan penanaman baru, kami menerapkan HCS Approach Toolkit, yaitu metodologi berbasis sains yang terstandarisasi dan dikembangkan oleh kelompok multi-pemangku kepentingan HCS Approach Steering Group (HCSA)³, untuk secara akurat menentukan apakah suatu lahan dapat dibudidayakan atau harus dilestarikan secara permanen, dengan mengidentifikasi spesies yang dilindungi di dalam konsesi kami dan area sekitarnya. Setiap area lahan kemudian diberi penilaian berdasarkan signifikansi ekologis dan sosialnya, apakah termasuk area dengan keanekaragaman hayati tinggi, area yang mengalami penurunan integritas ekosistem, area dengan risiko air tinggi, atau area yang penting bagi masyarakat lokal. Penilaian terhadap area NKT diverifikasi melalui tinjauan internal serta penilaian oleh pihak ketiga yang terakreditasi.

Kawasan NKT yang ditunjuk dalam lanskap operasional kami meliputi wilayah adat, habitat spesies terancam punah, dan zona riparian⁴. Pada tahun 2025, tidak ada dampak negatif terhadap hutan primer atau kawasan NKT yang tercatat selama operasi penanaman dan penanaman ulang kami.

HCV Management and Rehabilitation Plans Across All LONSUM Sites

We recognise the vital role of biodiverse ecosystems and acknowledge the potential for our operations to impact biodiversity within the plantation landscape. Palm oil, rubber, and sugar production depend on services such as water purification, soil fertility, pollination, climate regulation, and habitat provision. These services also directly benefit our stakeholders, including smallholders, local communities, workers, and Indigenous communities. We actively manages our operations to protect these crucial resources.

We enforce a strict zero-tolerance policy for all operations and suppliers, explicitly prohibiting any activity that could damage HCV areas. This includes logging and burning, as well as the poaching, injuring or killing of wildlife - whether Rare, Threatened, Endangered (RTE), endemic or ecologically important. We purposefully install warning signs and establish boundary pits around HCV zones to deter violations.

Rencana Pengelolaan dan Rehabilitasi NKT di Seluruh Lokasi LONSUM

Kami menyadari peran penting ekosistem yang kaya keanekaragaman hayati serta potensi dampak operasional kami terhadap keanekaragaman hayati di lanskap perkebunan. Produksi kelapa sawit, karet, dan gula bergantung pada berbagai jasa ekosistem seperti pemurnian air, kesuburan tanah, penyerbukan, pengaturan iklim, serta penyediaan habitat. Jasa-jasa ini juga secara langsung memberikan manfaat bagi para pemangku kepentingan kami, termasuk petani plasma, masyarakat lokal, pekerja, dan komunitas adat. Oleh karena itu, kami secara aktif mengelola operasional untuk melindungi sumber daya penting tersebut.

Kami menerapkan kebijakan tanpa toleransi (zero-tolerance) yang ketat bagi seluruh operasional dan pemasok, dengan secara tegas melarang segala aktivitas yang dapat merusak area NKT. Hal ini mencakup penebangan dan pembakaran, serta perburuan, pelukaan, atau pembunuhan satwa liar—baik yang tergolong Langka, Terancam, Dilindungi (RTE), endemik, maupun yang memiliki nilai ekologis penting. Kami juga secara khusus memasang papan peringatan serta membangun parit batas di sekitar zona NKT untuk mencegah pelanggaran.



Monitoring of High Conservation Value (HCV) areas at Isuy Makmur Estate, West Kutai, East Kalimantan.
Pemantauan kawasan Nilai Konservasi Tinggi (NKT) di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur



"To date, we have identified 13,428 hectares of HCV areas across our sites"
 "Sampai saat ini, kami telah mengidentifikasi 13.428 hektar area NKT di seluruh lokasi kami"



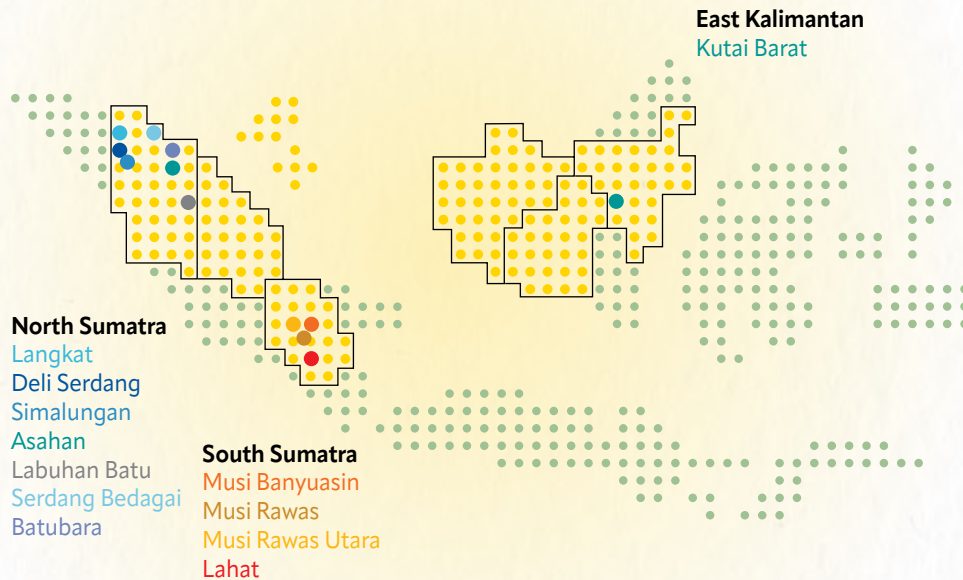
"All of our sites have HCV Management Plans in place to monitor any disturbances to HCV areas"
 "Seluruh lokasi kami memiliki Rencana Pengelolaan NKT yang berlaku untuk memantau gangguan terhadap area NKT"



"All of our sites have HCV Rehabilitation Plans to enhance biodiversity and promote afforestation, especially in riparian areas"
 "Semua lokasi kami memiliki Rencana Rehabilitasi NKT untuk meningkatkan keanekaragaman hayati dan mendorong reboisasi, terutama di area riparian"



In 2025, we have planted approximately 1,800 trees in over 23 hectares of HCV areas
 Pada tahun 2025, kami telah menanam sekitar 1.800 pohon di lebih dari 23 hektare area NKT.



Our HCV Management Plans are approved by accredited assessors. Each site has a custom rehabilitation plan, as shown in the accompanying map. Trained teams manage these areas and patrol them monthly to monitor vegetation and wildlife, developing conservation strategies for species listed on the International Union for Conservation and Nature (IUCN) Red List⁵.

Tracking biodiversity indicators and the health of species is key to minimising impact. We employ drones, utilise satellite imagery and conduct local community interviews, among other methods, to monitor biodiversity. Flora and fauna monitoring is conducted every six months, with results submitted to the Natural Resources Conservation Agency (BKSDA). In addition, we prepare a separate annual report for BKSDA that provides comprehensive data on monitoring outcomes, rehabilitation progress, and challenges encountered. Separately, we are also required to submit RKL-RPL (Environmental Management and Monitoring Plan) reports to the Indonesian authorities on a semi-annual basis. These reports serve as a means for guiding the tracking and management of the social and environmental impacts of our operations. This framework enables us to monitor and mitigate potential environmental impacts, ensuring we maintain ecosystem integrity, prevent pollution, protect endangered species, and guard against the introduction of invasive species.

Rencana Pengelolaan NKT kami disetujui oleh asesor terakreditasi. Setiap lokasi memiliki rencana rehabilitasi yang disesuaikan, sebagaimana ditunjukkan dalam peta yang menyertainya. Tim yang telah terlatih mengelola area ini dan melakukan patroli bulanan untuk memantau vegetasi serta satwa liar, sekaligus mengembangkan strategi konservasi bagi spesies yang tercantum dalam Daftar Merah International Union for Conservation and Nature (IUCN)⁵.

Pemantauan indikator keanekaragaman hayati dan kesehatan spesies merupakan kunci untuk meminimalkan dampak. Kami menggunakan drone, memanfaatkan citra satelit, serta melakukan wawancara dengan masyarakat lokal, di antara berbagai metode lainnya, untuk memantau keanekaragaman hayati. Pemantauan flora dan fauna dilakukan setiap enam bulan, dengan hasil yang disampaikan kepada Balai Konservasi Sumber Daya Alam (BKSDA). Selain itu, kami juga menyusun laporan tahunan terpisah untuk BKSDA yang memuat data komprehensif mengenai hasil pemantauan, kemajuan rehabilitasi, serta tantangan yang dihadapi. Secara terpisah, kami juga diwajibkan untuk menyampaikan laporan RKL-RPL (Rencana Pengelolaan dan Pemantauan Lingkungan) kepada otoritas Indonesia setiap enam bulan. Laporan ini berfungsi sebagai panduan dalam pelacakan dan pengelolaan dampak sosial dan lingkungan dari operasional kami. Kerangka kerja ini memungkinkan kami untuk memantau dan memitigasi potensi dampak lingkungan, memastikan terjaganya integritas ekosistem, mencegah pencemaran, melindungi spesies terancam punah, serta mencegah masuknya spesies invasif.

⁵ The IUCN Red List is an inventory by the IUCN which specifies plants and animal species considered most vulnerable to extinction.

⁵Daftar Merah IUCN merupakan inventaris yang disusun oleh IUCN yang mengidentifikasi spesies tumbuhan dan satwa yang paling rentan terhadap kepunahan.



We extend our biodiversity commitment beyond direct operations by actively managing our supply chain. This includes using supplier questionnaire responses and regular audits, implementing corrective action plans for non-compliant suppliers, especially those involved in illegal deforestation or peatland development, and applying ISPO standards as a standard for driving positive environmental outcomes. We continuously invest in capacity building for employees and raise public awareness on HCV conservation. To keep estate employees updated on best practices, we provide regular training on HCV Monitoring and Rehabilitation.

In 2024, we carried out a comprehensive assessment of our environmental footprint, examining how plantation activities interact with nature, covering agricultural practices, transportation, habitat integrity, and water management. To minimise these impacts, we maintain buffer zones near conservation areas and implement mitigation measures that are regularly monitored and adapted. As part of our commitment to biodiversity, we also participated in a national wildlife inventory in East Java led by the Ministry of Forestry, using camera traps to monitor species such as leopards, monkeys, and squirrels.

- ▶ A full list of protected species found on our estates, including those on the IUCN Red List and Indonesia's national conservation lists, is available on our website. Daftar lengkap spesies dilindungi yang ditemukan di perkebunan kami, termasuk yang terdaftar dalam Daftar Merah IUCN dan daftar konservasi nasional Indonesia, tersedia di situs web kami.

In 2025, we strengthened our biodiversity efforts through targeted initiatives, including restoring native plant species and protecting rare flora within our plantation areas. For example, our Biodiversity Seed Bank Program focuses on cultivating native species such as Jelutung and Meranti in dedicated nurseries within our plantation areas. Beyond habitat preservation, the programme also helps maintain water quality insurrounding ecosystems. We also employ nature-based techniques to enhance ecological health across our operations. These include implementing Integrated Pest Management (IPM) strategies and utilising POME to create compost for soil rehabilitation. Further details on these initiatives can be found in the "Use of Fertilisers, Pesticides and Chemicals" section on page 63.

In line with these efforts, we are also prioritising the conservation of rare species such as *Nepenthes ampullaria*, a unique pitcher plant native to Southeast Asia that is increasingly rare and requires targeted protection. LONSUM is committed to preserving its natural habitat through land rehabilitation and community education programmes. These initiatives not only safeguard this species for future generations but also help maintain ecosystem balance across our plantation areas.

Kami memperluas komitmen terhadap keanekaragaman hayati melampaui operasi langsung dengan secara aktif mengelola rantai pasok. Hal ini mencakup penggunaan kuesioner pemasok dan audit rutin, penerapan rencana tindakan perbaikan bagi pemasok yang tidak patuh—terutama yang terlibat dalam deforestasi ilegal atau pengembangan di lahan gambut—serta penerapan standar ISPO sebagai acuan untuk mendorong kinerja lingkungan yang positif. Kami juga secara berkelanjutan berinvestasi dalam peningkatan kapasitas karyawan serta meningkatkan kesadaran publik terkait konservasi NKT. Untuk memastikan karyawan di unit perkebunan selalu mengikuti praktik terbaik, kami menyediakan pelatihan rutin mengenai Pemantauan dan Rehabilitasi NKT.

Pada tahun 2024, kami melakukan penilaian komprehensif terhadap jejak lingkungan kami, dengan mengkaji bagaimana aktivitas perkebunan berinteraksi dengan alam, mencakup praktik pertanian, transportasi, integritas habitat, dan pengelolaan air. Untuk meminimalkan dampak tersebut, kami menjaga zona penyangga di sekitar area konservasi serta menerapkan langkah-langkah mitigasi yang dipantau dan disesuaikan secara berkala. Sebagai bagian dari komitmen terhadap keanekaragaman hayati, kami juga berpartisipasi dalam inventarisasi satwa liar tingkat nasional di Jawa Timur yang dipimpin oleh Kementerian Kehutanan, dengan menggunakan kamera jebak untuk memantau spesies seperti macan tutul, monyet, dan tupai.

Pada tahun 2025, kami memperkuat upaya keanekaragaman hayati melalui berbagai inisiatif yang terarah, termasuk pemulihan spesies tanaman asli dan perlindungan flora langka di dalam area perkebunan kami. Sebagai contoh, Program Bank Benih Keanekaragaman Hayati kami berfokus pada pembudidayaan spesies asli seperti Jelutung dan Meranti di pembibitan khusus yang berada di area perkebunan. Selain pelestarian habitat, program ini juga membantu menjaga kualitas air di ekosistem sekitarnya. Kami juga menerapkan teknik berbasis alam untuk meningkatkan kesehatan ekologi di seluruh operasional kami, termasuk penerapan strategi Pengendalian Hama Terpadu (IPM) serta pemanfaatan POME untuk menghasilkan kompos guna rehabilitasi tanah. Informasi lebih lanjut mengenai inisiatif ini dapat ditemukan pada bagian "Penggunaan Pupuk, Pestisida, dan Bahan Kimia" di halaman 63.

Sejalan dengan upaya tersebut, kami juga memprioritaskan konservasi spesies langka seperti *Nepenthes ampullaria*, yaitu tanaman kantong semar khas Asia Tenggara yang semakin langka dan memerlukan perlindungan khusus. LONSUM berkomitmen untuk menjaga habitat alaminya melalui program rehabilitasi lahan dan edukasi masyarakat. Inisiatif ini tidak hanya melindungi spesies tersebut untuk generasi mendatang, tetapi juga membantu menjaga keseimbangan ekosistem di area perkebunan kami.

At LONSUM, we understand that climate action and biodiversity conservation are mutually reinforcing yet occasionally present competing demands. To navigate these potential trade-offs, we utilise a structured assessment process to ensure the risks and benefits of each operational decision are appropriately evaluated. This balanced approach is guided by our SOPs and relevant national standards.

Di LONSUM, kami memahami bahwa aksi iklim dan konservasi keanekaragaman hayati saling memperkuat, namun terkadang juga menghadirkan kebutuhan yang saling bersaing. Untuk mengelola potensi trade-off ini, kami menggunakan proses penilaian yang terstruktur guna memastikan bahwa risiko dan manfaat dari setiap keputusan operasional dievaluasi secara tepat. Pendekatan yang seimbang ini dipandu oleh SOP internal serta standar nasional yang relevan.



Pitcher plant (Nepenthes) Conservation Program Program Konservasi Tanaman (Nepenthes)

Pitcher plants (Nepenthes) are carnivorous plants that trap insects to obtain essential nutrients, enabling them to survive in nutrient-poor soils. They have a remarkable adaptation that allows them to adjust the acidity and viscosity of the fluid inside their pitchers according to the type of prey they commonly capture. Despite their resilience, many Nepenthes species, especially those endemic to parts of Indonesia, are increasingly threatened by habitat destruction, deforestation, land conversion, climate change and overexploitation for trade and private collections. As a result, several species are now classified as vulnerable or endangered.

To preserve these plants, LONSUM has implemented a conservation program that provides suitable areas for their continued growth, including the creation of artificial habitats designed to mimic their natural ecological conditions. This initiative reflects our responsibility to environmental protection and maintaining ecological balance in our operational areas. Additionally, we leverage this program to raise awareness among employees and local communities about the importance of conserving endemic, endangered and vulnerable plant species.

Kantong semar (Nepenthes) adalah tumbuhan karnivora yang menangkap serangga untuk memperoleh nutrisi penting, sehingga mampu bertahan di tanah yang miskin unsur hara. Tanaman ini memiliki adaptasi unik yang memungkinkan mereka menyesuaikan tingkat keasaman dan kekentalan cairan di dalam kantongnya sesuai dengan jenis mangsa yang umum ditangkap. Meskipun memiliki daya tahan tinggi, banyak spesies Nepenthes, khususnya yang endemik di beberapa wilayah Indonesia, semakin terancam akibat kerusakan habitat, deforestasi, alih fungsi lahan, perubahan iklim, serta eksploitasi berlebihan untuk perdagangan dan koleksi pribadi. Akibatnya, beberapa spesies kini diklasifikasikan sebagai rentan atau terancam punah.

Untuk melestarikan tanaman ini, LONSUM telah mengimplementasikan program konservasi yang menyediakan area yang sesuai untuk pertumbuhan berkelanjutan, termasuk pembangunan habitat buatan yang dirancang menyerupai kondisi ekologis alaminya. Inisiatif ini mencerminkan tanggung jawab kami terhadap perlindungan lingkungan dan menjaga keseimbangan ekosistem di wilayah operasional. Selain itu, program ini juga dimanfaatkan untuk meningkatkan kesadaran karyawan dan masyarakat sekitar mengenai pentingnya konservasi spesies tumbuhan endemik, langka, dan terancam punah.



Monitoring groundwater levels in peatland areas at Tanjung Makmur Estate, West Kutai, East Kalimantan

Pemantauan tinggi muka air tanah pada lahan gambut di Tanjung Makmur Estate, Kutai Barat, Kalimantan Timur.

⁶ Peatland refers to peat soil more than three meters deep. These tend to store vast amounts of carbon and are legally protected in Indonesia to prevent large-scale emissions and biodiversity loss.

⁶ Lahan Gambut merujuk pada tanah gambut dengan kedalaman lebih dari tiga meter. Jenis lahan ini menyimpan cadangan karbon yang sangat besar dan dilindungi secara hukum di Indonesia untuk mencegah emisi skala besar serta hilangnya keanekaragaman hayati.

Since 2013, we have ceased all new planting on peatlands and have successfully maintained water levels across the peat areas we manage.

Peatlands store about one-third of the world's soil carbon, making them vital for global climate stability. When drained or burned, they release large amounts of carbon dioxide, a major GHG that accelerates climate change.

In 2023, Indonesia's Ministry of Environment and Forestry designated certain areas within our concessions as peatland⁶ after a detailed review. To ensure compliance with peatland protection rules, the government requires companies to submit monitoring reports monthly and annually for audits purposes. LONSUM fully complies with these regulations and prohibits new development on peatlands, regardless of their depth. Any nucleus planting programmes require approval at the LONSUM Executive Board level.

Our approach to managing HCV areas, outlined on pages 44-50, also applies to peatlands. We maintain clearly defined peatland boundaries and minimum water table depths for cultivated areas, working closely with the Ministry of Environment and Forestry, the Ministry of Agriculture, and peatland experts to ensure compliance.

In 2025, we worked with the government to identify appropriate technology and service providers to enable us to meet peatland effluent monitoring regulations that were introduced in 2024. We monitor peatland water levels through peat subsidence checks, GIS-based remote sensing, and 3D flood-risk modelling, complemented by firebreak installation and canal engineering to regulate water flow during dry periods. Hydrographic and topographic maps of peatland areas have been submitted to the government to ensure transparency. In addition, automatic groundwater loggers are deployed for continuous monitoring, and we regularly consult with Ministry of Environment, Ministry of Forestry, and Ministry of Agriculture to ensure compliance with all applicable regulations.

Sejak 2013, kami telah menghentikan semua penanaman baru di lahan gambut dan berhasil mempertahankan tingkat air di seluruh area gambut yang kami kelola.

Lahan gambut menyimpan sekitar sepertiga karbon tanah di dunia, menjadikannya sangat penting bagi stabilitas iklim global. Ketika dikeringkan atau dibakar, lahan gambut melepaskan jumlah besar karbon dioksida, gas rumah kaca utama yang mempercepat perubahan iklim.

Pada tahun 2023, Kementerian Lingkungan Hidup dan Kehutanan Indonesia menetapkan beberapa area di dalam konsesi kami sebagai lahan gambut setelah tinjauan mendetail. Untuk memastikan kepatuhan terhadap peraturan perlindungan lahan gambut, pemerintah mewajibkan perusahaan untuk menyerahkan laporan pemantauan secara bulanan dan tahunan untuk tujuan audit. LONSUM sepenuhnya mematuhi peraturan ini dan melarang pengembangan baru di lahan gambut, terlepas dari kedalamannya. Setiap program penanaman inti memerlukan persetujuan di tingkat Direksi LONSUM.

Penanganan kami terhadap kawasan NKT, yang dijelaskan pada halaman 44-50, juga berlaku untuk lahan gambut. Kami menetapkan batas-batas lahan gambut yang jelas dan kedalaman permukaan air minimum untuk kawasan pertanian, bekerja sama erat dengan Kementerian Lingkungan Hidup dan Kehutanan, Kementerian Pertanian, serta para ahli lahan gambut untuk memastikan kepatuhan.

Pada tahun 2025, kami bekerja sama dengan pemerintah untuk mengidentifikasi teknologi dan penyedia layanan yang sesuai guna memenuhi peraturan pemantauan limbah rawa gambut yang diperkenalkan pada tahun 2024. Kami memantau tingkat air rawa gambut melalui pemeriksaan penurunan tanah gambut, pemantauan jarak jauh berbasis GIS, dan pemodelan risiko banjir 3D, yang dilengkapi dengan pemasangan pembatas api dan rekayasa kanal untuk mengatur aliran air selama periode kering. Peta hidrografi dan topografi kawasan rawa telah diserahkan kepada pemerintah untuk memastikan transparansi. Selain itu, logger air tanah otomatis dipasang untuk pemantauan berkelanjutan, dan kami secara rutin berkonsultasi dengan Kementerian Lingkungan Hidup, Kementerian Kehutanan, serta Kementerian Pertanian untuk memastikan kepatuhan terhadap semua peraturan yang berlaku.

Starting in 2026, we will transition to drone-based monitoring, with data transmitted through automatic weather stations in line with new government regulations for peatland management. This system will enable real-time reporting of water levels and weather conditions directly to government platforms, ensuring full compliance and enhanced transparency. In 2025, we did not experience any fires in the peatland areas. All water-level tests performed by the government during the year met regulatory standards.

Beyond compliance, LONSUM also actively engage stakeholders, including local officials, local NGOs, labour unions and community representatives, through annual meetings which serve as a platform to raise awareness, obtain feedback on our environmental management approach and address any specific environmental concerns raised.

For further information on our commitment to peatland protection, please refer to the Policy available on our website. Untuk informasi lebih lanjut mengenai komitmen kami dalam perlindungan lahan gambut, silakan lihat Kebijakan yang tersedia di situs web kami.

Mulai tahun 2026, kami akan beralih ke pemantauan berbasis drone, dengan data yang dikirimkan melalui stasiun cuaca otomatis sesuai dengan peraturan pemerintah baru mengenai pengelolaan lahan gambut. Sistem ini akan memungkinkan pelaporan secara real-time mengenai tingkat air dan kondisi cuaca langsung ke platform pemerintah, memastikan kepatuhan penuh dan transparansi yang lebih baik. Pada tahun 2025, kami tidak mengalami kebakaran di kawasan rawa gambut. Semua uji tingkat air yang dilakukan oleh pemerintah selama tahun tersebut memenuhi standar regulasi..

Selain kepatuhan, LONSUM juga secara aktif melibatkan pemangku kepentingan, termasuk pejabat lokal, LSM lokal, serikat pekerja, dan perwakilan masyarakat, melalui pertemuan tahunan yang berfungsi sebagai platform untuk meningkatkan kesadaran, mendapatkan masukan mengenai pendekatan pengelolaan lingkungan kami, dan menangani setiap masalah lingkungan yang diangka.

FIRE CONTROL AND HAZE PREVENTION (GRI 3-3)

LONSUM enforces strict zero-burning regulations across all operations and suppliers, as stipulated in our Policy. We require mechanised land clearing, especially for non-productive oil palm areas, and actively share best practices with local communities.

We take a proactive approach to fire prevention through hotspot monitoring and stakeholder education. The framework for addressing fire risks and associated scenarios is set by our ERM team. It incorporates the daily monitoring and identification of hotspots using satellite data from the National Oceanic and Atmospheric Administration (NOAA) and the U.S. National Aeronautics and Space Administration (NASA), which is then cross-referenced against LONSUM's

PENGENDALIAN KEBAKARAN DAN PENCEGAHAN BENCANA ASAP (GRI 3-3)

LONSUM menerapkan peraturan larangan pembakaran yang ketat di seluruh operasi dan pemasok, sesuai dengan kebijakan kami. Kami mewajibkan pembersihan lahan secara mekanis, terutama untuk area kelapa sawit yang tidak produktif, dan secara aktif berbagi praktik terbaik dengan masyarakat lokal.

Kami mengambil pendekatan proaktif dalam pencegahan kebakaran melalui pemantauan titik panas dan pendidikan bagi pemangku kepentingan. Kerangka kerja untuk menangani risiko kebakaran dan skenario terkait ditetapkan oleh tim ERM kami. Kerangka kerja ini mencakup pemantauan harian dan identifikasi titik panas menggunakan data satelit dari National Oceanic and Atmospheric Administration (NOAA) dan U.S. National Aeronautics and Space Administration



Fire extinguishing simulation by the fire fighting team at Tirta Agung Estate, Musi Banyuasin, South Sumatra
Simulasi pemadaman kebakaran oleh tim pemadam kebakaran di Perumahan Tirta Agung, Musi Banyuasin, Sumatera Selatan.



official concession maps. Estate managers and specialised fire teams verify potential hotspots on the ground, maintaining constant communication for rapid response. Since 2022, we have improved efficiency by partially automating satellite image monitoring, enabling employees to focus on analysis and investigation. Building on this progress, we completed the roll-out of a mobile hotspot mapping system across all estates in 2024 and, in 2025, integrated fire incident reporting into the same application, reducing manual reporting and accelerating response times for our teams.

Our fire prevention training programme was developed with Indonesia's Ministry of Environment and Forestry, the military, police and local government. To ensure readiness, our estates are equipped with firefighting vehicles and equipment, and our fire specialists receive regular training in both prevention and emergency response. In 2025, LONSUM delivered 33 fire control training days across 45 estates and mills.

Educating field workers, smallholders and local communities is also critical to our fire-risk management strategy. Without clear understanding of the risks and consequences for both the environment and plantations, other measures like our digital notification system would be far less effective. Since 2017, we have implemented community collaboration programmes to enhance local capacity and knowledge for fire prevention, engaging a total of 52 local villages in 2025.

In March 2025, Indonesian regulations on fire prevention in plantations were tightened, requiring formal fire management plans, dedicated fire brigades, and integration of modern monitoring technologies. LONSUM has fully implemented all required measures and is in full compliance with the updated standards.

In 2025, our monitoring across estates and surrounding areas recorded a total of 145 hotspot notifications. These alerts led to 27 fire incidents, with only 7 occurring within our estate boundaries. To enhance prevention, we have constructed a total of 80 fire towers.

(NASA), yang kemudian dicocokkan dengan peta konsesi resmi LONSUM. Manajer perkebunan dan tim khusus kebakaran memverifikasi titik panas potensial di lapangan, sambil menjaga komunikasi terus-menerus untuk tanggapan cepat. Sejak 2022, kami meningkatkan efisiensi dengan mengotomatisasi sebagian pemantauan gambar satelit, memungkinkan karyawan untuk fokus pada analisis dan investigasi. Berlandaskan kemajuan ini, kami menyelesaikan implementasi sistem pemetaan titik panas mobile di seluruh perkebunan pada 2024 dan, pada 2025, mengintegrasikan pelaporan insiden kebakaran ke dalam aplikasi yang sama, mengurangi pelaporan manual dan mempercepat waktu respons tim kami.

Program pelatihan pencegahan kebakaran kami dikembangkan bekerja sama dengan Kementerian Lingkungan Hidup dan Kehutanan Indonesia, militer, kepolisian, dan pemerintah daerah. Untuk memastikan kesiapan, perkebunan kami dilengkapi dengan kendaraan dan peralatan pemadam kebakaran, dan para ahli kebakaran kami menerima pelatihan rutin dalam pencegahan dan tanggap darurat. Pada tahun 2025, LONSUM menyelenggarakan 33 hari pelatihan pengendalian kebakaran di 45 perkebunan dan pabrik.

Pendidikan bagi pekerja lapangan, petani kecil, dan komunitas lokal juga sangat penting dalam strategi manajemen risiko kebakaran kami. Tanpa pemahaman yang jelas tentang risiko dan konsekuensi bagi lingkungan dan perkebunan, langkah-langkah lain seperti sistem pemberitahuan digital kami akan jauh kurang efektif. Sejak tahun 2017, kami telah melaksanakan program kolaborasi dengan masyarakat untuk meningkatkan kapasitas dan pengetahuan lokal dalam pencegahan kebakaran, dengan melibatkan total 52 desa pada tahun 2025.

Pada Maret 2025, peraturan Indonesia mengenai pencegahan kebakaran di perkebunan diperketat, yang mengharuskan adanya rencana pengelolaan kebakaran yang formal, brigade pemadam kebakaran yang khusus, dan integrasi teknologi pemantauan modern. LONSUM telah sepenuhnya menerapkan semua langkah yang diwajibkan dan sepenuhnya mematuhi standar yang diperbarui.

Pada tahun 2025, pemantauan kami di seluruh perkebunan dan area sekitarnya mencatat total 145 notifikasi hotspot. Peringatan ini mengarah pada 27 kejadian kebakaran, dengan hanya 7 kejadian yang terjadi di dalam batas area perkebunan kami. Untuk meningkatkan upaya pencegahan, kami telah membangun total 80 menara pemantau kebakaran.



CLIMATE CHANGE AND GHG EMISSIONS (GRI 3-3)

Climate change poses an urgent and escalating threat to ecosystems, communities, and future generations.

As a leading agribusiness, we recognise its profound implications for our operations and the sector at large. Rising temperatures are driving severe forest fires and prolonged droughts, while intensified rainfall is causing frequent floods. This jeopardises agricultural stability and increases the vulnerability of dependent communities.

To address these risks, we have completed a comprehensive climate vulnerability assessment aligned with the TCFD framework. A summary of identified risks is provided on page 56.

Adapting to climate change

Our most immediate climate-related challenge is the rising frequency of heavy rainfall and flooding in lowland plantation areas. Floods contaminate water sources, disrupt clean water delivery, and can damage plantation infrastructure and operations. This can delay the collection and transportation of FFB. To mitigate such risks, we rely on forecasts from Indonesia's Meteorology, Climatology and Geophysics Agency (BMKG) for our planning efforts. We conduct detailed topographic mapping to strengthen flood-prone areas. Preventive measures include upgrading drainage systems, improving road access during wet seasons, and strengthening fire protection in dry periods.

GREENHOUSE GAS (GHG) EMISSIONS (GRI 3-3)

While developing strategies to adapt to climate change, we equally recognise our responsibility to contribute to mitigation, given agriculture's significant role in global emissions.

Peatlands represent a major source of our emissions footprint, accounting for 83%, due to the location of several estates in peat regions. The majority of these emissions come from naturally occurring low-level methane, not from peat disturbances. Other contributors include methane released from palm oil mill effluent (POME), fuel use in mills, transportation of fresh fruit bunches, nitrous oxide from fertilisers, and chemical usage in plantations and mills.

PERUBAHAN IKLIM DAN EMISI GAS RUMAH KACA (GRI 3-3)

Perubahan iklim menimbulkan ancaman yang mendesak dan semakin parah bagi ekosistem, masyarakat, dan generasi mendatang.

Sebagai perusahaan agribisnis terkemuka, kami menyadari dampak yang mendalam dari perubahan iklim terhadap operasional kami dan sektor agribisnis secara keseluruhan. Peningkatan suhu menyebabkan kebakaran hutan yang parah dan kekeringan yang berkepanjangan, sementara curah hujan yang meningkat menyebabkan banjir yang sering terjadi. Hal ini mengancam stabilitas pertanian dan meningkatkan kerentanan masyarakat yang bergantung pada sektor ini

Untuk mengatasi risiko-risiko ini, kami telah menyelesaikan penilaian kerentanan iklim yang komprehensif sesuai dengan kerangka kerja TCFD. Ringkasan risiko yang diidentifikasi disajikan pada halaman 56.

Adaptasi dengan perubahan iklim

Tantangan iklim terdekat yang kami hadapi adalah meningkatnya frekuensi hujan lebat dan banjir di kawasan perkebunan dataran rendah. Banjir mencemari sumber air, mengganggu distribusi air bersih, dan dapat merusak infrastruktur dan operasional perkebunan. Hal ini dapat menunda pengumpulan dan pengangkutan TBS. Untuk mengurangi risiko tersebut, kami mengandalkan prakiraan dari Badan Meteorologi, Klimatologi, dan Geofisika (BMKG) Indonesia dalam upaya perencanaan kami. Kami melakukan pemetaan topografi detail untuk memperkuat kawasan rawan banjir. Langkah-langkah pencegahan meliputi peningkatan sistem drainase, perbaikan akses jalan selama musim hujan, dan penguatan perlindungan kebakaran selama musim kemarau.

EMISI GAS RUMAH KACA (GRI 3-3)

Saat mengembangkan strategi untuk beradaptasi dengan perubahan iklim, kami juga menyadari tanggung jawab kami untuk berkontribusi pada mitigasi, mengingat peran penting pertanian dalam emisi global.

Lahan gambut merupakan sumber utama jejak emisi kami, menyumbang 83%, karena lokasi beberapa perkebunan di daerah gambut. Sebagian besar emisi ini berasal dari metana alami tingkat rendah, bukan dari gangguan lahan gambut. Kontributor lainnya meliputi metana yang dilepaskan dari limbah pabrik kelapa sawit (POME), penggunaan bahan bakar di pabrik, transportasi buah kelapa sawit segar, oksida nitrat dari pupuk, dan penggunaan bahan kimia di perkebunan dan pabrik.

Total emissions from mills and estate operations (GHG emission intensity per tonne of palm product) experienced a 1% increased from 2024 to 2025. This increased is largely attributed to increased chemical usage, primarily due to intensified infestations of fireworm (Setora nitens) and bagworm (Metisa plana) and rehabilitation activities undertaken in selected estates in East Kalimantan.

To manage methane emissions from POME, we adopted aerated bunker composters, achieving up to an 80% reduction in emissions compared to traditional anaerobic composting methods. We plan to install more aerated bunker composters in other mills to further reduce our emissions.

We are committed to mitigating our environmental impact through a range of initiatives and policies focused on forest protection, peatland and biodiversity conservation, the adoption of renewable energy, effluent composting, fire management, and haze prevention. Collectively, these initiatives not only help to manage our carbon footprint but also play a crucial role in preserving the integrity of our ecosystems for future generations.

▶ For detailed emissions data, refer to page 101 in the Appendix.
Untuk data emisi yang lebih rinci, silakan baca halaman 101 di Lampiran.



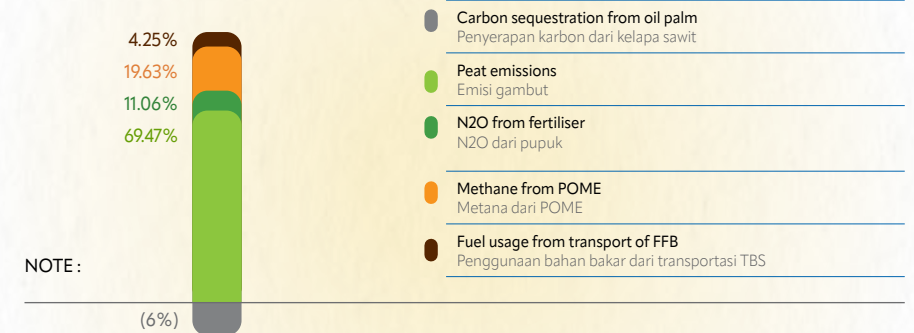
Energy monitoring at our boiler facility at Isuy Makmur Palm Oil Mill (POM), West Kutai, East Kalimantan.
Pemantauan energi di fasilitas boiler kami di Pabrik Minyak Sawit Isuy Makmur (POM), Kutai Barat, Kalimantan Timur.

Total emisi dari operasional pabrik dan perkebunan (intensitas emisi GRK per ton produk sawit) mengalami peningkatan sebesar 1% dari tahun 2024 ke 2025. Peningkatan ini terutama disebabkan oleh meningkatnya penggunaan bahan kimia, terutama karena meningkatnya serangan ulat api (Setora nitens) dan ulat kantung (Metisa plana) dan kegiatan rehabilitasi yang dilakukan di perkebunan terpilih di Kalimantan Timur.

Untuk mengelola emisi metana dari POME, kami mengadopsi sistem aerated bunker composter, yang mampu mengurangi emisi hingga 80% dibandingkan metode pengomposan anaerobik tradisional. Kami berencana memasang lebih banyak aerated bunker composter di pabrik lainnya guna semakin menurunkan emisi kami.

Kami berkomitmen untuk memitigasi dampak lingkungan melalui berbagai inisiatif dan kebijakan yang berfokus pada perlindungan hutan, konservasi lahan gambut dan keanekaragaman hayati, penerapan energi terbarukan, pengomposan limbah cair, pengelolaan kebakaran, serta pencegahan kabut asap. Secara keseluruhan, inisiatif-inisiatif ini tidak hanya membantu mengelola jejak karbon kami, tetapi juga berperan penting dalam menjaga keutuhan ekosistem bagi generasi mendatang.

GHG EMISSIONS FROM MILLS AND ESTATE OPERATION (%) EMISI GRK DARI PABRIK DAN OPERASI PERKEBUNAN (%)



NOTE:

NOTE: Emissions from (1) fuel usage in estates, (2) chemical usage in mills and plantations, (3) emissions from electricity usage and (4) fuel usage in mills are minimal (total 1.58%).
Emisi dari (1) penggunaan bahan bakar di perkebunan, (2) penggunaan bahan kimia di pabrik dan perkebunan, (3) emisi dari penggunaan listrik, dan (4) penggunaan bahan bakar di pabrik sangat minim (total 1,58).



Lonsum Crowned 'Best of the Best' at the 2025 Corporate Transparency & Emission Reduction Awards

Lonsum Sabet Predikat 'Best of the Best' dalam Ajang Transparansi Korporasi & Penurunan Emisi 2025



Lonsum's Environment and CSR Manager, Setyo Arie, personally accepted the Best of the Best honors at "The Best Corporate Transparency & Emission Reduction Award 2025." This achievement reinforces Lonsum's leadership in environmental transparency and concrete carbon reduction actions.

Manajer Environment and CSR Lonsum, Setyo Arie, menerima langsung penghargaan Best of the Best dalam ajang "The Best Corporate Transparency & Emission Reduction Award 2025". Prestasi ini menegaskan kepemimpinan Lonsum dalam transparansi lingkungan dan aksi nyata penurunan emisi karbon.

PT London Sumatra Indonesia Tbk (Lonsum) achieved a remarkable milestone by winning the top honors at "The Best Corporate Transparency & Emission Reduction Award 2025". At the prestigious event organized by Investortrust.id in Jakarta, Lonsum was crowned the best of the best for its outstanding commitment to reducing carbon emissions and maintaining exceptional corporate transparency throughout the past year.

The award was granted based on a rigorous evaluation by an independent panel of experts in economics and sustainability. Lonsum stood out for its consistency in implementing green initiatives that align with the Paris Agreement and the Indonesian government's climate change mitigation goals. The company's effective strategies in managing its carbon footprint have set a high benchmark for other players within the agricultural industry.

Securing this top-tier category reinforces Lonsum's position as a leader in ESG principles in Indonesia. This achievement proves that data transparency and concrete environmental actions can coexist with solid business performance. This recognition serves as a motivation for Lonsum to continue innovating and driving sustainable, eco-friendly corporate operations for the future.

PT London Sumatra Indonesia Tbk (Lonsum) menorehkan prestasi gemilang dengan meraih penghargaan tertinggi dalam ajang "The Best Corporate Transparency & Emission Reduction Award 2025". Dalam acara yang digelar oleh Investortrust.id di Hotel Sultan, Jakarta, Lonsum berhasil menyabet predikat best of the best atas komitmen luar biasanya dalam menekan emisi karbon dan menjalankan transparansi perusahaan yang sangat baik selama setahun terakhir.

Penghargaan ini didasarkan pada penilaian ketat oleh dewan juri independen yang terdiri dari para pakar ekonomi dan ahli keberlanjutan. Lonsum dinilai unggul karena konsistensinya dalam menjalankan inisiatif hijau yang sejalan dengan target Perjanjian Paris dan komitmen pemerintah Indonesia untuk mengurangi dampak perubahan iklim. Strategi perusahaan yang efektif dalam mengelola jejak karbon menjadikannya contoh standar tinggi bagi pelaku industri agrikultur lainnya.

Keberhasilan meraih kategori terbaik ini mempertegas posisi Lonsum sebagai pemimpin dalam penerapan prinsip ESG di Indonesia. Dengan pencapaian ini, perusahaan membuktikan bahwa transparansi data dan aksi nyata dalam menjaga kelestarian lingkungan dapat berjalan beriringan dengan kinerja bisnis yang solid. Penghargaan ini menjadi motivasi bagi Lonsum untuk terus berinovasi dalam mewujudkan operasional perusahaan yang ramah lingkungan dan berkelanjutan.



ENERGY MANAGEMENT (GRI 3-3, 305-5)

LONSUM is committed to reducing energy consumption and improving efficiency through the following core strategies:

- **Implementing Certified Energy Management Systems:** We have implemented ISO 50001-certified energy management systems in 10 mills.
- **Optimising Boiler Operations:** We have optimised boiler combustion chambers by lowering oxygen levels, resulting in reduced overall energy use.
- **Energy Conservation through Water Reuse:** We reuse condensate water from boilers, conserving water and cutting the energy required to heat new water.
- **Ensuring Maximum Operational Efficiency:** We conduct regular maintenance and review operational parameters to ensure boilers operate at maximum efficiency
- **Reduce Reliance on Non-Renewable Energy Sources:** We are gradually increasing the use of renewable alternatives in our refineries and palm oil mills.

Our sustainability team collaborates closely with Indofood Group to share best practices and drive continuous improvement.

Two energy audits were conducted in 2025, one at a factory in Bandung and another in East Java. These audits, funded by the Indonesia-UK PACT country fund⁷, identified key opportunities to improve energy efficiency. The Kertasarie Tea Factory audit provided suggestions on lighting, motor optimisation, and process improvements. At the Alas Sukses Factory, the audit included recommendations for installation of a capacitor bank to improve power factor and boiler fuel replacement to biomass. We are now reviewing the audit findings to develop and implement targeted energy-saving initiatives tailored to each factory.

We recorded a 1% reduction in energy consumption intensity in our mills in 2025 compared to the 2020 baseline.

Renewable energy practices from our palm oil operations have also been rolled out to other crop facilities, including two rubber factories, one tea factory, and one cocoa factory. These sites use renewable energy derived from palm shells. Although our mills represent a minority of our total non-renewable energy consumption, we are assessing the feasibility of installing solar panels at remote locations that are not connected to the state electricity grid (currently, 6 out of 12 mills rely on grid electricity). We are also performing a study to evaluate the feasibility of transforming POME biogas into electricity and bio-CNG, with the potential to market these products in the industrial sector.

⁷The Indonesia-UK PACT Country Fund is part of the UK government's Partnering for Accelerated Climate Transitions (UK PACT) initiative

⁷Dana Negara PACT Indonesia-Inggris adalah bagian dari inisiatif Kemitraan untuk Percepatan Transisi Iklim (UKPACT) pemerintah Inggris.

MANAJEMEN ENERGI (GRI 3-3, 305-5)

LONSUM berkomitmen untuk mengurangi konsumsi energi dan meningkatkan efisiensi melalui strategi inti berikut:

- **Menerapkan Sistem Manajemen Energi Bersertifikat:** Kami telah menerapkan sistem manajemen energi bersertifikat ISO 50001 di 10 pabrik kelapa sawit.
- **Optimasi Operasi Boiler:** Kami telah mengoptimalkan ruang pembakaran boiler dengan menurunkan tingkat oksigen, yang mengakibatkan pengurangan penggunaan energi secara keseluruhan.
- **Penghematan Energi Melalui Penggunaan Ulang Air:** Kami menggunakan kembali air kondensat dari boiler, menghemat air dan mengurangi energi yang diperlukan untuk memanaskan air baru.
- **Menjamin Efisiensi Operasional Maksimal:** Kami melakukan pemeliharaan rutin dan meninjau parameter operasional untuk memastikan boiler beroperasi dengan efisiensi maksimal.
- **Mengurangi Ketergantungan pada Sumber Energi Non-Terbarukan:** Kami secara bertahap meningkatkan penggunaan alternatif energi terbarukan di kilang minyak dan pabrik kelapa sawit kami.

Tim keberlanjutan kami bekerja sama erat dengan Indofood Group untuk berbagi praktik terbaik dan mendorong peningkatan berkelanjutan.

Dua audit energi dilakukan pada tahun 2025, satu di sebuah pabrik di Bandung dan satu lagi di Jawa Timur. Audit ini, yang didanai oleh dana negara PACT Indonesia-Inggris⁷, mengidentifikasi peluang utama untuk meningkatkan efisiensi energi. Audit Pabrik Teh Kertasarie memberikan saran tentang penerangan, optimasi motor, dan peningkatan proses. Di Pabrik Alas Sukses, audit tersebut mencakup rekomendasi untuk pemasangan bank kapasitor untuk meningkatkan faktor daya dan penggantian bahan bakar boiler dengan biomassa. Kami sekarang sedang meninjau temuan audit untuk mengembangkan dan menerapkan inisiatif penghematan energi yang ditargetkan dan disesuaikan dengan setiap pabrik.

Kami mencatat penurunan intensitas konsumsi energi sebesar 1% di pabrik kami pada tahun 2025 dibandingkan dengan baseline tahun 2020.

Praktik energi terbarukan dari operasional kelapa sawit kami juga telah diterapkan di fasilitas tanaman lainnya, termasuk dua pabrik karet, satu pabrik teh, dan satu pabrik kakao. Fasilitas-fasilitas ini menggunakan energi terbarukan yang berasal dari cangkang sawit. Meskipun pabrik kami hanya mewakili sebagian kecil dari total konsumsi energi non-terbarukan, kami sedang mengkaji kelayakan pemasangan panel surya di lokasi terpencil yang belum terhubung dengan jaringan listrik negara (saat ini, 6 dari 12 pabrik masih bergantung pada listrik dari jaringan). Kami juga tengah melakukan studi untuk mengevaluasi kelayakan pemanfaatan biogas POME menjadi listrik dan bio-CNG, dengan potensi untuk dipasarkan ke sektor industri..



99% of fuel used in mills is from renewable sources

99% bahan bakar yang digunakan di pabrik berasal dari sumber terbarukan



11 energy managers and 3 energy auditors across all facilities, who identify and implement energy reduction initiatives

11 manajer energi dan 3 auditor energi di seluruh fasilitas, yang mengidentifikasi dan mengimplementasikan inisiatif pengurangan energi

As we introduce new initiatives, we continue to monitor and conduct audits to evaluate their performance. Successful measures are scaled and replicated at other locations, adapting them as necessary to reflect site-specific conditions. This approach forms part of our broader renewable energy strategy, which is aligned with government regulations and quotas. In addition, we are certifying more facilities under ISO 50001 energy management standards to systematically improve efficiency, reduce costs and enhance environmental performance. Taskforce for Climate-related Disclosures (TCFD)

Detailed energy consumption data can be found on pages 99-100 in the Appendix. Data konsumsi energi yang rinci dapat ditemukan pada halaman 99-100 di Lampiran.

TASKFORCE FOR CLIMATE-RELATED DISCLOSURES (TCFD)

Risk and Opportunity Management

To strengthen our resilience against climate-related risks, we began aligning with TCFD recommendations since 2022. The Board of Directors provides continuous oversight of our risk management efforts. To support this, the Board receives a detailed analysis, including key insights and actionable recommendations, every three months.

In 2023, we enhanced our ERM framework, by integrating climate-related physical and transition risk. The team worked closely with the research, sustainability, and operations teams to assess climate risks and embed them into a matrix that evaluates both financial and operational impacts, considering their potential and likelihood of occurrence. Recognising the inherent physical risks of fire, flood, and drought, we maintain a robust data collection system, gathering quarterly data from our operations on incidents, weather, hotspots, and infrastructure. This data-driven approach allows us to analyse past events, predict future risks, and implement proactive management strategies. We monitor and record losses resulting from climate-related events, particularly drought, fire and flooding. We produce quarterly reports for the sustainability committee indicating the extent of plantation affected. A notable outcome of these efforts has been a significant reduction in fire incidents since 2023, a testament to the efforts of the crisis team and respective risk owners. We are refining our financial projection methodology and will publicly report when we have more confidence in our methodology and in line with regulatory reporting requirements.

Seiring dengan pengenalan upaya-upaya baru, kami terus memantau dan melakukan audit untuk mengevaluasi kinerjanya. Langkah-langkah yang berhasil diperluas dan direplikasi di lokasi lain, dengan penyesuaian yang diperlukan untuk mencerminkan kondisi spesifik lokasi. Pendekatan ini merupakan bagian dari strategi energi terbaru kami yang lebih luas, yang selaras dengan peraturan dan kuota pemerintah. Selain itu, kami sedang mengupayakan sertifikasi lebih banyak fasilitas sesuai dengan standar manajemen energi ISO 50001 untuk secara sistematis meningkatkan efisiensi, mengurangi biaya, dan memperbaiki kinerja lingkungan. Satuan Tugas Pengungkapan Informasi Terkait Iklim (TCFD)

SATUAN TUGAS PENGUNGKAPAN INFORMASI TERKAIT IKLIM (TCFD)

Pengelolaan Risiko dan Peluang

Untuk memperkuat ketahanan kami terhadap risiko terkait iklim, sejak tahun 2022 kami mulai menyelaraskan diri dengan rekomendasi TCFD. Direksi memberikan pengawasan berkelanjutan terhadap upaya manajemen risiko kami. Untuk mendukung hal ini, Dewan menerima analisis terperinci, termasuk wawasan utama dan rekomendasi yang dapat ditindaklanjuti, setiap tiga bulan.

Pada tahun 2023, kami meningkatkan kerangka Enterprise Risk Management (ERM) dengan mengintegrasikan risiko fisik dan risiko transisi terkait iklim. Tim bekerja sama erat dengan tim riset, keberlanjutan, dan operasional untuk menilai risiko iklim dan memasukkannya ke dalam matriks yang mengevaluasi dampak finansial dan operasional, dengan mempertimbangkan potensi serta kemungkinan terjadinya. Menyadari adanya risiko fisik seperti kebakaran, banjir, dan kekeringan, kami menjaga sistem pengumpulan data yang kuat, dengan mengumpulkan data triwulanan dari operasional kami terkait insiden, cuaca, titik panas, dan infrastruktur. Pendekatan berbasis data ini memungkinkan kami menganalisis kejadian masa lalu, memprediksi risiko di masa depan, serta menerapkan strategi pengelolaan yang proaktif. Kami memantau dan mencatat kerugian akibat kejadian terkait iklim, khususnya kekeringan, kebakaran, dan banjir. Kami juga menyusun laporan triwulanan untuk komite keberlanjutan yang menunjukkan luas area perkebunan yang terdampak. Salah satu hasil penting dari upaya ini adalah penurunan signifikan insiden kebakaran sejak tahun 2023, yang mencerminkan efektivitas kerja tim krisis dan para pemilik risiko terkait. Saat ini, kami terus menyempurnakan metodologi proyeksi keuangan dan akan melaporkannya secara publik ketika tingkat kepercayaan terhadap metodologi tersebut telah memadai serta sejalan dengan persyaratan pelaporan regulasi.

Scenario Analysis

We completed our first TCFD-aligned climate scenario analysis in 2022 and updated it in 2023 with targeted focus areas. This included a detailed yield assessment using ten years of internal regional data on temperature and FFB performance, combined with World Bank climate projections for Indonesia through 2051.

Climate-related risks and opportunities were evaluated under two warming scenarios:

- 2°C increase above pre-industrial levels by 2100 – aligned with the Paris Agreement, assuming strong policy action and transitional risks during the shift to a low-carbon economy.
- 4°C increase above pre-industrial levels by 2100 – a business-as-usual path with no major interventions, leading to more severe physical impacts

Our analysis highlighted potential effects on FFB yields and the need for additional flood mitigation measures. Conversely, water deficit and fire risk were sufficiently managed by our existing risk mitigation measures.

The results of the analysis are summarised on pages 24–28 of our FY2023 Sustainability Report. | Hasil analisis tersebut dirangkum pada halaman 24–28 dalam Laporan Keberlanjutan FY2023 kami.



Compost application at Pulo Rambong Estate, Serdang Bedagai, North Sumatra, converts palm oil mill by-products into organic fertilizer, reducing methane emissions and reliance on synthetic inputs.

Aplikasi pupuk kompos di Pulo Rambong Estate, Serdang Bedagai, Sumatera Utara, mengolah limbah pabrik menjadi pupuk organik, menurunkan emisi metana dan mengurangi ketergantungan pada pupuk kimia.

Analisa Skenario

Kami telah menyelesaikan analisa skenario iklim yang selaras dengan TCFD pada tahun 2022 dan memperbarui analisis tersebut pada tahun 2023 dengan fokus pada area-area prioritas. Analisis ini mencakup penilaian hasil panen yang rinci menggunakan data internal regional selama sepuluh tahun mengenai suhu dan kinerja TBS, dikombinasikan dengan proyeksi iklim Bank Dunia untuk Indonesia hingga tahun 2051.

Risiko dan peluang terkait perubahan iklim dievaluasi berdasarkan dua skenario pemanasan:

- Peningkatan suhu 2°C di atas level pra-industri pada tahun 2100 – sesuai dengan Perjanjian Paris, dengan asumsi adanya tindakan kebijakan yang kuat dan risiko transisi selama peralihan ke ekonomi rendah karbon.
- Peningkatan suhu 4°C di atas level pra-industri pada tahun 2100 – jalur bisnis seperti biasa tanpa intervensi besar, yang mengakibatkan dampak fisik yang lebih parah.

Analisa kami menyoroti potensi dampak terhadap hasil panen TBS dan kebutuhan akan langkah-langkah mitigasi banjir tambahan. Di sisi lain, defisit air dan risiko kebakaran telah dikelola dengan baik melalui langkah-langkah mitigasi risiko yang sudah ada.

WATER, WASTE AND EFFLUENTS

(GRI 2-27, 3-3, 303-1, 2, 3, 4, 5)

Water is critical to our operations, and effective resource management is essential for environmental sustainability and the well-being of surrounding communities.

The increased frequency of extreme weather, evidenced by the 2024 droughts and the intense rainfall and flooding witnessed across parts of Indonesia in 2025, underscores the urgent need for careful water management and adaptation strategies.

Our water management practices, covering withdrawal, consumption, and discharge, are overseen by our Chief Operating Officers and fully comply with all Indonesian regulations.

We protect natural waterways by establishing buffer zones where needed and operate under permits that define water sources, withdrawal volumes and discharge quality standards. Indonesia's Ministry of Energy and Mineral Resources (ESDM) requires permits before any water withdrawal. We obtain these permits only after regulatory authorities conduct thorough impact assessments and verify that our controls for the responsible extraction of water from rivers and groundwater meet all requirements. We work together with our suppliers to ensure compliance with relevant water regulations, particularly concerning wastewater treatment.

Additionally, All operational sites undergo Environmental Impact Assessments (AMDAL) during initial development to identify critical water sources supporting biodiversity and local communities. This is detailed in the HCV assessments on pages 45-49.

In 2025, we reported no instances of non-compliance related to water use or wastewater management.

AIR, LIMBAH, DAN LIMBAH CAIR (GRI 2-27, 3-3, 303-1, 2, 3, 4, 5)

Air sangat penting bagi operasional kami, dan pengelolaan sumber daya yang efektif sangat penting untuk keberlanjutan lingkungan dan kesejahteraan masyarakat sekitar.

Peningkatan frekuensi cuaca ekstrem, yang ditandai dengan kekeringan pada tahun 2024 dan hujan lebat serta banjir yang melanda sebagian wilayah Indonesia pada tahun 2025, menyoroti kebutuhan mendesak akan pengelolaan air yang hati-hati dan strategi adaptasi.

Praktik pengelolaan air kami, yang mencakup penarikan, konsumsi, dan pembuangan, diawasi oleh para Kepala Operasional kami dan sepenuhnya mematuhi semua peraturan Indonesia.

Kami melindungi aliran air alami dengan menetapkan zona penyangga di tempat-tempat yang diperlukan dan beroperasi berdasarkan izin yang mengatur sumber air, volume penarikan air, dan standar kualitas pembuangan air. Kementerian Energi dan Sumber Daya Mineral (ESDM) Indonesia mewajibkan izin sebelum melakukan penarikan air. Kami memperoleh izin-izin ini hanya setelah otoritas regulasi melakukan penilaian dampak yang komprehensif dan memastikan bahwa sistem pengendalian kami untuk penarikan air secara bertanggung jawab dari sungai dan air tanah memenuhi semua persyaratan. Kami bekerja sama dengan pemasok kami untuk memastikan kepatuhan terhadap peraturan air yang berlaku, terutama terkait dengan pengolahan air limbah.

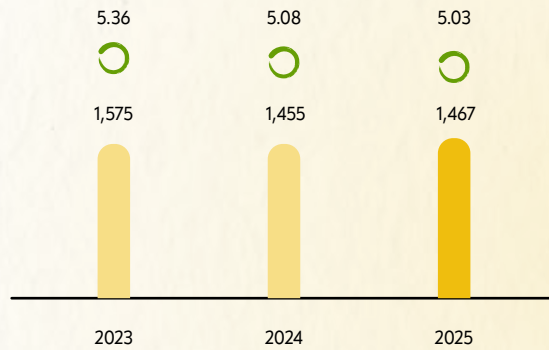
Selain itu, semua lokasi operasional menjalani Analisis Dampak Lingkungan (AMDAL) selama tahap pengembangan awal untuk mengidentifikasi sumber air kritis yang mendukung keanekaragaman hayati dan komunitas lokal. Hal ini dijelaskan secara rinci dalam penilaian NKT pada halaman 45-49.

Pada tahun 2025, kami melaporkan tidak adanya pelanggaran terkait penggunaan air atau pengelolaan limbah cair.



Water Treatment Plant in Isuy Makmur Mill, West Kutai, East Kalimantan
Instalasi Pengolahan Air di Pabrik Isuy Makmur, Kutai Barat, Kalimantan Timur

Water consumption in palm oil mills Konsumsi air di pabrik kelapa sawit



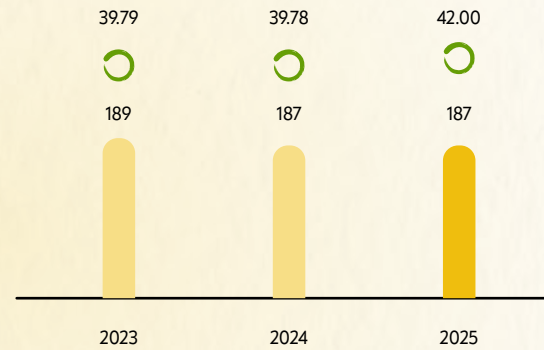
Ratio m3/tonne
Rasio (m3/ton)

Water Consumption '000 m3
Konsumsi air '000 m3

Note: Data from ISPO- and PROPER certified/audited palm oil mills (12 out of 12 mills). Water consumption ratio covers industrial usage in each mill. Ratio is based on average consumption in m3 per tonne of CPO Production..

Catatan: Data dari pabrik minyak sawit bersertifikasi/diaudit ISPO dan PROPER (12 dari 12 pabrik). Rasio konsumsi air mencakup penggunaan industri di setiap pabrik. Rasio didasarkan pada konsumsi rata-rata dalam m3 per ton produksi CPO.

Water consumption in rubber factories Konsumsi air di pabrik karet



Ratio m3/tonne
Rasio (m3/ton)

Water Consumption '000 m3
Konsumsi air '000 m3

Note: Data from three factories with three crumb rubber and two sheet rubber processing lines. Water consumption ratio covers industrial usage in each factor. Ratio is based on consumption in m3 per tonne of rubber produced..

Catatan: Data dari tiga pabrik dengan tiga lini pengolahan karet crumb dan dua lini pengolahan karet lembaran. Rasio konsumsi air mencakup penggunaan industri di setiap pabrik. Rasio didasarkan pada konsumsi dalam m³ per ton karet yang diproduksi.

Water use efficiency

Water consumption is closely monitored across our estates, mills and refineries. We tailor practices based on the water source:

- Rubber and oil palm estates in tropical Indonesia rely entirely on seasonal rainfall for irrigation.
- Mills source 87% of water from rivers, with the remainder from groundwater and rain-harvesting.
- Rubber factories draw 89% of water from rivers, with the rest from groundwater.
- Offices and site accommodations within plantations use groundwater and rain-harvesting.

Within our mills we reuse steam condensate in our boilers to conserve water and reduce energy consumption.

- Mills: In 2025, we utilised 5.03 m3 of water per tonne of CPO Production; a 1% decrease compared to 2024.
- Rubber Sites: For rubber processing, we used 42.00 m3 of water per tonne, indicating a 6% increased compared to 2024.

Efisiensi penggunaan air

Penggunaan air dipantau secara ketat di seluruh perkebunan, pabrik, dan kilang kami. Kami menyesuaikan praktik berdasarkan sumber air:

- Perkebunan karet dan kelapa sawit di wilayah tropis Indonesia sepenuhnya mengandalkan curah hujan musiman untuk irigasi.
- Pabrik memperoleh 87% air dari sungai, dengan sisanya berasal dari air tanah dan penampungan air hujan.
- Pabrik karet mengambil 89% air dari sungai, dengan sisanya dari air tanah.
- Kantor dan fasilitas hunian di area perkebunan menggunakan air tanah dan penampungan air hujan.

Di pabrik kami, kami mendaur ulang kondensat uap di boiler kami untuk menghemat air dan mengurangi konsumsi energi.

- Pabrik: Pada tahun 2025, kami menggunakan 5,03 m³ air per ton produksi CPO; turun 1% dibandingkan tahun 2024.
- Lokasi karet: Untuk pengolahan karet, kami menggunakan 42,00 m³ air per ton, meningkat 6% dibandingkan tahun 2024.



Waste and effluent management (GRI 306)

We implement strict waste and effluent management practices to improve efficiency, reduce costs and minimise environmental impact. All sites operate under systems compliant with Indonesian regulations and guided by PROPER and ISO 14001 standards (see page 102 in the Appendix for more details).

- Mills: In 2025, the average production of hazardous waste per mill was 1.40 tonnes (compared to 1.00 tonnes in 2024).
- Rubber Factories: The average production of hazardous waste per factory in 2025 was 0.56 tonnes (compared to 0.43 tonnes in 2024).

In accordance with Ministerial Regulation No. 19 of 2021, which requires household waste to be sorted into organic, inorganic, and residual streams, we are now installing onsite waste sorting and temporary storage facilities at all worker-living sites. We have constructed appropriate spaces and are strengthening our interim waste management measures to ensure effective segregation and secure storage, even in the event of sporadic collection by municipal services. Milling waste is fully repurposed in our estates and mills as organic fertiliser or boiler fuel. This includes non-hazardous solids such as EFB, fibre and shells ,

- In 2025, the total mass of milling waste reached 475,128 tonnes, down from 492,712 tonnes in 2024.

Effluent from milling, known as POME, is a byproduct of processing FFB into CPO. Both solid waste and POME are managed under strict regulatory controls. Mill wastewater, including POME, is treated on-site. We compost POME in aerated bunker composters at three mills, which reduces GHG emissions.

- Mill effluent volume: In 2025, 689,538 m³ of wastewater was produced from our 12 mills, marking a 3% increase from 2024 (668,678 m³).

All effluent is treated to meet regulatory quality standards before being discharged into waterways or municipal sewer systems.

In collaboration with the government, we undertake annual effluent quality assessments to ensure we are within regulatory limits for BOD and COD.

- Mill effluent quality: At the 12 mills, the median Biological Oxygen Demand (BOD) was 1,875 (2024: 2,354 mg/l), and the median Chemical Oxygen Demand (COD) was 4,034 (2024: 5,884 mg/l).

In 2025, we achieved zero spills (effluent, CPO, or diesel) during harvesting, processing, or transportation, incurred zero environmental fines or sanctions, and received no significant stakeholder complaints regarding the environment. Furthermore, 100% of all hazardous waste was legally disposed of via an accredited third-party, adhering to national regulations.

Manajemen limbah dan limbah cair (GRI 306)

Kami menerapkan praktik pengelolaan limbah dan air limbah yang ketat untuk meningkatkan efisiensi, mengurangi biaya, dan meminimalkan dampak lingkungan. Semua lokasi beroperasi sesuai dengan sistem yang mematuhi peraturan Indonesia dan didasarkan pada standar PROPER dan ISO 14001 (lihat halaman 102 pada Lampiran untuk detail lebih lanjut).

- Pabrik: Pada tahun 2025, rata-rata produksi limbah B3 per pabrik adalah 1,40 ton (dibandingkan 1,00 ton pada tahun 2024).
- Pabrik karet: Rata-rata produksi limbah B3 per pabrik pada tahun 2025 adalah 0,56 ton (dibandingkan 0,43 ton pada tahun 2024).

Sesuai dengan Peraturan Menteri No. 19 Tahun 2021, yang mewajibkan sampah rumah tangga disortir menjadi tiga kategori: organik, anorganik, dan sisa, kami saat ini sedang memasang fasilitas penyortiran sampah dan penyimpanan sementara di semua lokasi tempat tinggal pekerja. Kami telah membangun ruang yang sesuai dan memperkuat langkah-langkah pengelolaan sampah sementara untuk memastikan pemisahan yang efektif dan penyimpanan yang aman, bahkan jika terjadi pengumpulan sampah secara sporadis oleh layanan pemerintah kota. Limbah penggilingan sepenuhnya dimanfaatkan kembali di perkebunan dan pabrik kami sebagai pupuk organik atau bahan bakar boiler. Ini termasuk bahan padat non-berbahaya seperti EFB, serat, dan cangkang,

- Pada tahun 2025, total massa limbah pabrik mencapai 475.128 ton, menurun dari 492.712 ton pada tahun 2024.

Limbah cair dari proses penggilingan, yang dikenal sebagai POME, merupakan produk sampingan dari pengolahan TBS menjadi CPO. Baik limbah padat maupun POME dikelola di bawah kendali regulasi yang ketat. Limbah cair pabrik, termasuk POME, diolah di lokasi. Kami mengompos POME di komposter bunker beroksigen di tiga pabrik, yang mengurangi emisi gas rumah kaca.

- Volume limbah cair pabrik: Pada tahun 2025, sebanyak 689.538 m³ limbah cair dihasilkan dari 12 pabrik kami, meningkat 3% dibandingkan tahun 2024 (668.678 m³).

Semua limbah cair diolah untuk memenuhi standar kualitas yang ditetapkan oleh peraturan sebelum dibuang ke perairan atau sistem saluran pembuangan kota.

Bersama dengan pemerintah, kami melakukan penilaian kualitas limbah cair secara tahunan untuk memastikan kami memenuhi batas regulasi untuk BOD dan COD.

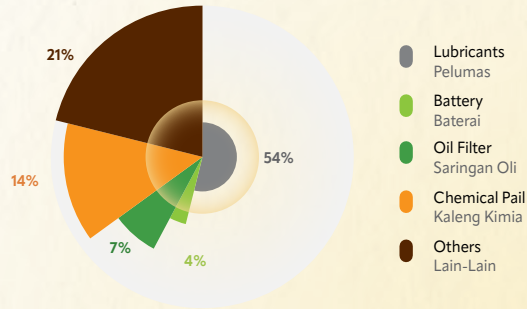
- Kualitas limbah cair pabrik: Di 12 pabrik, median Biological Oxygen Demand (BOD) adalah 1.875 (2024: 2.354 mg/l), dan median Chemical Oxygen Demand (COD) adalah 4.034 (2024: 5.884 mg/l).

Pada tahun 2025, kami berhasil mencapai nol tumpahan (limbah cair, CPO, atau solar) selama proses panen, pengolahan, atau pengangkutan, tidak dikenakan denda atau sanksi lingkungan, dan tidak menerima keluhan signifikan dari pemangku kepentingan terkait lingkungan. Selain itu, 100% limbah berbahaya dibuang secara legal melalui pihak ketiga yang terakreditasi, sesuai dengan peraturan nasional.

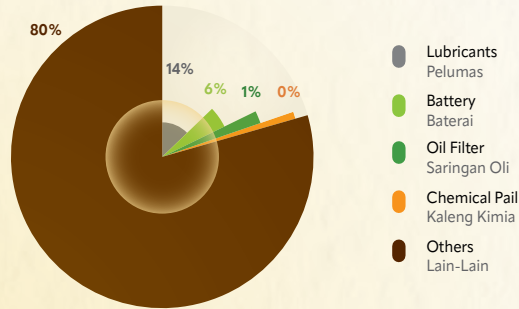


Using palm oil mill effluent as organic fertiliser, Isuy Makmur Mill, West Kutai, East Kalimantan
Pemanfaatan limbah pabrik kelapa sawit sebagai pupuk organik, Isuy Makmur Mill, Kutai Barat, Kalimantan Timur

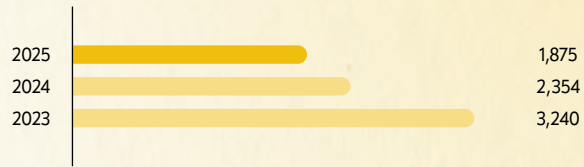
Hazardous waste from mills (%)
Limbah berbahaya dari pabrik (%)



Hazardous waste from rubber factories (%)
Limbah berbahaya dari pabrik karet (%)



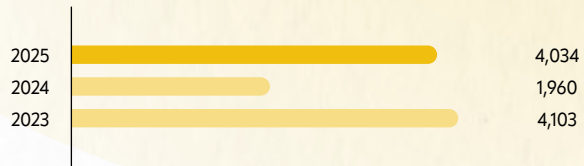
Mill BOD effluents (mg/l) | Limbah BOD pabrik (mg/l)



Rubber Factories BOD effluents (mg/l) | Limbah BOD pabrik karet (mg/l)



Mill COD effluents (mg/l) | Limbah COD pabrik (mg/l)



Rubber Factories COD effluents (mg/l) | Limbah COD pabrik karet (mg/l)





USE OF FERTILISERS, PESTICIDES AND CHEMICALS (GRI 3-3, 301-1)

Although oil palm is globally recognised as the most efficient oilseed crop by yield per hectare, we are continually striving to improve our yields further and minimize our environmental impact. (See the Yield Resilience and Innovation section, page 73, for details.)

Fertiliser Consumption

Healthy, high-yield crops depend on effective fertilisation. We prioritise the use of organic fertilisers and are working to reduce reliance on chemical alternatives.

Fertiliser is applied during planting and replanting, with its efficiency maximised through careful scheduling at optimal intervals (avoiding heavy rainfall to prevent dilution). Application rates are precisely adjusted based on soil fertility and tree age across different plantation blocks. Between palm crop cycles, we also plant legumes as cover crops to naturally enrich the soil. These naturally convert nitrogen from the atmosphere into forms that improve soil health and fertility.

Building on last year's efforts to explore fertilisers derived from palm fronds and controlled-release options, we continued to advance nature-based solutions for sustainable nutrient management. In 2025, we launched a new project testing the use of EFB biochar as a soil amendment to improve fertility and reduce reliance on synthetic fertilisers.

We also recycle EFBs and POME, converting them into compost and soil enhancers.

Our long-term goal is to gradually increase average oil palm yields by accelerating replanting with improved planting materials developed in our laboratories and adopting sustainable practices such as using beneficial microbes like *Trichoderma* as bio-fertilizers and bio-control agents.

PENGGUNAAN PUPUK, PESTISIDA, DAN BAHAN KIMIA (GRI 3-3, 301-1)

Meskipun kelapa sawit diakui secara global sebagai tanaman penghasil minyak paling efisien berdasarkan hasil per hektar, kami terus berupaya untuk meningkatkan hasil panen kami lebih lanjut dan meminimalkan dampak lingkungan kami. (Lihat bagian Ketahanan Hasil dan Inovasi, halaman 73, untuk detailnya.)

Konsumsi Pupuk

Tanaman sehat dan berproduksi tinggi bergantung pada pemupukan yang efektif. Kami memprioritaskan penggunaan pupuk organik dan berupaya mengurangi ketergantungan pada alternatif kimia.

Pupuk diaplikasikan selama penanaman dan penanaman ulang, dengan efisiensinya dimaksimalkan melalui penjadwalan yang cermat pada interval optimal (menghindari hujan lebat untuk mencegah pengenceran). Dosis aplikasi disesuaikan secara tepat berdasarkan kesuburan tanah dan usia pohon di berbagai blok perkebunan. Antara siklus panen kelapa sawit, kami juga menanam legum sebagai tanaman penutup untuk secara alami memperkaya tanah. Tanaman ini secara alami mengubah nitrogen dari atmosfer menjadi bentuk yang meningkatkan kesehatan dan kesuburan tanah.

Berdasarkan upaya tahun lalu dalam mengeksplorasi pupuk yang terbuat dari daun kelapa sawit dan opsi pelepasan terkontrol, kami terus mengembangkan solusi berbasis alam untuk pengelolaan nutrisi yang berkelanjutan. Pada tahun 2025, kami meluncurkan proyek baru untuk menguji penggunaan biochar EFB sebagai amandemen tanah guna meningkatkan kesuburan tanah dan mengurangi ketergantungan pada pupuk sintetis.

Kami juga mendaur ulang EFBs dan POME, mengubahnya menjadi kompos dan penyubur tanah.

Tujuan jangka panjang kami adalah secara bertahap meningkatkan hasil rata-rata kelapa sawit dengan mempercepat penanaman kembali menggunakan bahan tanam yang ditingkatkan yang dikembangkan di laboratorium kami, serta menerapkan praktik berkelanjutan seperti penggunaan mikroba bermanfaat seperti *Trichoderma* sebagai pupuk hayati dan agen pengendalian hayati.

Integrated Pest Management (IPM)

In line with the UN's Stockholm and Rotterdam Conventions, LONSUM and all our suppliers avoid using pesticides classified as Class 1A and 1B by the World Health Organisation. Instead, we employ IPM techniques. These methods combine natural, biological, and mechanical controls, allowing us to effectively reduce chemical use, lower health risks, and support biodiversity. Chemical pesticides are employed only when necessary, following the exhaustion of other measures. We have stopped using the toxic chemical pesticide Paraquat since 2018, to avoid any potential health risks to our workers.

In 2025, LONSUM expanded the use of drone sprayers to control bagworm (*Clania tertia*) infestations in 5 to 10-year-old palms. This technology enables precise application, reducing excessive pesticide use while improving efficiency, lowering labour requirements, cutting operational costs, and minimising human error. With pest outbreaks increasing, likely due to rising temperatures, the use of drones has been scaled up across plantations, including in newly affected areas such as South Sumatra

We also advanced biological control methods to reduce chemical insecticide use. These include the introduction of natural predators like *Eocanthecona* and *Sycanus* species, with over

Pengelolaan Hama Terpadu

Sesuai dengan Konvensi Stockholm dan Rotterdam PBB, LONSUM dan semua pemasok kami menghindari penggunaan pestisida yang diklasifikasikan sebagai Kelas 1A dan 1B oleh Organisasi Kesehatan Dunia (WHO). Sebagai gantinya, kami menerapkan teknik Pengelolaan Hama Terpadu (IPM). Metode ini menggabungkan pengendalian alami, biologis, dan mekanis, memungkinkan kami untuk secara efektif mengurangi penggunaan kimia, menurunkan risiko kesehatan, dan mendukung keanekaragaman hayati. Pestisida kimia hanya digunakan jika diperlukan, setelah semua langkah lain telah diupayakan. Kami telah menghentikan penggunaan pestisida kimia beracun Paraquat sejak 2018, untuk menghindari risiko kesehatan apa pun bagi pekerja kami.

Pada tahun 2025, LONSUM memperluas penggunaan penyemprot drone untuk mengendalikan serangan hama ulat kantong (*Clania tertia*) pada pohon kelapa berusia 5 hingga 10 tahun. Teknologi ini memungkinkan aplikasi yang presisi, mengurangi penggunaan pestisida berlebihan sambil meningkatkan efisiensi, mengurangi kebutuhan tenaga kerja, memangkas biaya operasional, dan meminimalkan kesalahan manusia. Dengan meningkatnya wabah hama, kemungkinan disebabkan oleh kenaikan suhu, penggunaan drone telah diperluas di perkebunan, termasuk di daerah-daerah yang baru terkena dampak seperti Sumatera Selatan.

Kami juga mengembangkan metode pengendalian hayati untuk mengurangi penggunaan insektisida kimia. Metode ini meliputi pengenalan predator alami seperti spesies *Eocanthecona* dan *Sycanus*,



Breeding of natural pest control at Bah Lias Research Station, Simalungun, North Sumatra. Nimfa *Sycanus*, the assassin bugs of nettle caterpillar and bagworm on oil palm.

Pembiakan hama alami di Stasiun Penelitian Bah Lias, Simalungun, Sumatera Utara. Nimfa *Sycanus*, hama pembunuh ulat daun dan ulat kantong pada kelapa sawit

29,000 insects released in 2025, and applying a virus-based treatment (*Setothosea asigna virus*) to manage nettle caterpillars. To date, 46 liters of the treatment have been produced, covering 92 hectares. In 2025, we used a total of 75.00 tonnes of biopesticides.

Examples of IPM controls include:

- Barn owl rearing: Establishing habitats to encourage barn owl populations for natural rat control.
- Leguminous cover crops: Planting nitrogen-fixing plants in between oil palm crops to suppress weeds and improve soil health.
- Predatory beetles: Releasing *Eocanthecona* and *Sycanus* species, which are natural predators of other insects that attack oil palms.
- Biological pathogens: Using viruses and fungi to target leaf-eating insects, reducing reliance on chemical pesticides.



A barn owl (*Tyto alba*), a natural predator of rats, used in our estates as part of an Integrated Pest Management.

Burung Hantu Lumbung (*Tyto alba*), predator alami tikus, digunakan di lahan kami sebagai bagian dari Pengelolaan Hama Terpadu.

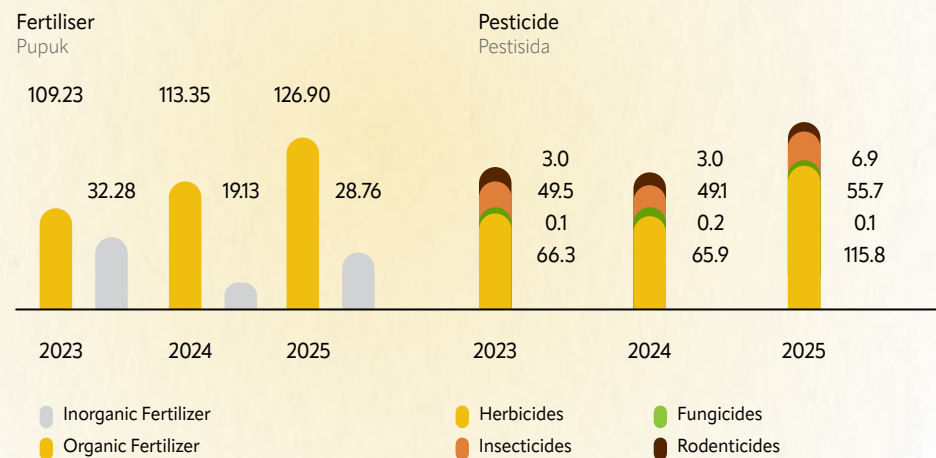
dengan lebih dari 29.000 serangga dilepaskan pada tahun 2025, serta penerapan pengobatan berbasis virus (*Setothosea asigna virus*) untuk mengendalikan ulat tumbuhan. Hingga saat ini, telah diproduksi 46 liter pengobatan tersebut, yang mencakup area seluas 92 hektar. Pada tahun 2025, kami menggunakan total 75,00 ton biopestisida.

Contoh pengendalian hama terpadu meliputi:

- Pembibitan burung hantu: Membangun habitat untuk mendorong populasi burung hantu guna mengatasi hama tikus secara alami.
- Tanaman penutup legum: Menanam tanaman penambat nitrogen di antara tanaman kelapa sawit untuk menekan gulma dan meningkatkan kesehatan tanah.
- Kumbang predator: Melepaskan spesies *Eocanthecona* dan *Sycanus*, yang merupakan predator alami serangga lain yang menyerang kelapa sawit.
- Patogen biologis: Menggunakan virus dan jamur untuk menargetkan serangga pemakan daun, mengurangi ketergantungan pada pestisida kimia.

We recorded a 51% increase in total pesticide consumption from 118,000 litres in 2024 to 179,000 litres in 2025. Primarily due to intensified infestations of fireworm (*Setora nitens*) and bagworm (*Metisa plana*) and rehabilitation activities undertaken in selected estates in East Kalimantan. To manage these outbreaks responsibly, LONSUM prioritised biological control methods and IPM approaches, including the use of environmentally friendly biological agents and natural predators, to minimise ecological impact and reduce reliance on synthetic chemical pesticides.

Kami mencatat peningkatan sebesar 51% dalam total konsumsi pestisida, dari 118.000 liter pada tahun 2024 menjadi 179.000 liter pada tahun 2025. Peningkatan ini terutama disebabkan oleh meningkatnya serangan ulat api (*Setora nitens*) dan ulat kantong (*Metisa plana*), serta kegiatan rehabilitasi yang dilakukan di beberapa perkebunan di Kalimantan Timur. Untuk mengelola serangan ini secara bertanggung jawab, LONSUM memprioritaskan metode pengendalian hayati dan pendekatan Pengendalian Hama Terpadu (IPM), termasuk penggunaan agen hayati ramah lingkungan dan musuh alami, guna meminimalkan dampak ekologis serta mengurangi ketergantungan pada pestisida kimia sintetis.



RESPONSIBLE SOURCING

PASOKAN YANG BERTANGGUNG JAWAB

INTRODUCTION

We are dedicated to responsible procurement, and we do our best to ensure all sourcing decisions consider both their environmental and social impacts. We aim to develop a supply chain that provides complete transparency and traceability. We collaborate with smallholders and suppliers to align their practices with our Policy.

Innovation and research are central to our efforts, driving the development of advanced planting materials and agronomy techniques. These initiatives are designed to boost yield resilience and promote sustainability across both our operations and the wider palm oil industry. We exclusively source all rubber and palm oil for our operations from within Indonesia.

Our Board provides oversight and approval of our Policy, holding overall accountability for supply chain management. Accountability and performance reporting are channeled to the Board through defined sustainability governance processes (see Sustainability Governance section on page 17).

This section highlights our efforts to ensure compliance with our policies by both our estates and independent suppliers.

PENGANTAR

Kami berkomitmen pada pengadaan yang bertanggung jawab, dan kami berusaha semaksimal mungkin untuk memastikan bahwa semua keputusan pengadaan mempertimbangkan dampak lingkungan dan sosialnya. Kami berupaya mengembangkan rantai pasok yang menyediakan transparansi dan jejak yang lengkap. Kami bekerja sama dengan petani kecil dan pemasok untuk menyelaraskan praktik mereka dengan Kebijakan kami.

Inovasi dan penelitian menjadi inti dari upaya kami, mendorong pengembangan bahan tanam canggih dan teknik agronomi. Inisiatif ini dirancang untuk meningkatkan ketahanan hasil panen dan mempromosikan keberlanjutan baik dalam operasional kami maupun industri kelapa sawit secara luas. Kami secara eksklusif memperoleh semua karet dan minyak kelapa sawit untuk operasional kami dari dalam Indonesia.

Direksi kami bertanggung jawab atas pengawasan dan persetujuan Kebijakan kami, serta memegang tanggung jawab keseluruhan atas manajemen rantai pasok. Laporan pertanggungjawaban dan kinerja disampaikan kepada Direksi melalui proses tata kelola keberlanjutan yang telah ditetapkan (lihat bagian Tata Kelola Keberlanjutan di halaman 17).

Bagian ini menyoroti upaya kami untuk memastikan kepatuhan terhadap kebijakan kami baik oleh properti kami maupun pemasok independen.



Aligned with SDGs
Sejalan dengan Indikator SDG



Material topics and focus areas | Topik materi dan titik fokus

- Sustainability certification | Sertifikasi keberlanjutan
- Supply chain traceability and transparency | Ketelusuran dan transparansi rantai pasok
- Yield resilience and innovation | Ketahanan hasil panen dan inovasi
- Smallholder engagement and livelihoods | Keterlibatan dan keberlangsungan hidup petani

Scope of section

Ruang lingkup bagian ini

Palm oil operations

Hanya operasi minyak sawit

UPDATES FOR 2025 KEMAJUAN DI TAHUN 2025



Sustainability certification

Sertifikasi keberlanjutan

- 94% of all nucleus estate production is ISPO certified
94% dari perkebunan inti sudah tersertifikasi ISPO
- 99% of nucleus CPO production is ISPO certified
99% dari produksi inti CPO sudah tersertifikasi ISPO

Supply chain traceability and transparency

Ketelusuran dan transparansi rantai pasok

- 100% of FFB processed in mills is traceable to estates
100% dari TBS yang diproses dalam pabrik dapat dilacak hingga ke perkebunan
- 100% of mills audited to Policy requirements
100% pabrik diaudit berdasarkan ketentuan kebijakan
- 120 internal audits conducted
120 audit internal dilaksanakan
- 19 external audits conducted
19 audit eksternal dilaksanakan
- Zero major non-conformities reported
Tidak ada ketidaksesuaian mayor yang dilaporkan
- Good practice workshops held for 100% of mills and supplying estates
Workshop praktik terbaik dilaksanakan untuk 100% pabrik dan perkebunan pemasok

Smallholder engagement and livelihoods

Keterlibatan dan keberlangsungan hidup petani

- 100% of plasma smallholders comply with our Policy
100% petani kecil mematuhi kebijakan kami
- Continued financial and technical support for smallholders as part of FPKM programme
Dukungan finansial dan teknis yang berkelanjutan bagi petani kecil sebagai bagian dari program FPKM

Material topics Topik materi	Goal/target Tujuan/target	Updates for 2025 Perkembangan di tahun 2025
Sustainability Certification (in line with government regulations) Sertifikasi Keberlanjutan (sesuai peraturan pemerintah)	ISPO certification for all nucleus estates Sertifikasi ISPO untuk seluruh perkebunan inti	Achieved 94% of nucleus estates hectareage* Mencapai 94% luas hektare perkebunan inti*
	ISPO certification for all mills Sertifikasi ISPO untuk seluruh pabrik	Achieved certification for 9 out of 12 mills. Sertifikasi berhasil dicapai untuk 9 dari 12 pabrik.
Supply chain traceability and transparency Ketertelusuran dan transparansi rantai pasok	Maintain 100% traceability to mill Menjaga ketertelusuran 100% hingga pabrik	Achieved Tercapai
	Maintain 100% traceability to plantation for FFB processed at our mills and kernel crushing plants Menjaga keterlacakan 100% hingga ke perkebunan untuk buah kelapa sawit segar (TBS) yang diolah di pabrik pengolahan kami dan pabrik pengolahan biji kelapa sawit.	Achieved Tercapai
	Obtain ISPO certificate for 4 KUD Smallholders in 2024 and conduct 6 audits for 6 KUD for first ISPO Certification by 2025 Mendapatkan sertifikat ISPO untuk 4 KUD petani kecil pada tahun 2024 dan melaksanakan 6 audit untuk 6 KUD dalam rangka sertifikasi ISPO pertama pada tahun 2025	Four KUD certified as of 2025 Empat KUD telah tersertifikasi hingga tahun 2025
Yield Resilience and Innovation Ketahanan Tanaman dan Inovasi	Annual replanting supplied by ganoderma-tolerant seeds since 2018 Penanaman kembali tahunan yang dipasok oleh benih yang toleran terhadap ganoderma sejak tahun 2018	Achieved Tercapai
Smallholder Engagement and Livelihoods Keterlibatan dan Keberlangsungan Hidup Petani	Support Training on Sustainable agriculture for 149 KUD Mendukung Pelatihan Pertanian Berkelanjutan untuk 149 KUD	Achieved Tercapai

* Figures cover hectareage or number of mills that are already certified or have completed ISPO first stage audit. The certificate release date is subject to the accreditation period of the certifying body. Hectareage data are based on planted areas on 31 December 2025.

* Data mencakup luas lahan atau jumlah pabrik yang telah bersertifikat atau telah menyelesaikan audit tahap pertama ISPO. Tanggal penerbitan sertifikat tergantung pada periode akreditasi badan sertifikasi. Data luas lahan didasarkan pada luas lahan yang ditanami per 31 Desember 2025.

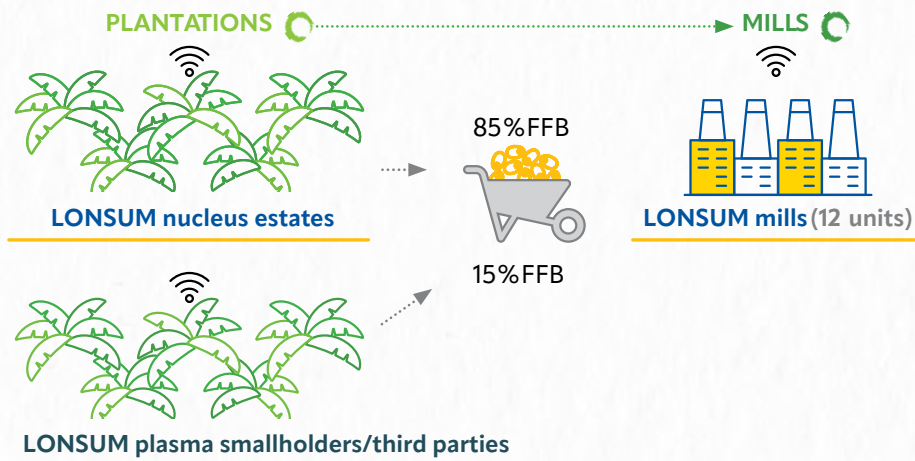
SUSTAINABILITY CERTIFICATION (GRI 3-3, 308-1)

As part of Indonesia's national commitment to a sustainable plantation sector, ISPO certification is mandatory for all oil palm growers in the country. The government is currently working to obtain international recognition for ISPO, which will strengthen global acceptance and competitiveness of Indonesian palm oil.

At LONSUM, 94% of our total estate area is officially ISPO certified. All estates consistently adopt ISPO-aligned practices, regardless of their formal certification status. We remain committed to fully supporting our smallholders in achieving compliance. We remain committed to achieve 100% ISPO certification, in alignment with the Government Regulations.

SUPPLY CHAIN TRACEABILITY AND TRANSPARENCY (GRI 2-6, 308-1, 414-1)

LONSUM PALM OIL SUPPLY CHAIN TRACEABILITY



SERTIFIKASI KEBERLANJUTAN (GRI 3-3, 308-1)

Sebagai bagian dari komitmen nasional Indonesia untuk sektor perkebunan yang berkelanjutan, sertifikasi ISPO wajib bagi semua petani kelapa sawit di negara ini. Pemerintah saat ini sedang berupaya untuk mendapatkan pengakuan internasional untuk ISPO, yang akan memperkuat penerimaan global dan daya saing minyak kelapa sawit Indonesia

Di LONSUM, 94% dari total luas lahan perkebunan kami telah secara resmi mendapatkan sertifikasi ISPO. Semua perkebunan secara konsisten menerapkan praktik yang selaras dengan ISPO, terlepas dari status sertifikasi formal mereka. Kami tetap berkomitmen untuk mencapai 100% sertifikasi ISPO, sejalan dengan peraturan pemerintah.

KETERTELUSSURAN DAN TRANSPARANSI RANTAI PASOK (GRI 2-6, 308-1, 414-1)

Plantations

Under the direction of our Policy, we are committed to full compliance across all plantations, including plasma smallholders. This is reinforced through annual audits covering key principles: zero deforestation, protection of HCV and HCS areas, no peatland planting, zero burning, respect for labour and human rights, including FPIC. We uphold consistent FFB quality standards across operations and smallholder partnerships. To further support smallholders, we provide advanced agronomy training and financial support for ISPO certification (see page 74).

Perkebunan

Di bawah arahan Kebijakan kami, kami berkomitmen untuk kepatuhan penuh di semua perkebunan, termasuk petani plasma. Hal ini diperkuat melalui audit tahunan yang mencakup prinsip-prinsip kunci: nol deforestasi, perlindungan area NKT dan SKT, tidak menanam di lahan gambut, nol pembakaran, penghormatan terhadap hak tenaga kerja dan hak asasi manusia, termasuk PADIATAPA. Kami menjaga standar kualitas TBS yang konsisten di seluruh operasi dan kemitraan dengan petani kecil. Untuk lebih mendukung petani kecil, kami menyediakan pelatihan agronomi lanjutan dan dukungan keuangan untuk sertifikasi ISPO (lihat halaman 74).



FFB Harvesting at Isuy Makmur Estate, West Kutai, East Kalimantan
Pemanenan TBS di Isuy Makmur Estate, Kutai Barat, Kalimantan Barat



Mills

All LONSUM mills and third-party suppliers must formally commit to and accept our Policy. All LONSUM mills and third-party suppliers formally commit to our policies. To ensure compliance, we conduct annual risk assessments on our mills to identify and address potential issues. We also maintain a detailed supplier database, capturing ownership, organisational structure, operational scale and precise location coordinates. This enables effective auditing and full traceability.

Supplier engagement and assessment (GRI 308-1)

Procurement contracts reference our Policy and are legally binding. This applies to all suppliers, including smallholders, nucleus/plasma estates, mills, and third-party CPO providers. The contracts cover alignment with ISPO standards⁸ and upholding the principles of environmental protection, social equity, and human rights. Suppliers have six months to resolve non-compliance issues in line with ISPO guidelines, during which time we provide support through the development and implementation of mitigation plans. We terminate business relationships with any supplier that persistently fails to comply

In 2025, we conducted 120 audits, workshops, and site visits across all our mills and their supplying estates.

These assessments evaluate compliance with our Policy, as well as:

- Agronomy: Good Agricultural Practices, yield, soil health, crop protection.
- Responsible Operations: Safety, biodiversity, peatland protection, fire prevention, human rights, community engagement, and FPIC.
- Operational Efficiency: Energy and water use, GHG emissions, and waste management.
- Regulatory Compliance: Adherence to government regulations and ISPO certifications.

⁸ISPO certification is required for third-party suppliers and smallholders with farms smaller than 25 hectares by November 2025. This requirement is in addition to the existing mandate for large plantation companies to comply with the Indonesian Sustainable Palm Oil (ISPO) scheme.

⁸Sertifikasi ISPO diwajibkan bagi pemasok pihak ketiga dan petani kecil dengan luas lahan kurang dari 25 hektare paling lambat November 2025. Ketentuan ini merupakan tambahan dari kewajiban yang sudah berlaku bagi perusahaan perkebunan besar untuk mematuhi skema Indonesian Sustainable Palm Oil (ISPO).

Pabrik

Semua pabrik LONSUM dan pemasok pihak ketiga harus secara resmi berkomitmen dan menerima Kebijakan kami. Semua pabrik LONSUM dan pemasok pihak ketiga secara resmi berkomitmen pada kebijakan kami. Untuk memastikan kepatuhan, kami melakukan penilaian risiko tahunan pada pabrik-pabrik kami untuk mengidentifikasi dan menangani potensi masalah. Kami juga menjaga basis data pemasok yang detail, mencakup kepemilikan, struktur organisasi, skala operasional, dan koordinat lokasi yang tepat. Hal ini memudahkan audit yang efektif dan pelacakan penuh.

Keterlibatan dan Penilaian Pemasok (GRI 308-1)

Kontrak pengadaan merujuk pada Kebijakan kami dan bersifat mengikat secara hukum. Hal ini berlaku untuk semua pemasok, termasuk petani kecil, perkebunan inti/plasma, pabrik pengolahan, dan penyedia CPO pihak ketiga. Kontrak-kontrak ini mencakup kesesuaian dengan standar ISPO⁸ dan pemenuhan prinsip-prinsip perlindungan lingkungan, keadilan sosial, dan hak asasi manusia. Pemasok memiliki waktu enam bulan untuk menyelesaikan masalah ketidakpatuhan sesuai dengan pedoman ISPO, selama periode tersebut kami memberikan dukungan melalui pengembangan dan implementasi rencana mitigasi. Kami akan mengakhiri hubungan bisnis dengan pemasok yang secara terus-menerus gagal mematuhi ketentuan.

Pada tahun 2025, kami telah melaksanakan 120 audit, lokakarya, dan kunjungan lapangan di seluruh pabrik kami dan perkebunan pemasoknya.

Penilaian ini mengevaluasi kepatuhan terhadap Kebijakan kami, serta:

- Agronomi: Praktik Pertanian yang Baik, hasil panen, kesehatan tanah, dan perlindungan tanaman.
- Operasi yang Bertanggung Jawab: Keselamatan, keanekaragaman hayati, perlindungan lahan gambut, pencegahan kebakaran, hak asasi manusia, keterlibatan masyarakat, dan FPIC.
- Efisiensi Operasional: Penggunaan energi dan air, emisi gas rumah kaca, dan pengelolaan limbah.
- Kepatuhan terhadap Regulasi: Kepatuhan terhadap peraturan pemerintah dan sertifikasi ISPO.



We aim to expand the implementation of the ISO 50001 Energy Management System, which sets rigorous standards for energy efficiency, across additional refineries and palm oil mills. Our Begerpang palm oil mill underwent an ISO 50001 pre-certification review in December 2025. We intend to progress with this certification for an additional mill in 2026. Certification ensures that CPO from our mills and suppliers meets higher quality benchmarks, reducing processing time and energy use. Every CPO shipment undergoes quality checks and suppliers failing to meet requirements are given a grace period to comply.

We maintained a continuous CPO supply throughout 2025, as all sourcing remained fully compliant with our Policy and quality requirements.

We apply the same regulatory and commercial standards to all suppliers, ensuring equal treatment in pricing, quality, and capacity. To strengthen the resilience of our supply chain, we help smallholders improve productivity and achieve sustainability certifications (see page 74). We also invest in community development initiatives that enhance local socio-economic conditions and create opportunities for micro-enterprises (see page 92).

Human rights assessments in our supply chain

Our human rights assessments are guided by Policy, Labour Policy, ISPO certification requirements, Indonesian government regulations, and ratified ILO conventions. Suppliers identified as high-risk, based on publicly available information, undergo annual assessment by certified auditors. Any non-conformance identified is addressed promptly.

All ISPO-certified units undergo yearly external audits by independent bodies. This includes human rights risk reviews, particularly for new suppliers. The expertise gained through ISPO certification provides valuable guidance for other LONSUM sites to learn from as they progress towards certification. In 2025, 100% of our ISPO-certified units were formally assessed for labor and human rights risks. Non-ISPO-certified units are subject to annual assessments by certified internal auditors, following comparable audit standards and control reviews. We are pleased to report that the audits identified no material risks or issues, confirming our compliance with ISPO standards.

Kami berencana untuk memperluas penerapan Sistem Manajemen Energi ISO 50001, yang menetapkan standar ketat untuk efisiensi energi, ke kilang-kilang minyak dan pabrik kelapa sawit tambahan. Pabrik kelapa sawit Begerpang kami telah menjalani tinjauan pra-sertifikasi ISO 50001 pada Desember 2025. Kami berencana untuk melanjutkan proses sertifikasi ini untuk pabrik tambahan pada tahun 2026. Sertifikasi memastikan bahwa CPO dari pabrik-pabrik kami dan pemasok memenuhi standar kualitas yang lebih tinggi, mengurangi waktu pengolahan dan penggunaan energi. Setiap pengiriman CPO menjalani pemeriksaan kualitas, dan pemasok yang tidak memenuhi persyaratan diberikan masa tenggang untuk mematuhi ketentuan.

Kami memastikan pasokan CPO yang berkelanjutan sepanjang tahun 2025, karena semua sumber pasokan tetap sepenuhnya mematuhi Kebijakan dan persyaratan kualitas kami.

Kami menerapkan standar regulasi dan komersial yang sama untuk semua pemasok, memastikan perlakuan yang adil dalam hal harga, kualitas, dan kapasitas. Untuk memperkuat ketahanan rantai pasok kami, kami membantu petani kecil meningkatkan produktivitas dan memperoleh sertifikasi keberlanjutan (lihat halaman 74). Kami juga berinvestasi dalam inisiatif pengembangan komunitas yang meningkatkan kondisi sosial-ekonomi lokal dan menciptakan peluang bagi usaha mikro (lihat halaman 92).

Penilaian hak asasi manusia dalam rantai pasokan kami

Penilaian hak asasi manusia kami didasarkan pada Kebijakan, Kebijakan Tenaga Kerja, persyaratan sertifikasi ISPO, peraturan pemerintah Indonesia, dan konvensi ILO yang telah diratifikasi. Pemasok yang diidentifikasi sebagai berisiko tinggi, berdasarkan informasi yang tersedia secara publik, menjalani penilaian tahunan oleh auditor bersertifikat. Setiap ketidaksesuaian yang teridentifikasi ditangani dengan segera.

Semua unit yang bersertifikat ISPO menjalani audit eksternal tahunan oleh badan independen. Hal ini mencakup tinjauan risiko hak asasi manusia, terutama untuk pemasok baru. Keahlian yang diperoleh melalui sertifikasi ISPO memberikan panduan berharga bagi situs-situs LONSUM lainnya untuk dipelajari saat mereka menuju sertifikasi. Pada tahun 2025, 100% dari unit-unit bersertifikat ISPO kami secara resmi dievaluasi terkait risiko tenaga kerja dan hak asasi manusia. Unit yang tidak bersertifikat ISPO menjalani penilaian tahunan oleh auditor internal bersertifikat, mengikuti standar audit dan tinjauan kontrol yang sebanding. Kami dengan senang hati melaporkan bahwa audit tersebut tidak menemukan risiko atau masalah material, yang menegaskan kepatuhan kami terhadap standar ISPO.

Workers right along our supply chain can raise concerns through LONSUM's grievance and whistleblowing mechanisms. This includes employees of second-tier suppliers. There were no reported breaches related to human rights through our whistleblowing mechanism in 2025.

To ensure consistency and raise the standard of knowledge across our supply chain, we work with the Indonesian Palm Oil Association (GAPKI) to deliver comprehensive and targeted human rights training. This collaboration helps ensure that all suppliers are aware of, and can implement, the necessary protocols to safeguard human rights.

- ▶ More information on our commitment to respecting human rights can be found on page 84.
Informasi lebih lanjut mengenai komitmen kami dalam menghormati hak asasi manusia dapat ditemukan di halaman 84.

Pekerja di sepanjang rantai pasok kami dapat menyampaikan keluhan melalui mekanisme pengaduan dan pelaporan pelanggaran LONSUM. Hal ini termasuk karyawan dari pemasok tingkat kedua. Tidak ada pelanggaran terkait hak asasi manusia yang dilaporkan melalui mekanisme pelaporan pelanggaran kami pada tahun 2025.

Untuk memastikan konsistensi dan meningkatkan standar pengetahuan di seluruh rantai pasok kami, kami bekerja sama dengan Asosiasi Minyak Sawit Indonesia (GAPKI) untuk menyelenggarakan pelatihan hak asasi manusia yang komprehensif dan terarah. Kerjasama ini membantu memastikan bahwa semua pemasok memahami dan dapat menerapkan protokol yang diperlukan untuk melindungi hak asasi manusia.



Recognition of LONSUM's Commitment to Business and Human Rights Pengakuan atas Komitmen LONSUM terhadap Bisnis dan Hak Asasi Manusia



Edy Suryanto, Sustainability Department Manager of PT Salim Ivomas Pratama Tbk (SIMP), receiving the Business and Human Rights Award (BHAM) 2025 from SETARA Institute in collaboration with Yayasan Taruma Negara, on 25 November 2025 in Jakarta. Edy Suryanto, Sustainability Department Manager PT Salim Ivomas Pratama Tbk (SIMP), menerima Penghargaan Bisnis dan Hak Asasi Manusia (BHAM) 2025 dari SETARA Institute bekerja sama dengan Yayasan Taruma Negara, pada 25 November 2025 di Jakarta.

LONSUM received the Business and Human Rights Award (BHAM) 2025 from SETARA Institute in collaboration with Yayasan Taruma Negara. Utilising the Institute's Responsible Business Conduct (RBC) Benchmark, this award recognises companies that demonstrate a strong commitment to responsible business conduct and respect for human rights, including the implementation of the UN Guiding Principles on Business and Human Rights (UNGPs) and the integration of ESG and sustainability principles. In 2025, the assessment specifically focused on publicly listed palm oil and mining companies in Indonesia

For LONSUM, this recognition underscores our continued commitment to upholding human rights as a core value in our business operations, and to strengthening responsible, rights-respecting practices across our value chain in alignment with national regulations and international standards.

LONSUM menerima Penghargaan Bisnis dan Hak Asasi Manusia (BHAM) 2025 dari SETARA Institute bekerjasama dengan Yayasan Taruma Negara. Menggunakan Standar Perilaku Bisnis Bertanggung Jawab (RBC) dari Institut SETARA, penghargaan ini mengakui perusahaan yang menunjukkan komitmen kuat terhadap perilaku bisnis yang bertanggung jawab dan penghormatan terhadap hak asasi manusia, termasuk implementasi Prinsip Panduan PBB tentang Bisnis dan Hak Asasi Manusia (UNGPs) serta integrasi prinsip ESG dan keberlanjutan. Pada tahun 2025, penilaian ini secara khusus berfokus pada perusahaan minyak sawit dan pertambangan yang terdaftar di bursa efek di Indonesia.

Bagi LONSUM, pengakuan ini menegaskan komitmen kami yang berkelanjutan untuk menjunjung tinggi hak asasi manusia sebagai nilai inti dalam operasional bisnis kami, serta untuk memperkuat praktik-praktik bertanggung jawab dan menghormati hak asasi manusia di seluruh rantai nilai kami, sesuai dengan peraturan nasional dan standar internasional.



YIELD RESILIENCE AND INNOVATION (GRI 3-3)

We view yield resilience as a core component of sustainable growth. Innovation that leads to higher productivity ensures shared economic benefits for LONSUM and our smallholders. It also reduces pressure to convert additional land for agriculture.

Our ISO 9001-certified Bah Lias Research Station (BLRS) specialise in developing high-yielding oil palm seeds capable of producing up to 34 tonnes of FFB per hectare. These seeds are used not just in our own plantations, but a portion is also sold externally to other growers and smallholders.

In 2025, LONSUM advanced several initiatives to enhance oil palm resilience and productivity through integrated soil management, biological control, and biotechnology approaches. The application of Trichoderma continued to support soil health by improving nutrient availability and root development, while also being scaled up as a biological control agent against Ganoderma Basal Stem Rot (BSR), contributing to improved palm health and longevity.

As part of its Integrated Pest Management (IPM) strategy, LONSUM increased the use of biological control solutions to reduce reliance on chemical inputs. The production and application of Trichoderma sp. reached 65 tonnes (year-to-date October 2025), compared to 61.8 tonnes in 2024. Meanwhile, the use of Cordyceps sp. to control nettle caterpillars rose significantly to 10.7 tonnes from 1.7 tonnes in the previous year. These efforts were complemented by ongoing pest monitoring and the evaluation of selective crop protection solutions that minimise impacts on beneficial species, including pollinator weevils and natural predators.

On the research front, LONSUM progressed the development of genetic markers for Ganoderma resistance using both Genome-Wide Association Studies (GWAS) and transcriptomic approaches. Of the 17 candidate markers identified through GWAS, three have been optimised, while all three markers derived from transcriptomic analysis have also been optimised. These will undergo further optimisation and validation in 2026 to support early identification of resistant planting materials. The Company also continued advancing its Novel Trait Programme to develop oil palm planting materials with specific trait combinations to improve harvesting efficiency, with early results showing comparable performance to commercial materials.

To support data-driven plantation management, LONSUM utilises Sentinel satellite imagery and applies the Normalised Difference Vegetation Index (NDVI), complemented by unmanned aerial vehicles (UAVs), to monitor crop health and field conditions across its estates.

KETAHANAN HASIL DAN INOVASI (GRI 3-3)

Kami memandang ketahanan hasil panen sebagai komponen inti dari pertumbuhan berkelanjutan. Inovasi yang meningkatkan produktivitas memastikan manfaat ekonomi yang dibagikan antara LONSUM dan petani kecil kami. Hal ini juga mengurangi tekanan untuk mengonversi lahan tambahan untuk pertanian.

Stasiun Penelitian Bah Lias (BLRS) yang bersertifikat ISO 9001 kami khusus mengembangkan benih kelapa sawit berproduksi tinggi yang mampu menghasilkan hingga 34 ton TBS per hektar. Benih-benih ini tidak hanya digunakan di perkebunan kami sendiri, tetapi sebagian juga dijual secara eksternal kepada petani lain dan petani kecil.

Pada tahun 2025, LONSUM melanjutkan berbagai inisiatif untuk meningkatkan ketahanan dan produktivitas kelapa sawit melalui pendekatan terpadu yang mencakup pengelolaan tanah, pengendalian hayati, dan bioteknologi. Aplikasi Trichoderma terus mendukung kesehatan tanah dengan meningkatkan ketersediaan nutrisi dan perkembangan akar, sekaligus diperluas sebagai agen pengendalian hayati terhadap penyakit Ganoderma Basal Stem Rot (BSR), sehingga berkontribusi pada peningkatan kesehatan dan umur produktif tanaman.

Sebagai bagian dari strategi Integrated Pest Management (IPM), LONSUM meningkatkan penggunaan solusi pengendalian hayati untuk mengurangi ketergantungan pada bahan kimia. Produksi dan aplikasi Trichoderma sp. mencapai 65 ton (year-to-date Oktober 2025), dibandingkan 61,8 ton pada tahun 2024. Sementara itu, penggunaan Cordyceps sp. untuk mengendalikan ulat api meningkat signifikan menjadi 10,7 ton dari 1,7 ton pada tahun sebelumnya. Upaya ini didukung oleh pemantauan hama secara berkelanjutan serta evaluasi solusi perlindungan tanaman yang lebih selektif guna meminimalkan dampak terhadap spesies bermanfaat, termasuk kumbang penyerbuk dan predator alami.

Di bidang riset, LONSUM melanjutkan pengembangan penanda genetik untuk ketahanan terhadap Ganoderma menggunakan metode Genome-Wide Association Studies (GWAS) dan pendekatan transkriptomik. Dari 17 kandidat penanda yang dihasilkan melalui GWAS, tiga telah dioptimalkan, sementara tiga penanda dari metode transkriptomik juga telah dioptimalkan. Penanda ini akan melalui tahap optimasi lanjutan dan validasi pada tahun 2026 untuk mendukung identifikasi dini bahan tanam yang tahan penyakit. Perusahaan juga terus mengembangkan Novel Trait Programme untuk menghasilkan bahan tanam dengan kombinasi sifat tertentu guna meningkatkan efisiensi panen, dengan hasil awal menunjukkan performa yang sebanding dengan material komersial.

Untuk mendukung pengelolaan perkebunan berbasis data, LONSUM memanfaatkan citra satelit Sentinel dan menerapkan Normalised Difference Vegetation Index (NDVI), yang dilengkapi dengan penggunaan pesawat nirawak (unmanned aerial vehicles / UAV), untuk memantau kesehatan tanaman dan kondisi lahan secara lebih akurat.

In 2026, LONSUM will focus on enhancing the scalability and efficiency of its biological and agronomic innovations. A key priority is the development of new carrier materials for Cordyceps that enable long-term storage at room temperature while maintaining spore viability, with several promising candidates identified for further testing. Additional initiatives include advancing sugarcane tissue culture for large-scale planting, progressing gene marker development for high oil-to-dry mesocarp (ODM) traits, and expanding barn owl breeding programmes to strengthen natural rodent control.

SMALLHOLDER ENGAGEMENT AND LIVELIHOODS (GRI 3-3)

With smallholders cultivating over 40% of Indonesia's palm oil land, the industry plays a vital role in poverty reduction, improving rural livelihoods and narrowing the urban-rural wealth gap. Given this critical reliance, their inclusion in sustainable palm oil production is essential.

LONSUM is committed to meeting the government's FPKMS⁹ requirement of allocating at least 20% of plantation area to smallholders. We have achieved this in most locations and will increase compliance with upcoming developments in East Kalimantan and South Sumatra.

KETERLIBATAN DAN KESEJAHTERAAN PETANI (GRI 3-3)

Dengan petani kecil yang mengelola lebih dari 40% lahan kelapa sawit di Indonesia, industri ini memainkan peran penting dalam pengentasan kemiskinan, peningkatan kesejahteraan pedesaan, dan pengurangan kesenjangan kekayaan antara perkotaan dan pedesaan. Mengingat ketergantungan yang kritis ini, partisipasi mereka dalam produksi kelapa sawit berkelanjutan sangatlah penting.

LONSUM berkomitmen untuk memenuhi persyaratan FPKMS⁹ pemerintah yang mengharuskan alokasi minimal 20% dari luas lahan perkebunan untuk petani kecil. Kami telah mencapai hal ini di sebagian besar lokasi dan akan meningkatkan kepatuhan seiring dengan perkembangan yang akan datang di Kalimantan Timur dan Sumatera Selatan

⁹The FPKMS (Fasilitas Pembangunan Kebun Masyarakat Sekitar) is an Indonesian government initiative aimed at empowering communities around plantation concessions by allocating at least 20% of plantation company-managed land to nearby communities or, where land is limited, requiring participation in productive business activities such as palm-cattle integration or food crops.

⁹FPKMS (Fasilitas Pembangunan Kebun Masyarakat Sekitar) adalah inisiatif pemerintah Indonesia yang bertujuan untuk memberdayakan masyarakat di sekitar konsesi perkebunan dengan mengalokasikan setidaknya 20% lahan yang dikelola perusahaan perkebunan kepada masyarakat sekitar atau, jika lahan terbatas, mewajibkan partisipasi dalam kegiatan bisnis produktif seperti

Pada tahun 2026, LONSUM akan berfokus pada peningkatan skalabilitas dan efisiensi inovasi biologis dan agronomis. Salah satu prioritas utama adalah pengembangan bahan pembawa (carrier) baru untuk Cordyceps yang memungkinkan penyimpanan jangka panjang pada suhu ruang tanpa menurunkan viabilitas spora, dengan beberapa kandidat yang menjanjikan telah diidentifikasi untuk pengujian lebih lanjut. Inisiatif lainnya mencakup pengembangan kultur jaringan tebu untuk penanaman skala besar, pengembangan penanda genetik untuk karakter oil-to-dry mesocarp (ODM) yang tinggi, serta perluasan program pengembangbiakan burung hantu untuk mendukung pengendalian hama tikus secara alami.



Our field officers providing guidance to our smallholders in North Musi Rawas, South Sumatra, on the use of Integrated Pest Management as part of sustainable palm oil governance.

Petugas lapangan kami memberikan bimbingan kepada para petani kecil di Musi Rawas Utara, Sumatera Selatan, mengenai penggunaan Pengelolaan Hama Terpadu sebagai bagian dari tata kelola kelapa sawit berkelanjutan.



Through the programme, LONSUM supports the prosperity of communities surrounding our operations. In 2025, we provided training and supervision for smallholders in collaboration with local authorities, ensuring best practices in estate management and FFB harvesting. We also supplied inputs such as fertilizer and seeds in North Sumatra, supported potato farming and small business opportunities in West Java, and provided working capital to brown sugar producers in East Java. While these initiatives strengthen local livelihoods, we continue to face challenges, including resistance from some farmers who prefer land allocation under the programme and incidents of fruit theft. Encouragingly, these incidents have declined over time as our engagement efforts have gained traction and our community partnerships have deepened

FFB prices are set by Indonesia's Agriculture Department (Dinas Perkebunan) with input from companies and farmers. This reduces price volatility. LONSUM supports smallholders by providing subsidised, high-quality seeds.

LONSUM is committed to supporting smallholders and independent farmers in achieving ISPO certification in alignment with Presidential Regulation No. 16/2025 and the national timeline for mandatory certification. We provide targeted training and financial assistance to help cover certification costs and ensure compliance with the updated requirement.

ISPO certification promotes best practices such as protecting HCV areas, proper plantation management, labour standards, and health and safety compliance. Our training covers key requirements, including water conservation during droughts and riparian management within HCV zones. This provides smallholders with the capacity to optimise their cultivation, effectively reduce their environmental impact, and secure higher incomes.

Following the successful ISPO certification of one KUD in 2023, we now have a total of four ISPO-certified KUD with one additional cooperative part way through the audit process. We are also working with the rest of our smallholders to help them achieve compliance.

LONSUM has adopted a region-specific approach to supporting smallholders in improving both productivity and sustainability. Our models vary, ranging from "One Roof" management (a centralised system for processing and logistics) to the "Active Plasma" model (where smallholders partner directly with the company). We collaborate with village cooperatives known as KUDs on best management practices and environmental management. We also participate in the national Rejuvenation Scheme (Peremajaan Sawit Rakyat, PSR), to replant mature oil palm areas.

We are committed to achieving mutual benefits through smallholder engagement, prioritising the continuous strengthening of trust and good relations with farmers and KUDs for effective operations.

Melalui program ini, LONSUM mendukung kesejahteraan komunitas di sekitar operasi kami. Pada tahun 2025, kami memberikan pelatihan dan pengawasan bagi petani kecil bekerja sama dengan pemerintah daerah, memastikan penerapan praktik terbaik dalam pengelolaan perkebunan dan panen buah kelapa sawit (TBS). Kami juga menyediakan input seperti pupuk dan benih di Sumatra Utara, mendukung pertanian kentang dan peluang usaha kecil di Jawa Barat, serta memberikan modal kerja kepada produsen gula merah di Jawa Timur. Meskipun inisiatif ini memperkuat mata pencaharian lokal, kami tetap menghadapi tantangan, termasuk resistensi dari sebagian petani yang lebih memilih alokasi lahan melalui program ini dan insiden pencurian buah. Secara menggembirakan, insiden-insiden ini telah berkurang seiring waktu seiring dengan meningkatnya upaya keterlibatan kami dan memperdalam kemitraan masyarakat.

Harga TBS ditetapkan oleh Dinas Perkebunan Indonesia dengan masukan dari perusahaan dan petani. Hal ini mengurangi fluktuasi harga. LONSUM mendukung petani kecil dengan menyediakan benih berkualitas tinggi yang disubsidi.

LONSUM berkomitmen untuk mendukung petani plasma dan petani mandiri dalam mencapai sertifikasi ISPO, sejalan dengan Peraturan Presiden No. 16/2025 serta target waktu nasional untuk sertifikasi wajib. Kami menyediakan pelatihan yang terarah dan bantuan pendanaan untuk membantu menutupi biaya sertifikasi serta memastikan kepatuhan terhadap persyaratan terbaru.

Sertifikasi ISPO mempromosikan praktik terbaik seperti perlindungan kawasan NKT, pengelolaan perkebunan yang baik, standar tenaga kerja, dan kepatuhan terhadap kesehatan dan keselamatan. Pelatihan kami mencakup persyaratan utama, termasuk konservasi air selama kekeringan dan pengelolaan daerah aliran sungai di dalam kawasan NKT. Hal ini memberikan petani kecil kemampuan untuk mengoptimalkan budidaya mereka, mengurangi dampak lingkungan secara efektif, dan memperoleh penghasilan yang lebih tinggi.

Setelah sertifikasi ISPO yang sukses untuk satu KUD pada tahun 2023, saat ini kami memiliki total empat KUD yang telah tersertifikasi ISPO, dengan satu koperasi lainnya sedang dalam proses audit. Kami juga bekerja sama dengan para petani kecil lainnya untuk membantu mereka mencapai kepatuhan.

LONSUM telah mengadopsi pendekatan yang disesuaikan dengan wilayah untuk mendukung petani kecil dalam meningkatkan produktivitas dan keberlanjutan. Model-model kami bervariasi, mulai dari "One Roof" (sistem terpusat untuk pengolahan dan logistik) hingga model "Active Plasma" (di mana petani kecil bermitra langsung dengan perusahaan). Kami bekerja sama dengan koperasi desa yang dikenal sebagai KUD dalam penerapan praktik manajemen terbaik dan pengelolaan lingkungan. Kami juga berpartisipasi dalam Program Peremajaan Kelapa Sawit Rakyat (PSR) tingkat nasional untuk menanam kembali area kelapa sawit yang sudah matang.

Kami berkomitmen untuk mencapai manfaat bersama melalui keterlibatan petani kecil, dengan memprioritaskan penguatan berkelanjutan kepercayaan dan hubungan baik dengan petani dan KUD untuk operasional yang efektif.



Our Smallholder Partners in Muara Rupit, South Sumatra
Mitra Petani Kecil kami di Muara Rupit, Sumatera Selatan



Harvesting Prosperity: The Success Story of Mrs. Husna Latifah with PT LONSUM

Memanen Kemakmuran: Kisah Sukses Ibu Husna Latifah bersama PT LONSUM

Mrs. Husna Latifah began her journey as a palm oil farmer and, through years of perseverance, became a LONSUM partner through KUD Marga Makmur. Through this collaboration, she gained access to superior seeds, high-quality fertilisers, and ongoing technical guidance, providing a strong foundation for the professional and efficient management of her palm oil plantation.

This support has contributed to measurable improvements in plantation productivity. The FFB she produces consistently meet PT LONSUM's standards, ensuring a stable source of income for her family. Market certainty and fair pricing from PT LONSUM have also provided a level of security and economic stability that was previously difficult to achieve.

Today, Mrs. Husna Latifah's achievements extend beyond personal success and serve as an example for other members of KUD Marga Makmur. Her experience demonstrates how effective collaboration between independent farmers and large companies can support economic independence in rural communities.

Ibu Husna Latifah memulai perjalanannya sebagai petani kelapa sawit dan, melalui tahun-tahun ketekunan, menjadi mitra LONSUM melalui KUD Marga Makmur. Melalui kolaborasi ini, ia mendapatkan akses ke benih unggul, pupuk berkualitas tinggi, dan bimbingan teknis berkelanjutan, yang memberikan landasan yang kokoh untuk pengelolaan profesional dan efisien perkebunan kelapa sawitnya.

Dukungan ini telah berkontribusi pada peningkatan produktivitas perkebunan yang dapat diukur. Buah kelapa sawit (TBS) yang dihasilkannya secara konsisten memenuhi standar PT LONSUM, memastikan sumber penghasilan yang stabil bagi keluarganya. Kepastian pasar dan harga yang adil dari PT LONSUM juga telah memberikan tingkat keamanan dan stabilitas ekonomi yang sebelumnya sulit dicapai.

Hari ini, prestasi Ibu Husna Latifah melampaui kesuksesan pribadi dan menjadi teladan bagi anggota lain KUD Marga Makmur. Pengalamannya menunjukkan betapa efektifnya kolaborasi antara petani mandiri dan perusahaan besar dalam mendukung kemandirian ekonomi di masyarakat pedesaan.



Husna Latifah, one of our smallholders from KUD Marga Makmur.
Husna Latifah, salah satu petani kami dari KUD Marga Makmur.

OUR PEOPLE

SUMBER DAYA MANUSIA

INTRODUCTION

Indonesia's agriculture sector is the core driver of economic and social growth in rural regions. In 2025, we employed over 23,000 people and partnered with around 17,000 plasma farmers¹⁰. Reflecting this importance, our social commitment begins with our people. We prioritise maintaining safe and healthy workplaces, rigorously upholding human rights and promoting employee wellbeing. We further invest in continuous employee development to empower our people and sustain the skilled labor required for this critical sector.

This section demonstrates our commitment to improving labour conditions and building a sustainable work environment that goes beyond regulatory requirements.

PENGANTAR

Sektor pertanian Indonesia merupakan motor utama pertumbuhan ekonomi dan sosial di daerah pedesaan. Pada tahun 2025, kami mempekerjakan lebih dari 23.000 orang dan bermitra dengan sekitar 17.000 petani plasma¹⁰. Mengingat pentingnya hal ini, komitmen sosial kami dimulai dari karyawan kami. Kami memprioritaskan pemeliharaan tempat kerja yang aman dan sehat, secara ketat menegakkan hak asasi manusia, dan mempromosikan kesejahteraan karyawan. Kami juga berinvestasi dalam pengembangan karyawan secara berkelanjutan untuk memberdayakan karyawan kami dan mempertahankan tenaga kerja terampil yang diperlukan untuk sektor kritis ini.

Bagian ini menunjukkan komitmen kami untuk meningkatkan kondisi kerja dan membangun lingkungan kerja yang berkelanjutan yang melampaui persyaratan regulasi.

Aligned with SDGs | Sejalan dengan Indikator SDG



Material topics and focus area | Topik materi dan area fokus:

- Occupational health and safety | Kesehatan dan keselamatan kerja
- Human, child and labour rights | Hak-hak asasi manusia, hak anak dan tenaga kerja
- Training and development | Pelatihan dan pengembangan

Scope of section

All LONSUM operations

Ruang lingkup bagian ini

Seluruh operasional LONSUM

¹⁰Plasma farmers are smallholders connected to plantations through structured schemes that share resources and benefits.

¹⁰Petani plasma adalah petani kecil yang terhubung dengan perkebunan melalui skema terstruktur yang berbagi sumber daya dan manfaat



Our employee at Isuy Makmur Estate, West Kutai, East Kalimantan
Pekerja kami di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur.



Occupational health and safety

Kesehatan dan keselamatan kerja

- 1 fatalities | 1 korban jiwa
- 1% decrease in rate of recordable work-related injuries
1% penurunan tingkat cedera terkait pekerjaan konsekuensi tinggi

Human, child and labour rights

Hak-hak asasi manusia, anak dan tenaga kerja

- No forced labour or child labour
Larangan kerja paksa atau tenaga kerja dibawah umur
- Comply with minimum wage regulations
Kepatuhan pada peraturan upah minimum
- All workers free to participate in labour union of choice
Semua pekerja bebas berpartisipasi dalam serikat pekerja pilihan
- Full compliance with government labour law
Kepatuhan penuh pada peraturan ketenagakerjaan pemerintah

Training and development

Pelatihan dan pengembangan

- 27,584 hours of employee training (approximately 3,448 man-days)
27.584 jam pelatihan karyawan (sekitar 3.448 hari-orang)

OUR PEOPLE

Material topics Topik materi	Goal/target Tujuan/target	Updates for 2025 Kemajuan di tahun 2025
Occupational Health and Safety (OHS) Kesehatan dan Keselamatan Kerja (K3)	Achieve zero fatalities (across total workforce) Mencapai angka kematian nol (di seluruh tenaga kerja)	We regret to report one fatality in our palm oil operation Kami dengan menyesal melaporkan satu kejadian fatalitas dalam operasional kelapa sawit kami.
	15% reduction in accident rate by 2030 (baseline 2020) 15% penurunan tingkat kecelakaan pada tahun 2030 (data dasar 2020)	1% decrease in accident rate compared to 2020 baseline 1% penurunan tingkat kecelakaan dibandingkan baseline 2020
	Ensure 100% completion of annual health and safety training programs by all operational employees. Memastikan 100% penyelesaian program pelatihan kesehatan dan keselamatan tahunan oleh semua karyawan operasional.	Achieved Tercapai
Human, child and labour rights Hak asasi manusia, anak dan tenaga kerja	No incidents of child and forced labour Tidak ada insiden pekerja di bawah umur dan kerja paksa	Achieved Tercapai
	No incidents of harassment or abuse Tidak ada insiden pelecehan seksual atau kekerasan	Achieved Tercapai
	No incidents of discrimination or harassment Tidak ada insiden diskriminasi atau pelecehan	Achieved Tercapai
	All employees paid wages equal or above legal minimum wages Semua karyawan dibayar dengan upah yang sama atau di atas upah minimum yang sah	Achieved Tercapai
	Continue to conduct refresher course to all field assistant and foreman on Best Management Practices, at a minimum, every 2 years Terus melakukan penyegaran kepada seluruh asisten lapangan dan mandor tentang Praktik Manajemen Terbaik, minimal setiap 2 tahun sekali	Achieved Tercapai

OCCUPATIONAL HEALTH AND SAFETY (OHS) (GRI 3-3, 403-1,2,3,4,5,6,7,8)

OHS System and Committee

LONSUM ensures a secure work environment across all operations through a comprehensive OHS management system. This system aligns with SMK3, Indonesia's national OHS standard, and meets ISPO sustainability requirements as well as ISO 45001 certification and other relevant benchmarks.

Every operational site has an OHS committee registered with Indonesia's Ministry of Manpower. These committees comprise a head, OHS expert, security personnel and assistants. They oversee compliance and act as first responders during emergencies, accidents, or near misses. OHS experts investigate all incidents to identify root causes and implement corrective actions, which are subsequently monitored for effectiveness by our Supervision Division. In 2025, our OHS teams prioritised genset management processes, operator certifications for bulldozers, metal handling procedures, and further strengthening of factory controls and operational standards.



Safety equipment inspection and briefing in Isuy Makmur Estate, West Kutai, East Kalimantan
Inspeksi dan briefing peralatan keselamatan di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur

KESEHATAN DAN KESELAMATAN KERJA (K3) (GRI 3-3, 403-1,2,3,4,5,6,7,8)

Sistem dan Komite K3

LONSUM memastikan lingkungan kerja yang aman di seluruh operasinya melalui sistem manajemen keselamatan dan kesehatan kerja (K3) yang komprehensif. Sistem ini selaras dengan SMK3, standar nasional K3 Indonesia, dan memenuhi persyaratan keberlanjutan ISPO serta sertifikasi ISO 45001 dan standar relevan lainnya.

Setiap lokasi operasional memiliki Komite Keselamatan dan Kesehatan Kerja (K3) yang terdaftar di Kementerian Tenaga Kerja Indonesia. Komite ini terdiri dari ketua, ahli K3, petugas keamanan, dan asisten. Mereka mengawasi kepatuhan dan bertindak sebagai tim tanggap darurat selama keadaan darurat, kecelakaan, atau insiden hampir terjadi. Ahli K3 menyelidiki semua insiden untuk mengidentifikasi penyebab akar dan menerapkan tindakan korektif, yang kemudian dipantau efektivitasnya oleh Divisi Pengawasan kami. Pada tahun 2025, tim K3 kami memprioritaskan proses manajemen genset, sertifikasi operator bulldozer, prosedur penanganan logam, serta penguatan lebih lanjut terhadap kontrol pabrik dan standar operasional.



OHS Training and Standard Operating Procedures (SOPs)

Safety is central to everything we do at LONSUM. We provide regular OHS training, including first aid, to empower workers as first responders. Daily safety briefings are conducted across all sites, reinforcing use of personal protective equipment (PPE) and our safety-first mindset. Danger warning signs are also strategically placed to reinforce safety awareness.

We distribute clear SOPs to all employees, as aligned with national regulations, to ensure the well-being of all employees. We place special focus on high-risk roles such as chemical sprayers, heavy equipment operators, and those in hazardous environments. To reduce health risks, these employees undergo annual checkups as required under SMK3 regulations. Detailed health results are shared with employees, who are also invited to participate in health audits. Employees identified with potential health issues are temporarily reassigned to lower-risk roles until their health recovers.

We use the Hazard Identification and Risk Assessment Tool (HIRAT) to conduct comprehensive risks assessments at each estate. The results are reviewed monthly by our OHS committee. Together with workers, we prioritise and address high-risk hazards to ensure safe and healthy working environments. Internal and external audits are also conducted using HIRARC form to drive continuous improvement and identify follow-up actions.

As stated in our Collective Labour Agreement, employees have the right to refuse unsafe work. If this right is obstructed, they can raise concerns via our grievance mechanism (see page 27), labour unions, daily safety briefings, or OHS committee meetings.

It is with deep regret that we report one work-related fatality in 2025. We have since completed full investigations into the causes which involved a harvesting accident and have updated our safety measures accordingly. To ensure the highest standards moving forward, the government has audited our safety incidents and training SOPs. We are strictly adhering to their subsequent recommendations to strengthen our safety culture. Our company supported the families of our employees from the time of the incidents and ensured release of the dependants' pensions. We also helped our employees' families obtain compensation from Indonesia's social security system (BPJS). There were no recordable cases of work-related ill-health in 2025.

Pelatihan K3 dan Standar Operasional Prosedur (SOP)

Keselamatan menjadi prioritas utama dalam setiap kegiatan yang kami lakukan di LONSUM. Kami menyediakan pelatihan Keselamatan dan Kesehatan Kerja (K3) secara rutin, termasuk pelatihan pertolongan pertama, untuk memberdayakan pekerja sebagai penanggap pertama. Briefing keselamatan harian dilakukan di semua lokasi, menekankan penggunaan Alat Pelindung Diri (APD) dan mindset keselamatan sebagai prioritas utama. Tanda peringatan bahaya juga ditempatkan secara strategis untuk meningkatkan kesadaran keselamatan.

Kami mendistribusikan SOP yang jelas kepada semua karyawan, sesuai dengan peraturan nasional, untuk memastikan kesejahteraan semua karyawan. Kami memberikan perhatian khusus pada peran berisiko tinggi seperti penyemprot kimia, operator alat berat, dan mereka yang bekerja di lingkungan berbahaya. Untuk mengurangi risiko kesehatan, karyawan-karyawan ini menjalani pemeriksaan kesehatan tahunan sesuai dengan peraturan SMK3. Hasil kesehatan yang detail dibagikan kepada karyawan, yang juga diundang untuk berpartisipasi dalam audit kesehatan. Karyawan yang teridentifikasi memiliki masalah kesehatan potensial akan ditugaskan sementara ke peran berisiko lebih rendah hingga kesehatan mereka pulih.

Kami menggunakan Alat Identifikasi Bahaya dan Penilaian Risiko (HIRAT) untuk melakukan penilaian risiko komprehensif di setiap perkebunan. Hasilnya direview setiap bulan oleh Komite Keselamatan dan Kesehatan Kerja (K3) kami. Bersama dengan pekerja, kami memprioritaskan dan menangani bahaya berisiko tinggi untuk memastikan lingkungan kerja yang aman dan sehat. Audit internal dan eksternal juga dilakukan menggunakan formulir HIRARC untuk mendorong perbaikan berkelanjutan dan mengidentifikasi tindakan tindak lanjut.

Sebagaimana tercantum dalam Perjanjian Kerja Kolektif kami, karyawan berhak menolak pekerjaan yang tidak aman. Jika hak ini dihambat, mereka dapat menyampaikan keluhan melalui mekanisme pengaduan kami (lihat halaman 27), serikat pekerja, rapat harian keselamatan, atau rapat komite keselamatan dan kesehatan kerja (K3).

Dengan penyesalan yang mendalam, kami melaporkan satu kejadian fatalitas terkait pekerjaan pada tahun 2025. Kami telah menyelesaikan investigasi menyeluruh atas penyebab kejadian tersebut, yang melibatkan kecelakaan saat panen serta telah memperbaiki langkah-langkah keselamatan kami. Untuk memastikan standar keselamatan yang lebih tinggi ke depan, pemerintah telah melakukan audit terhadap insiden keselamatan dan SOP pelatihan kami. Kami secara ketat mengikuti rekomendasi yang diberikan untuk memperkuat budaya keselamatan. Perusahaan juga telah memberikan dukungan kepada keluarga karyawan sejak terjadinya insiden, termasuk memastikan pencairan pensiun bagi para tanggungan. Selain itu, kami membantu keluarga karyawan dalam memperoleh kompensasi dari sistem jaminan sosial Indonesia (BPJS). Pada tahun 2025, tidak terdapat kasus penyakit akibat kerja yang tercatat.

LONSUM strives for zero workplace accidents and occupational illnesses through rigorous risk assessments across all operations. We pursue Zero Accident Gold certification, a national recognition for exemplary safety performance. To strengthen safety and productivity, we are implementing comprehensive training programmes for employees at all levels and promoting a strong safety culture through regular outreach, K3 socialisation (Indonesia’s OHS programme), fire prevention initiatives, and strict supervision of PPE usage. Our Internal Audit team conducts reviews to identify potential control gaps and provide recommendations. In 2025, the team conducted a Field Worker Safety audit and noted inconsistent PPE usage; relevant controls are being reinforced to ensure full compliance and safeguard worker well-being.

LONSUM berupaya mencapai nol kecelakaan kerja dan penyakit akibat kerja melalui penilaian risiko yang ketat di seluruh operasi. Kami mengejar sertifikasi Zero Accident Gold, pengakuan nasional atas kinerja keselamatan yang unggul. Untuk memperkuat keselamatan dan produktivitas, kami menerapkan program pelatihan komprehensif untuk karyawan di semua tingkatan dan mempromosikan budaya keselamatan yang kuat melalui kegiatan sosialisasi rutin, sosialisasi K3 (program Keselamatan dan Kesehatan Kerja Indonesia), inisiatif pencegahan kebakaran, dan pengawasan ketat penggunaan Alat Pelindung Diri (APD). Tim Audit Internal kami melakukan tinjauan untuk mengidentifikasi celah kontrol potensial dan memberikan rekomendasi. Pada tahun 2025, tim tersebut melakukan audit keselamatan pekerja lapangan dan mencatat penggunaan APD yang tidak konsisten; kontrol yang relevan sedang diperkuat untuk memastikan kepatuhan penuh dan melindungi kesejahteraan pekerja.



Safety signage at Isuy Makmur Mill, Kutai Barat, East Kalimantan, reinforces workers’ awareness of potential hazards and promotes a safe and orderly workplace.

Rambu keselamatan di Isuy Makmur Mill, Kutai Barat, Kalimantan Timur, meningkatkan kesadaran pekerja terhadap potensi bahaya serta mendorong lingkungan kerja yang aman dan tertib.

Safety Certification

All 55 LONSUM estates, factories, bulking stations, research units and refineries are certified under SMK3. Of these, 54 units have achieved SMK3 Gold, including 42 palm oil, 6 rubber, 2 cocoa, 2 tea, 1 bulking, and 1 research.

We maintain alignment to the standards through annual refresher training and a progressive disciplinary system: warnings for violations, followed by termination for repeated non-compliance. All our rubber operations are ISO 45001 certified, an international standard for safe and healthy workplaces that recognises proactive risk prevention and continuous improvement.

- ▶ Data on units certified to SMK3 and ISO 45001 standards can be found on page 105 in the Appendix. Data mengenai unit yang telah disertifikasi sesuai dengan standar SMK3 dan ISO 45001 dapat ditemukan di halaman 105 pada Lampiran.



Our pesticide spraying workers wearing full Personal Protective Equipment (PPE) at Rambong Sialang Estate, Serdang Bedagai, North Sumatra. Pekerja penyemprotan pestisida kami mengenakan Alat Pelindung Diri (APD) lengkap di Rambong Sialang Estate, Serdang Bedagai, Sumatera Utara.

Sertifikasi Keselamatan

Seluruh 55 unit LONSUM yang terdiri dari perkebunan, pabrik, stasiun bulking, unit riset, dan fasilitas penyulingan telah tersertifikasi SMK3. Dari jumlah tersebut, 54 unit telah meraih predikat Bendera Emas SMK3 yang mencakup 42 unit kelapa sawit, 6 unit karet, 2 unit kakao, 2 unit teh, 1 unit bulking, dan 1 unit riset.

Kami memastikan kepatuhan terhadap standar melalui pelatihan penyegaran tahunan dan sistem disiplin progresif: peringatan untuk pelanggaran, diikuti dengan pemecatan untuk pelanggaran berulang. Semua operasi karet kami telah bersertifikat ISO 45001, standar internasional untuk tempat kerja yang aman dan sehat yang mengakui pencegahan risiko secara proaktif dan perbaikan yang berkelanjutan.

- ▶ Detailed OHS data is available on page 102 of the Appendix. Data K3 yang rinci tersedia di halaman 102 Lampiran.

Healthcare provisions for our employees

The nature of field work exposes agricultural employees to environmental hazards, including extreme weather, sun exposure, and biological agents. To safeguard their wellbeing, we provide on-site clinics and first-aid posts, supported by daily health checks from medical officers to ensure people are fit for duty. The results of these medical checks are treated as confidential and are communicated only to the individual worker concerned. Workers are trained to respond safely when they encounter wildlife.

Our OHS standards apply across the entire value chain, and all suppliers must comply with LONSUM's policies. We actively help KUD village cooperative units to obtain SMK3 and ISPO certifications. We aim to have all KUDs certified for both SMK3 and ISPO in line with Presidential Regulation No. 16/2025 and the national timeline for mandatory certification.

Penyediaan layanan kesehatan bagi karyawan kami

Sifat pekerjaan lapangan membuat para pekerja pertanian terpapar bahaya lingkungan, termasuk cuaca ekstrem, paparan sinar matahari, dan agen biologis. Untuk menjaga kesejahteraan mereka, kami menyediakan klinik dan pos pertolongan pertama di lokasi kerja, yang didukung oleh pemeriksaan kesehatan harian dari petugas medis untuk memastikan para pekerja dalam kondisi sehat dan siap bertugas. Hasil pemeriksaan medis ini bersifat rahasia dan hanya dikomunikasikan kepada pekerja yang bersangkutan. Para pekerja dilatih untuk merespons dengan aman ketika mereka bertemu dengan satwa liar.

Standar K3 kami berlaku di seluruh rantai nilai, dan semua pemasok wajib mematuhi kebijakan LONSUM. Kami secara aktif membantu unit koperasi desa KUD untuk memperoleh sertifikasi SMK3 dan ISPO. Kami menargetkan seluruh KUD untuk tersertifikasi baik SMK3 maupun ISPO, sejalan dengan Peraturan Presiden No. 16/2025 serta target waktu nasional untuk sertifikasi wajib.



Medical check up for our employee in Riam Indah Estate, Musi Rawas, South Sumatra. Pemeriksaan kesehatan karyawan kami di Riam Indah Estate, Musi Rawas, Sumatera Selatan

Security Guards (GRI 410-1)

LONSUM prioritises not just the health and well-being of our workers and their families, but also their physical safety. To maintain secure operations, we deploy trained personnel across sites. Our security officers undergo intensive, specialised training at a dedicated centre. This program, delivered in collaboration with military commandos and local police, builds physical and mental resilience while rigorously upholding human rights and legal compliance. This comprehensive approach ensures our officers are professionally equipped to manage non-criminal situations effectively, thereby guaranteeing a safe environment for all.

Penjaga Keamanan (GRI 410-1)

LONSUM tidak hanya memprioritaskan kesehatan dan kesejahteraan karyawan kami serta keluarga mereka, tetapi juga keselamatan fisik mereka. Untuk menjaga operasional yang aman, kami menempatkan personel terlatih di seluruh lokasi. Petugas keamanan kami mengikuti pelatihan intensif dan khusus di pusat pelatihan khusus. Program ini, yang diselenggarakan bekerja sama dengan pasukan komando militer dan polisi lokal, membangun ketahanan fisik dan mental sambil secara ketat mematuhi hak asasi manusia dan kepatuhan hukum. Pendekatan komprehensif ini memastikan petugas kami dilengkapi secara profesional untuk mengelola situasi non-kriminal secara efektif, sehingga menjamin lingkungan yang aman bagi semua.



Morning briefing for our security personnel in Kertasarie Estate, Bandung, West Java
Pengarahan pagi untuk personel keamanan kami di Kertasarie Estate, Bandung, Jawa Barat.

Human, Child and Labour Rights

(GRI 3-3, 406-1, 407-1, 408-1, 409-1)

LONSUM enforces stringent mitigation measures to reduce the risk of our operations or suppliers being exposed to forced or child labour to the lowest possible level.

We ensure fair and respectful treatment for all employees by upholding labour rights and fully complying with both national and local labour laws. Specifically, we guarantee freedom of association, fair wages, reasonable working hours, non-discrimination, and the absolute prohibition of forced and child labour. These principles form the foundation of our comprehensive Labour Policy.

Hak asasi manusia, Anak dan Tenaga Kerja (GRI 3-3, 406-1, 407-1, 408-1, 409-1)

LONSUM menerapkan langkah-langkah mitigasi yang ketat untuk mengurangi risiko operasi kami atau pemasok kami terpapar pada tenaga kerja paksa atau tenaga kerja anak hingga tingkat terendah yang mungkin.

Kami memastikan perlakuan yang adil dan menghormati bagi semua karyawan dengan mematuhi hak-hak tenaga kerja dan sepenuhnya mematuhi undang-undang ketenagakerjaan nasional dan lokal. Secara khusus, kami menjamin kebebasan berserikat, upah yang adil, jam kerja yang wajar, tidak adanya diskriminasi, dan larangan mutlak terhadap kerja paksa dan kerja anak. Prinsip-prinsip ini menjadi landasan dari Kebijakan Ketenagakerjaan kami yang komprehensif.

Seasonal contract workers (GRI 2-8)

The seasonal nature of agriculture requires us to employ contract workers during peak periods. We prioritise hiring from local communities, including family members of permanent employees. This flexible arrangement, which is highly valued in rural Indonesia, allows workers to effectively balance their employment with household responsibilities and personal ventures.

Pekerja kontrak musiman (GRI 2-8)

Sifat musiman pertanian mengharuskan kami untuk mempekerjakan pekerja kontrak selama periode puncak. Kami memprioritaskan perekrutan dari masyarakat lokal, termasuk anggota keluarga karyawan tetap. Pengaturan fleksibel ini, yang sangat dihargai di pedesaan Indonesia, memungkinkan pekerja untuk secara efektif menyeimbangkan pekerjaan mereka dengan tanggung jawab rumah tangga dan usaha pribadi.

To support career progression, high-performing seasonal workers may be prioritised for permanent roles when they

Untuk mendukung perkembangan karier, pekerja musiman yang berkinerja tinggi dapat diprioritaskan untuk posisi tetap ketika posisi tersebut tersedia. Lowongan pekerjaan

become available. Job vacancies are announced during daily briefings and displayed on estate and mill notice boards. In 2025, 607 contract workers, including seasonal workers, were successfully transitioned to permanent roles.

All contracts comply with government regulations, our Code of Conduct and ISPO standards, as outlined in our Labour Policy. Seasonal workers are registered through our fingerprint recognition system.

Child labour

LONSUM strictly complies with Indonesian law, which prohibits people under 18 from working at our sites. Our employee database confirms that no registered worker is underage. Our Labour Policy sets out proactive measures to prevent child labour, emphasising the importance of education in steering children away from agricultural work. To support this, we provide free schooling and daycare facilities for employees' children on our estates.



diumumkan selama rapat harian dan dipajang di papan pengumuman di perkebunan dan pabrik. Pada tahun 2025, 607 pekerja kontrak, termasuk pekerja musiman, berhasil beralih ke posisi tetap.

Semua kontrak mematuhi peraturan pemerintah, Kode Etik kami, dan standar ISPO, sebagaimana tercantum dalam Kebijakan Tenaga Kerja kami. Pekerja musiman terdaftar melalui sistem pengenalan sidik jari kami.

Pekerja di bawah umur

LONSUM mematuhi sepenuhnya undang-undang Indonesia yang melarang orang di bawah usia 18 tahun bekerja di lokasi kami. Basis data karyawan kami memastikan bahwa tidak ada pekerja terdaftar yang berusia di bawah umur. Kebijakan Tenaga Kerja kami menetapkan langkah-langkah proaktif untuk mencegah tenaga kerja anak, dengan menekankan pentingnya pendidikan dalam mengarahkan anak-anak menjauhi pekerjaan pertanian. Untuk mendukung hal ini, kami menyediakan fasilitas pendidikan gratis dan penitipan anak bagi anak-anak karyawan di perkebunan kami.

A sign prohibiting child labour installed in Pahu Makmur Estate, West Kutai, East Kalimantan
Tanda larangan pekerja anak dipasang di Pahu Makmur Estate, Kutai Barat, Kalimantan Timur

Our rigorous hiring process includes age and identity verification checks. All contracts clearly prohibit child labour. Visible signage across plantations reminds workers that children are not allowed in operational areas. Any breach of this rule results in immediate disciplinary action.

Diversity and equal opportunity

At LONSUM, we ensure merit takes precedence over ethnicity, race, gender or religion to ensure a discrimination-free hiring process. We are committed to creating equal opportunities and actively promoting women's participation across all our operations. We allocate resources to identify and remove barriers to inclusion, starting at recruitment.

Recognising the male-dominated nature of our industry, we provide diversity training with a strong focus on gender equality. Our Board-approved Labour Policy defines the role of Gender Committees in every unit, reinforcing our advocacy for women's rights both professionally and personally. We enforce a strict zero-tolerance policy on sexual harassment, supported by regular social initiatives that raise awareness and safe channels for employees to voice concerns.

In compliance with Indonesian labour laws, all female permanent employees receive maternity and menstrual leave, with job positions reserved for new mothers during

Proses perekrutan kami yang ketat mencakup verifikasi usia dan identitas. Semua kontrak secara tegas melarang penggunaan tenaga kerja anak. Papan pengumuman yang terlihat di seluruh perkebunan mengingatkan pekerja bahwa anak-anak dilarang masuk ke area operasional. Pelanggaran terhadap aturan ini akan dikenakan tindakan disiplin segera

Keragaman dan kesempatan yang sama

Di LONSUM, kami memastikan bahwa meritokrasi diutamakan daripada etnis, ras, gender, atau agama untuk memastikan proses perekrutan yang bebas dari diskriminasi. Kami berkomitmen untuk menciptakan kesempatan yang setara dan secara aktif mendorong partisipasi perempuan di seluruh operasi kami. Kami mengalokasikan sumber daya untuk mengidentifikasi dan menghilangkan hambatan inklusi, mulai dari proses perekrutan.

Mengakui sifat industri kami yang didominasi oleh pria, kami menyediakan pelatihan keragaman dengan fokus kuat pada kesetaraan gender. Kebijakan Tenaga Kerja yang disetujui oleh Direksi kami mendefinisikan peran Komite Gender di setiap unit, memperkuat advokasi kami untuk hak-hak perempuan baik secara profesional maupun pribadi. Kami menerapkan kebijakan nol toleransi yang ketat terhadap pelecehan seksual, didukung oleh inisiatif sosial rutin yang meningkatkan kesadaran dan saluran aman bagi karyawan untuk menyampaikan keluhan.

Sesuai dengan undang-undang ketenagakerjaan Indonesia, semua karyawan perempuan tetap berhak atas cuti melahirkan dan cuti menstruasi, dengan posisi pekerjaan yang dijamin untuk ibu baru selama mereka absen. Pada tahun 2025,

their absence. In 2025, 110 women took maternity leave (up from 78 in 2024), and 96% or 106 women returned to their roles (78 in 2024). The remainder either extended leave or resigned. No cases of discrimination or harassment were reported through our whistleblowing system or Gender Committees.

sebanyak 110 perempuan mengambil cuti melahirkan (meningkat dari 78 pada tahun 2024), dan 96% atau 106 orang kembali bekerja (78 pada tahun 2024). Sisanya memperpanjang masa cuti atau mengundurkan diri. Tidak terdapat laporan kasus diskriminasi atau pelecehan melalui sistem pelaporan pelanggaran (whistleblowing) maupun Komite Gender kami.



Testimony of Nurhayati, PT LONSUM

Kesaksian Nurhayati, PT LONSUM.

Nuryati, a 53-year-old woman, has dedicated more than 27 years of her life to PT LONSUM. What started as a job evolved into a lasting career, offering stability and opportunities for personal development. Over the years, the company has consistently supported her growth and contributed to a more secure future for her family.

What she values most at PT LONSUM is the inclusive work environment fostered at the workplace. Throughout her career, Nuryati has never felt limited or underestimated as a woman. Equal opportunities, responsibilities, and recognition have been consistently upheld, allowing her to contribute with confidence in a harmonious and family-oriented workplace, free from discrimination. Her long-standing experience reflects a culture where dedication and hard work are recognised regardless of gender – one she is proud to be part of.

Nurhayati, seorang wanita berusia 53 tahun, telah mengabdikan lebih dari 27 tahun hidupnya kepada PT LONSUM. Apa yang awalnya hanya sebuah pekerjaan berkembang menjadi karir yang berkelanjutan, memberikan stabilitas dan peluang untuk pengembangan diri. Selama bertahun-tahun, perusahaan secara konsisten mendukung pertumbuhannya dan berkontribusi pada masa depan yang lebih aman bagi keluarganya.

Hal yang paling dihargai Nurhayati di PT LONSUM adalah lingkungan kerja yang inklusif yang ditumbuhkan di tempat kerja. Selama kariernya, Nuryati tidak pernah merasa dibatasi atau diremehkan sebagai seorang wanita. Kesempatan yang setara, tanggung jawab, dan pengakuan selalu dijunjung tinggi, memungkinkan dia berkontribusi dengan percaya diri di lingkungan kerja yang harmonis dan berorientasi pada keluarga, bebas dari diskriminasi. Pengalaman panjangnya mencerminkan budaya di mana dedikasi dan kerja keras diakui tanpa memandang gender – suatu budaya yang dia bangga menjadi bagiannya.



Freedom of association (GRI 2-30)

We fully comply with Indonesian laws on freedom of association and regularly inform employees of their right to join labour unions and engage in collective bargaining. Based on our assessment, no locations have been identified where the right to freedom of association is significantly threatened. By the end of 2025, 86% (87% in 2024) of our permanent operational employees were union members. The remaining employees are covered by a company policy, the Peraturan Perusahaan, which is fully aligned with government labor regulations.

Kebebasan berserikat (GRI 2-30)

Kami sepenuhnya mematuhi undang-undang Indonesia mengenai kebebasan berserikat dan secara rutin memberitahukan kepada karyawan mengenai hak mereka untuk bergabung dengan serikat pekerja dan berpartisipasi dalam perundingan kolektif. Berdasarkan penilaian kami, tidak ada lokasi yang teridentifikasi di mana hak kebebasan berserikat terancam secara signifikan. Pada akhir tahun 2025, 86% (87% pada tahun 2024) dari karyawan operasional tetap kami merupakan anggota serikat pekerja. Karyawan yang tersisa dilindungi oleh kebijakan perusahaan, Peraturan Perusahaan, yang sepenuhnya selaras dengan peraturan ketenagakerjaan pemerintah.

To foster constructive dialogue and achieve mutually beneficial outcomes, we hold regular bipartite meetings with unions, focusing on worker issues, benefits, and workloads. This process, detailed in our accessible Labour Policy, ensures employee needs are met, operational disruption is minimised, and all lawful collective agreements are accessible to every worker.

Untuk mendorong dialog konstruktif dan mencapai hasil yang saling menguntungkan, kami mengadakan pertemuan bipartit secara rutin dengan serikat pekerja, dengan fokus pada isu-isu pekerja, manfaat, dan beban kerja. Proses ini, yang dijelaskan secara rinci dalam Kebijakan Tenaga Kerja kami yang mudah diakses, memastikan kebutuhan karyawan terpenuhi, gangguan operasional diminimalkan, dan semua perjanjian kolektif yang sah dapat diakses oleh setiap pekerja.



Testimony of Sunoko, Chairman of SBSI Isuy Makmur in West Kutai, East Kalimantan Testimoni Sunoko, Ketua SBSI Isuy Makmur di Kutai Barat, Kalimantan Timur

For Sunoko (53), Chairman of SBSI Isuy Makmur in West Kutai, East Kalimantan, the ability to organise freely is an important part of creating a fair and respectful working environment. At PT LONSUM, he feels that workers are given the space to express their aspirations and to participate actively through labour unions without pressure or restriction. According to him, this openness reflects the Company's commitment to upholding workers' rights and fostering mutual trust.

Sunoko also highlighted the constructive communication established between management and employees. Discussions are carried out in a transparent and respectful manner, allowing both parties to address concerns and find solutions together. This ongoing dialogue has helped strengthen relationships in the workplace and supports a more harmonious and productive working environment.

Bagi Sunoko (53 tahun), Ketua SBSI Isuy Makmur di Kutai Barat, Kalimantan Timur, kebebasan untuk berserikat merupakan bagian penting dalam menciptakan lingkungan kerja yang adil dan saling menghargai. Di PT LONSUM, ia merasakan bahwa para pekerja diberikan ruang untuk menyampaikan aspirasi serta berpartisipasi aktif melalui serikat pekerja tanpa tekanan maupun pembatasan. Menurutnya, keterbukaan ini mencerminkan komitmen Perusahaan dalam menjunjung tinggi hak-hak pekerja serta membangun kepercayaan bersama.

Sunoko juga menyoroti komunikasi yang terjalin secara konstruktif antara manajemen dan karyawan. Proses dialog dilakukan secara transparan dan penuh rasa hormat, sehingga kedua belah pihak dapat menyampaikan pandangan serta mencari solusi bersama. Komunikasi yang berkelanjutan ini turut memperkuat hubungan kerja dan mendukung terciptanya lingkungan kerja yang harmonis dan produktif.





Fair wages and access to benefits

LONSUM ensures fair remuneration, consistent with the guidelines outlined in our Labour Policy. All employees receive wages that meet or exceed minimum standards set by their respective regional government. Permanent non-office employees benefit from a rice allowance, housing, schooling and free medical services to support a decent standard of living.

To enhance job satisfaction, we offer competitive pay alongside our Work and Estate Living Programme, which provides housing, sports facilities, places of worship, schools and healthcare services. For more details on our Community Relations and the healthcare and education facilities available at no cost to employees and their dependents, please refer to pages 94 and 96 respectively. In addition, LONSUM employees benefit from a government pension scheme supported by additional company contributions, as well as retirement packages under Indonesia's BPJS social insurance system.

- ▶ Data on remuneration as a percentage of the legal minimum wage is available in the Appendix (page 102)
Data mengenai upah sebagai persentase dari upah minimum yang ditetapkan secara hukum tersedia di Lampiran (halaman 102)

TRAINING AND DEVELOPMENT (GRI 3-3, 404-3)

LONSUM values every team member, from operations to management. We provide comprehensive support and training to help them excel. Guided by Total Quality Management principles, our programmes promote career growth, job satisfaction, and overall wellbeing. We provide opportunities of continuous learning and skills development to prepare employees to meet challenges, seize prospects and cultivate transferable skills that will be beneficial in future. In 2025, we maintained a hybrid training approach, delivering some sessions virtually and others in person. The training covers a wide range of topics, including environmental sustainability, technical agricultural skills, and soft skills like conflict resolution, effective leadership, and problem-solving. Key focus areas during the year included providing training opportunities for harvesters through the Harvester Trainee Programme, which now features a digitalised assessment process, as well as continuing the Safety and Proper Driving Training Programme to ensure compliance with regulatory safety requirements for all drivers.

Upah yang adil dan akses ke tunjangan

LONSUM menjamin upah yang adil, sesuai dengan pedoman yang tercantum dalam Kebijakan Tenaga Kerja kami. Semua karyawan menerima upah yang memenuhi atau melebihi standar minimum yang ditetapkan oleh pemerintah daerah masing-masing. Karyawan tetap non-kantor mendapatkan tunjangan beras, perumahan, pendidikan, dan layanan medis gratis untuk mendukung standar hidup yang layak.

Untuk meningkatkan kepuasan kerja, kami menawarkan gaji yang kompetitif bersama dengan Program Kerja dan Perumahan Karyawan kami, yang menyediakan perumahan, fasilitas olahraga, tempat ibadah, sekolah, dan layanan kesehatan. Untuk informasi lebih lanjut mengenai Hubungan Masyarakat kami dan fasilitas kesehatan serta pendidikan yang tersedia secara gratis bagi karyawan dan keluarganya, silakan merujuk ke halaman 94 dan 96 masing-masing. Selain itu, karyawan LONSUM mendapatkan manfaat dari program pensiun pemerintah yang didukung oleh kontribusi tambahan perusahaan, serta paket pensiun di bawah sistem asuransi sosial BPJS Indonesia.

PELATIHAN DAN PENGEMBANGAN (GRI 3-3, 404-3)

LONSUM menghargai setiap anggota tim, mulai dari operasional hingga manajemen. Kami menyediakan dukungan dan pelatihan komprehensif untuk membantu mereka mencapai kesuksesan. Berpedoman pada prinsip Total Quality Management, program-program kami mendorong pertumbuhan karir, kepuasan kerja, dan kesejahteraan secara keseluruhan. Kami memberikan kesempatan belajar berkelanjutan dan pengembangan keterampilan untuk mempersiapkan karyawan menghadapi tantangan, memanfaatkan peluang, dan mengembangkan keterampilan yang dapat diterapkan di masa depan. Pada tahun 2025, kami mempertahankan pendekatan pelatihan hybrid, dengan beberapa sesi dilakukan secara virtual dan lainnya secara langsung. Pelatihan mencakup berbagai topik, termasuk keberlanjutan lingkungan, keterampilan pertanian teknis, dan keterampilan lunak seperti resolusi konflik, kepemimpinan yang efektif, dan pemecahan masalah. Fokus utama selama tahun ini meliputi penyediaan kesempatan pelatihan bagi para pemanen melalui Program Magang Pemanen, yang kini dilengkapi dengan proses penilaian digital, serta melanjutkan Program Pelatihan Keselamatan dan Mengemudi yang Benar untuk memastikan kepatuhan terhadap persyaratan keselamatan regulasi bagi semua pengemudi.

For those aspiring to leadership roles, we offer Managerial and Administrative Development courses for prospective estate, mill and refinery managers.

In 2025, our permanent employee turnover rate was 5%, (4% in 2024). Employee statistics, including training hours, turnover rates, and new hires, can be found in the Appendix on pages 104-105.

Mandatory annual appraisals are conducted for all staff and managers to objectively identify individual strengths and areas for improvement. Performance is assessed using a scorecard that measures their achievements against defined targets. This includes crop performance, cost efficiency, working conditions, social practices, cultural change, and learning. These evaluations help us retain high performers and reward them with competitive compensation, while motivating others to improve.

Bagi mereka yang bercita-cita untuk menduduki posisi kepemimpinan, kami menawarkan program pengembangan manajerial dan administratif untuk calon manajer perkebunan, pabrik, dan kilang.

Pada tahun 2025, tingkat pergantian karyawan tetap kami adalah 5% (4% pada tahun 2024). Statistik karyawan, termasuk jam pelatihan, tingkat pergantian, dan karyawan baru, dapat ditemukan di Lampiran pada halaman 104-105.

Penilaian kinerja tahunan wajib dilakukan untuk semua karyawan dan manajer guna mengidentifikasi secara objektif kekuatan individu dan area yang perlu ditingkatkan. Kinerja dievaluasi menggunakan lembar penilaian yang mengukur pencapaian mereka terhadap target yang telah ditetapkan. Hal ini mencakup kinerja tanaman, efisiensi biaya, kondisi kerja, praktik sosial, perubahan budaya, dan pembelajaran. Penilaian ini membantu kami mempertahankan karyawan berprestasi tinggi dan memberikan kompensasi yang kompetitif kepada mereka, sambil memotivasi yang lain untuk meningkatkan kinerja mereka.



**Certified to Soar:
Strengthening Skills
and Safety Through
Drone Pilot Training**
Bersertifikat untuk
Terbang Lebih Tinggi:
Memperkuat Kompetensi
dan Keselamatan melalui
Pelatihan Pilot Drone



As part of its commitment to providing high-quality human capital development, LONSUM continues to invest in prestigious training and certification programs to equip employees with future-ready competencies. One of these initiatives is the Drone Pilot Training and Certification Program, designed to strengthen technical expertise and ensure employees are well-prepared to support operational excellence through advanced technology utilization.

From an individual perspective, the program enhances practical skills in drone operations while deepening pilots' understanding of the 12 core aeronautical knowledge areas that must be mastered and complied with. The certification strengthens professional credibility, builds pilot confidence, improves emergency mitigation procedures, helps prevent regulatory violations, and facilitates flight permit approvals in restricted or special authority areas—ultimately optimizing the quality and reliability of aerial data produced. Certified participants include Bayu Setiawan, Deven Fernanda Artha Graha, Muhammad Yovi Perdana, Theo Ivan Imanuel, Rizky Ikhwansyah Purba, Muhammad Pandu Prabowo, Muhammad Fatahillah Putra Joni, Afifah Faizah, and Kristiawan Kristanto.

For the company, having certified drone pilots demonstrates compliance with aviation regulations, including the Indonesian Ministry of Transportation Regulations PM 63 Year 2021 (CASR Part 107) and PM 37 Year 2020. It increases client trust, reinforces corporate credibility and professionalism, enhances operational safety, and improves efficiency and productivity in aerial monitoring and data collection. Participants who complete the program receive an official Drone Pilot Certificate valid for two years after undertaking approximately one week of training, consisting of four days of theory and one to two days of practical flight sessions.

Muhammad Yovi Perdana, one of our certified drone pilots, from PT Lonsum.
Muhammad Yovi Perdana, salah satu pilot drone bersertifikat kami, dari PT Lonsum.

Sebagai bagian dari komitmennya dalam menghadirkan pengembangan sumber daya manusia yang berkualitas tinggi, LONSUM terus berinvestasi pada program pelatihan dan sertifikasi bergengsi untuk membekali karyawan dengan kompetensi yang relevan dengan kebutuhan masa depan. Salah satu inisiatif tersebut adalah Program Pelatihan dan Sertifikasi Pilot Drone, yang dirancang untuk memperkuat keahlian teknis serta memastikan karyawan siap mendukung keunggulan operasional melalui pemanfaatan teknologi canggih.

Dari perspektif individu, program ini meningkatkan keterampilan praktis dalam pengoperasian drone sekaligus memperdalam pemahaman pilot terhadap 12 bidang pengetahuan inti kedirgantaraan yang wajib dikuasai dan dipatuhi. Sertifikasi ini memperkuat kredibilitas profesional, membangun kepercayaan diri pilot, meningkatkan prosedur mitigasi keadaan darurat, membantu mencegah pelanggaran regulasi, serta mempermudah proses perizinan penerbangan di area terbatas atau dengan otoritas khusus—yang pada akhirnya mengoptimalkan kualitas dan keandalan data udara yang dihasilkan. Peserta yang telah tersertifikasi antara lain Bayu Setiawan, Deven Fernanda Artha Graha, Muhammad Yovi Perdana, Theo Ivan Imanuel, Rizky Ikhwansyah Purba, Muhammad Pandu Prabowo, Muhammad Fatahillah Putra Joni, Afifah Faizah, dan Kristiawan Kristanto.

Bagi perusahaan, keberadaan pilot drone bersertifikat menunjukkan kepatuhan terhadap regulasi penerbangan, termasuk Peraturan Menteri Perhubungan Republik Indonesia PM 63 Tahun 2021 (CASR Part 107) dan PM 37 Tahun 2020. Hal ini meningkatkan kepercayaan klien, memperkuat kredibilitas dan profesionalisme perusahaan, meningkatkan keselamatan operasional, serta mendorong efisiensi dan produktivitas dalam kegiatan pemantauan udara dan pengumpulan data. Peserta yang menyelesaikan program ini menerima Sertifikat Pilot Drone resmi yang berlaku selama dua tahun, setelah mengikuti pelatihan sekitar satu minggu yang terdiri dari empat hari teori dan satu hingga dua hari sesi praktik penerbangan.

COMMUNITY RELATIONS HUBUNGAN MASYARAKAT

INTRODUCTION

We recognise strong community relationships as vital to our long-term success. We actively engage local stakeholders to ensure our efforts foster inclusive growth, particularly for rural Indonesian communities. As a responsible agribusiness, our operational standards mandate rigorous respect for indigenous land rights and customary land use principles. Beyond compliance, we believe in being a positive force in the areas where we operate, actively contributing to the safety, health, and overall wellbeing of the local communities through targeted social programs and impact mitigation efforts.

This section outlines our progress in maintaining positive relations with host communities, supporting their development, and safeguarding their welfare.

PENGANTAR

Kami menyadari bahwa hubungan yang kuat dengan masyarakat merupakan hal yang vital bagi kesuksesan jangka panjang kami. Kami secara aktif berkolaborasi dengan pemangku kepentingan lokal untuk memastikan upaya kami mendukung pertumbuhan inklusif, terutama bagi masyarakat pedesaan di Indonesia. Sebagai perusahaan agribisnis yang bertanggung jawab, standar operasional kami mewajibkan penghormatan yang ketat terhadap hak atas tanah adat dan prinsip-prinsip penggunaan tanah adat. Selain kepatuhan, kami percaya bahwa kami dapat menjadi kekuatan positif di wilayah tempat kami beroperasi, dengan secara aktif berkontribusi pada keselamatan, kesehatan, dan kesejahteraan keseluruhan masyarakat lokal melalui program-program sosial yang ditargetkan dan upaya mitigasi dampak.

Bagian ini menjelaskan kemajuan kami dalam menjaga hubungan yang baik dengan masyarakat tuan rumah, mendukung perkembangan mereka, dan melindungi kesejahteraan mereka.



Aligned with SDGs | Sejalan dengan indikator SDG



Material topics and focus areas Topik materi dan area fokus:

- Community rights and relations
- Hak dan hubungan kemasyarakatan

Scope of section Ruang cakupan

All LONSUM operations
Seluruh operasi LONSUM

Entrepreneurship training for residents of Tarumajaya Village, Kertasarie Sub-district, Bandung Regency, West Java. This activity was conducted as part of LONSUM commitment to fostering harmonious relationships with communities around our operational areas.

Pelatihan kewirausahaan bagi warga Desa Tarumajaya, Kecamatan Kertasarie, Kabupaten Bandung, Jawa Barat. Kegiatan ini dilaksanakan sebagai bagian dari komitmen LONSUM untuk membina hubungan harmonis dengan masyarakat di sekitar wilayah operasional kami.

UPDATES FOR 2025 KEMAJUAN DI TAHUN 2025



Land Rights | Hak atas Tanah

- Full compliance with all Indonesian regulations on land rights and land management
Kepatuhan penuh terhadap semua peraturan Indonesia tentang hak atas tanah dan pengelolaan lahan

Health facilities | Fasilitas kesehatan

- 82 clinics | klinik
- 90 Posyandu | Posyandu
- 30 doctors | dokter
- 88 midwives and nurses | bidan dan suster
- 11 ambulances | ambulans

Education facilities | Fasilitas pendidikan

- 8 day care centres | tempat penitipan anak
- 110 day care centre visitors | pengunjung tempat penitipan anak
- 55 schools | sekolah
- 362 teachers | guru
- 4,005 students | murid
- 10 Rumah Pintar | Rumah Pintar
- 16,680 Rumah Pintar visitors | pengunjung Rumah Pintar

Community projects | Proyek kemasyarakatan

- 4 out of 10 Rumah Pintar are financially self-sufficient
- 4 dari 10 Rumah Pintar telah mandiri secara finansial

COMMUNITY RELATIONS HUBUNGAN KEMASYARAKATAN

Material Topics Topik Materi	Goal/target Tujuan/target	Updates for 2025 Kemajuan di tahun 2025
Community Rights and Relations Hak dan Hubungan dengan Masyarakat	Comply with all Indonesian laws and regulations on land rights and land management Mematuhi semua hukum dan peraturan Indonesia tentang hak atas tanah dan pengelolaan tanah	Full compliance with regulations Kepatuhan penuh terhadap peraturan
	Maintain zero incidents of FPIC violations on new development area Mempertahankan nol insiden pelanggaran FPIC di area pengembangan baru	Zero incidents of FPIC violations in new development areas Tidak ada insiden pelanggaran FPIC di wilayah pengembangan baru

COMMUNITY RIGHTS AND RELATIONS (GRI 3-3, 411-1, 413-1)

Acknowledging our deep presence in rural Indonesia, we are dedicated to driving the socio-economic development of our workforce, their households, and the communities within our sphere of influence.

In addition to providing employment, we facilitate holistic community development through strategic initiatives covering key sectors: education, healthcare, infrastructure, micro-enterprises, agriculture, cultural preservation, and humanitarian aid. This wide-ranging support aims to establish sustainable, thriving communities.

HAK DAN HUBUNGAN MASYARAKAT (GRI 3-3, 411-1, 413-1)

Menyadari kehadiran kami yang mendalam di pedesaan Indonesia, kami berkomitmen untuk mendorong perkembangan sosial-ekonomi tenaga kerja kami, keluarga mereka, dan masyarakat di wilayah pengaruh kami.

Selain menyediakan lapangan kerja, kami memfasilitasi pengembangan masyarakat secara holistik melalui inisiatif strategis yang mencakup sektor-sektor kunci: pendidikan, kesehatan, infrastruktur, usaha mikro, pertanian, pelestarian budaya, dan bantuan kemanusiaan. Dukungan yang luas ini bertujuan untuk membangun masyarakat yang berkelanjutan dan sejahtera.



Bale Kertasari MSME Corner: Strengthening Local Economies through Community Empowerment Bale Kertasari MSME Corner: Menguatkan Ekonomi Lokal Melalui Pemberdayaan Masyarakat



In 2025, LONSUM launched the Bale Kertasari MSME Corner at the Kertasari Tea Plantation in Bandung Regency. This initiative is part of our ongoing commitment to strengthening local economies and empowering communities around our operations.

Developed in collaboration with Indofood through the Facilitation Program for the Development of Community Plantations (FPKMS) program and in partnership with the Bina Usaha Kertasari Women Farmers Group (KWT), the initiative provides a promotional platform for 16 micro and small enterprises (MSMEs) from surrounding communities, expanding their market reach through its strategic location along the Kertasari tourism route. Participating MSMEs were identified through regional potential mapping, with a focus on local flagship products such as coffee, tea, traditional snacks, and other food and beverage products to strengthen competitiveness and regional identity.

Beyond providing a marketplace, we also support MSME capacity building through skills development training delivered in collaboration with the Bogasari Baking Center. This initiative complements earlier community empowerment programs, including the distribution of potato seedlings to farmer groups in Tarumajaya Village, and reflects our ongoing efforts to create sustainable social and economic value for local communities.

Pada tahun 2025, LONSUM meluncurkan Bale Kertasari MSME Corner di Kebun Teh Kertasari, Kabupaten Bandung. Inisiatif ini merupakan bagian dari komitmen berkelanjutan kami untuk memperkuat ekonomi lokal dan memberdayakan masyarakat di sekitar operasional kami.

Inisiatif ini dikembangkan bekerja sama dengan Indofood melalui Program Fasilitasi Pengembangan Kebun Komunitas (FPKMS) dan bermitra dengan Kelompok Wanita Tani Kertasari (KWT), menyediakan platform promosi bagi 16 usaha mikro dan kecil (UMKM) dari masyarakat sekitar, memperluas jangkauan pasar mereka melalui lokasi strategisnya di sepanjang rute wisata Kertasari. UMKM yang berpartisipasi diidentifikasi melalui pemetaan potensi regional, dengan fokus pada produk unggulan lokal seperti kopi, teh, camilan tradisional, dan produk makanan dan minuman lainnya untuk memperkuat daya saing dan identitas regional.

Selain menyediakan pasar, kami juga mendukung pengembangan kapasitas UMKM melalui pelatihan pengembangan keterampilan yang diselenggarakan bekerja sama dengan Bogasari Baking Center. Inisiatif ini melengkapi program pemberdayaan masyarakat sebelumnya, termasuk distribusi bibit kentang kepada kelompok petani di Desa Tarumajaya, dan mencerminkan upaya berkelanjutan kami untuk menciptakan nilai sosial dan ekonomi yang berkelanjutan bagi masyarakat setempat.



Land Rights


Upholding the principle of FPIC, LONSUM ensures local communities, including indigenous peoples, have the guaranteed right to participate in decisions concerning land acquisitions and new projects. We help them to navigate complex land systems in rural Indonesia, and allow for open negotiations, inclusive decision-making and clear agreements.

All land transactions strictly follow Indonesian law and our company policies. We guarantee fair land compensation by employing transparent procedures that confirm legitimate ownership. These procedures include established certification and verification processes, which are validated by the village head to ensure fairness and provide local community oversight.

Before developing any estate, we conduct an Environmental Impact Assessment (AMDAL) and Social Impact Assessment (SIA) to identify baseline conditions and potential impacts. All our existing operations have completed these assessments, and the resulting findings are shared with local governments and communities for their input and approval.

Our commitment goes beyond regulatory compliance. We seek to improve the livelihoods of our farmers, suppliers and their families through community development and engagement programmes across our estates. Communities can raise land rights concerns through the Indonesian government or LONSUM's grievance mechanism. Complaints are documented and must include supporting evidence, as outlined on page 26. Where necessary, complaints are addressed to local government offices or Indonesia's land agency (BPN). In 2025, there were no reported incidents of FPIC violations, violations of indigenous rights, or significant land rights issues related to LONSUM, and we complied with updated government requirements on land use rights by completing the mandated return of certain areas to the state, ensuring full alignment with national regulations.

Our Grievance Mechanism addresses not only FPIC-related concerns but also operational, social and environmental issues. Company representatives are responsible for receiving, verifying, and following up on all complaints, providing mediation where necessary to achieve a resolution. Community members can also raise concerns during engagement activities such as stakeholder meetings and fire training days.

 Read more in our Sustainable Agriculture Policy
Baca lebih lanjut pada Sustainable Agriculture Policy

Hak Atas Tanah

Menjunjung tinggi prinsip FPIC, LONSUM memastikan bahwa masyarakat lokal, termasuk masyarakat adat, memiliki hak yang dijamin untuk berpartisipasi dalam pengambilan keputusan terkait akuisisi lahan dan proyek-proyek baru. Kami membantu mereka memahami sistem lahan yang kompleks di pedesaan Indonesia, dan memfasilitasi negosiasi terbuka, pengambilan keputusan yang inklusif, serta perjanjian yang jelas.

Semua transaksi tanah secara ketat mengikuti hukum Indonesia dan kebijakan perusahaan kami. Kami menjamin kompensasi tanah yang adil dengan menerapkan prosedur transparan yang memastikan kepemilikan yang sah. Prosedur ini mencakup proses sertifikasi dan verifikasi yang telah ditetapkan, yang diverifikasi oleh kepala desa untuk memastikan keadilan dan memberikan pengawasan dari masyarakat setempat.

Sebelum mengembangkan suatu kawasan, kami melakukan Analisis Dampak Lingkungan (AMDAL) dan Analisis Dampak Sosial (SIA) untuk mengidentifikasi kondisi dasar dan dampak potensial. Semua operasi yang sudah ada telah menyelesaikan penilaian ini, dan hasilnya dibagikan kepada pemerintah daerah dan masyarakat setempat untuk masukan dan persetujuan mereka.

Komitmen kami melampaui kepatuhan terhadap peraturan. Kami berupaya meningkatkan kesejahteraan petani, pemasok, dan keluarga mereka melalui program pengembangan dan keterlibatan masyarakat di seluruh perkebunan kami. Masyarakat dapat menyampaikan keluhan terkait hak atas tanah melalui pemerintah Indonesia atau mekanisme pengaduan LONSUM. Keluhan harus didokumentasikan dan disertai bukti pendukung, sebagaimana dijelaskan pada halaman 26. Jika diperlukan, keluhan akan disampaikan ke kantor pemerintah setempat atau Badan Pertanahan Nasional (BPN) Indonesia. Pada tahun 2025, tidak terdapat insiden pelanggaran FPIC, pelanggaran hak masyarakat adat, atau masalah hak atas tanah yang signifikan terkait dengan LONSUM, dan kami mematuhi persyaratan pemerintah yang diperbarui mengenai hak atas penggunaan tanah dengan menyelesaikan pengembalian area tertentu kepada negara, memastikan kesesuaian penuh dengan peraturan nasional.

Mekanisme Pengaduan kami tidak hanya menangani masalah yang berkaitan dengan FPIC, tetapi juga isu-isu operasional, sosial, dan lingkungan. Perwakilan perusahaan bertanggung jawab untuk menerima, memverifikasi, dan menindaklanjuti semua pengaduan, serta menyediakan mediasi jika diperlukan untuk mencapai penyelesaian. Anggota masyarakat juga dapat menyampaikan keluhan selama kegiatan keterlibatan seperti pertemuan pemangku kepentingan dan hari pelatihan kebakaran.

Access to Healthcare

LONSUM recognises that access to healthcare is essential for our employees, their families and the wider community. Each operating site is equipped with clinics and first-aid posts for workers and their dependents. For local communities, we operate Posyandu community-based health centres that are equipped to support maternal and infant care, offering monthly health checks for mothers and infants, vaccinations, nutritional supplements, and counselling. To support maternal health, LONSUM promotes healthy lifestyles during pregnancy and provides regular check-ups for expectant mothers. Employees' children benefit from health screenings through partnerships with the District Health Centre.

In 2025, our Posyandu centers provided essential healthcare services to over 3,616 children under five, 391 pregnant women, and 834 breastfeeding mothers through monthly health checks and other programmes. We also implemented several community health initiatives to improve overall well-being. These included educating young women in the Dolok Estate on the benefits of sanitary napkins to promote reproductive health and providing counselling on family planning and child health programmes to reduce maternal and infant mortality in Begerpang. Additionally, efforts to address stunting in Bungara Estate focused on raising awareness about malnutrition, promoting proper nutrition for pregnant women, and encouraging exclusive breastfeeding and complementary feeding practices.

As of 2025, we have 82 medical clinics, 90 Posyandu centers, and 11 ambulances across our estates, staffed by 88 midwives/nurses, and 30 doctors. For more details on LONSUM's healthcare facilities in Indonesia, please refer to page 104 in the Appendix.

Akses ke layanan kesehatan

LONSUM menyadari bahwa akses terhadap layanan kesehatan sangat penting bagi karyawan kami, keluarga mereka, dan masyarakat luas. Setiap lokasi operasional dilengkapi dengan klinik dan pos pertolongan pertama untuk pekerja dan tanggungan mereka. Untuk masyarakat setempat, kami mengoperasikan Posyandu, pusat kesehatan berbasis komunitas yang dilengkapi untuk mendukung perawatan ibu dan bayi, termasuk pemeriksaan kesehatan bulanan untuk ibu dan bayi, vaksinasi, suplemen gizi, dan konseling. Untuk mendukung kesehatan ibu, LONSUM mempromosikan gaya hidup sehat selama kehamilan dan menyediakan pemeriksaan rutin untuk ibu hamil. Anak-anak karyawan mendapatkan manfaat dari pemeriksaan kesehatan melalui kemitraan dengan Pusat Kesehatan Kabupaten.

Pada tahun 2025, pusat Posyandu kami menyediakan layanan kesehatan penting bagi lebih dari 3.616 anak balita, 391 ibu hamil, dan 834 ibu menyusui melalui pemeriksaan kesehatan bulanan serta berbagai program lainnya. Kami juga melaksanakan beberapa inisiatif kesehatan masyarakat untuk meningkatkan kesejahteraan secara keseluruhan. Ini termasuk mendidik perempuan muda di Dolok Estate tentang manfaat pembalut sanitasi untuk mempromosikan kesehatan reproduksi, serta memberikan konseling tentang program keluarga berencana dan kesehatan anak untuk mengurangi angka kematian ibu dan bayi di Begerpang. Selain itu, upaya untuk mengatasi stunting di Bungara Estate berfokus pada peningkatan kesadaran tentang gizi buruk, mempromosikan gizi yang tepat bagi ibu hamil, serta mendorong praktik menyusui eksklusif dan pemberian makanan pendamping.

Hingga tahun 2025, kami memiliki 82 klinik kesehatan, 90 pusat Posyandu, dan 11 ambulans di seluruh area perkebunan kami, yang didukung oleh 88 bidan/perawat serta 30 dokter. Untuk informasi lebih lanjut mengenai fasilitas kesehatan LONSUM di Indonesia, silakan merujuk ke halaman 104 di Lampiran.



One of our clinic facilities in Isuy Makmur Estate, West Kutai, East Kalimantan
Salah satu fasilitas klinik kami di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur

Looking ahead, LONSUM plans to pilot and implement a digital reporting system for Posyandu to improve data management and monitoring efficiency. The first phase will begin in North Sumatra Province next year, replacing the current manual Excel-based reporting process. This initiative aims to strengthen health data accuracy and streamline reporting across all LONSUM Posyandu facilities in the future

Untuk ke depannya, LONSUM berencana untuk menguji coba dan menerapkan sistem pelaporan digital untuk Posyandu guna meningkatkan efisiensi pengelolaan data dan pemantauan. Fase pertama akan dimulai di Provinsi Sumatera Utara tahun depan, menggantikan proses pelaporan manual berbasis Excel yang saat ini digunakan. Inisiatif ini bertujuan untuk memperkuat akurasi data kesehatan dan menyederhanakan proses pelaporan di semua fasilitas Posyandu LONSUM di masa mendatang.



Supporting Maternal and Child Health Through Community-Based Posyandu Mendukung Kesehatan Ibu dan Anak melalui Posyandu Berbasis Komunitas



Our Posyandu activities in Isuy Makmur Estate, West Kutai, East Kalimantan
Kegiatan Posyandu kami di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur

In 2025, LONSUM continued to support monthly community health service (Posyandu) activities as part of its efforts to improve maternal and child health. These initiatives contributed to positive outcomes, including regular monitoring of toddlers' growth through nutritional assessments and ensuring that immunisations are administered on schedule.

Pregnant women also benefited from a range of essential services, such as antenatal check-ups, nutritional monitoring, and the provision of iron-folic acid supplements to support healthy pregnancies. These integrated services play an important role in promoting early detection and prevention of health risks for both mothers and children.

The programme also emphasises the importance of active community participation, encouraging parents of young children and expectant mothers to engage consistently in health monitoring activities. Through sustained collaboration and participation, these efforts aim to support the development of healthier and more resilient communities across LONSUM's operational areas.

Pada tahun 2025, LONSUM terus mendukung kegiatan layanan kesehatan masyarakat (Posyandu) bulanan sebagai bagian dari upaya meningkatkan kesehatan ibu dan anak. Inisiatif ini memberikan berbagai hasil positif, termasuk pemantauan pertumbuhan balita secara berkala melalui penilaian gizi serta memastikan imunisasi dilakukan tepat waktu.

Ibu hamil juga memperoleh manfaat dari berbagai layanan penting, seperti pemeriksaan antenatal, pemantauan status gizi, serta pemberian suplemen zat besi dan asam folat untuk mendukung kehamilan yang sehat. Layanan terpadu ini berperan penting dalam mendukung deteksi dini dan pencegahan risiko kesehatan bagi ibu dan anak.

Program ini juga menekankan pentingnya partisipasi aktif masyarakat dengan mendorong orang tua balita dan ibu hamil untuk terlibat secara konsisten dalam kegiatan pemantauan kesehatan. Melalui kolaborasi dan partisipasi yang berkelanjutan, upaya ini diharapkan dapat mendukung terciptanya masyarakat yang lebih sehat dan tangguh di wilayah operasional LONSUM.

Access to Education

To promote learning in our communities, LONSUM has established Rumah Pintar within our oil palm plantations. These centres - also known as "Rumpin" or "Smart Houses" provide books, learning materials and computer workstations. They offer students additional academic support, particularly in mathematics and physics. Rumpin also fosters financial independence by creating a platform for local artisans to market their products.

In 2025, our 10 Rumah Pintar facilities welcomed 16,680 visitors and were supported by 12 tutors. We upgraded our Rumah Pintar network by distributing over 600 books collected through a donation drive and by providing 90 new computer sets to 18 centres to foster reading interest and improve digital literacy.

Our book centres continue to be the most popular, serving as libraries. 4 of the 10 Rumah Pintar are financially self-sufficient. For more details on LONSUM's education facilities across Indonesia, please refer to page 104 in the Appendix. Since the start of the Rumpin revitalisation project in 2022, we have upgraded the facilities and expanded the team by recruiting additional tutors. These enhancements ensure the Rumpin centres can continue to serve the community for events and provide children with a conducive, supportive environment for supplemental academic learning.

Akses ke layanan pendidikan

Untuk mendorong pembelajaran di lingkungan masyarakat kami, LONSUM telah mendirikan Rumah Pintar di perkebunan kelapa sawit kami. Pusat-pusat ini, yang juga dikenal sebagai "Rumpin" atau "Rumah Pintar", menyediakan buku, bahan pembelajaran, dan stasiun kerja komputer. Mereka memberikan dukungan akademik tambahan kepada siswa, terutama dalam bidang matematika dan fisika. Rumpin juga mendorong kemandirian finansial dengan menyediakan platform bagi para pengrajin lokal untuk memasarkan produk mereka.

Pada tahun 2025, 10 fasilitas Rumah Pintar kami menerima 16.680 pengunjung dan didukung oleh 12 tutor. Kami memperbaiki jaringan Rumah Pintar kami dengan mendistribusikan lebih dari 600 buku yang dikumpulkan melalui kampanye donasi dan menyediakan 90 set komputer baru untuk 18 pusat guna meningkatkan minat membaca dan meningkatkan literasi digital.

Pusat buku kami tetap menjadi yang paling populer, berfungsi sebagai perpustakaan. 4 dari 10 Rumah Pintar telah mandiri secara finansial. Untuk detail lebih lanjut tentang fasilitas pendidikan LONSUM di seluruh Indonesia, silakan merujuk ke halaman 104 di Lampiran. Sejak dimulainya proyek revitalisasi Rumpin pada tahun 2022, kami telah memperbaiki fasilitas dan memperluas tim dengan merekrut tutor tambahan. Peningkatan ini memastikan pusat-pusat Rumpin dapat terus melayani masyarakat untuk berbagai acara dan memberikan anak-anak lingkungan yang kondusif dan mendukung untuk pembelajaran akademik tambahan.

To encourage holistic development beyond academics, LONSUM also actively encourages student participation in extracurricular activities in cultural activities such as dance and singing classes.

Untuk mendorong perkembangan holistik di luar bidang akademik, LONSUM juga secara aktif mendorong partisipasi siswa dalam kegiatan ekstrakurikuler, terutama dalam kegiatan budaya seperti kelas tari dan nyanyi.



Our school bus facility in Isuy Makmur Estate, West Kutai, East Kalimantan
Fasilitas bus sekolah kami di Isuy Makmur Estate, Kutai Barat, Kalimantan Timur



Training for Early Childhood Educators and Rumah Pintar Tutors Pelatihan untuk Pendidik Anak Usia Dini dan Tutor Rumah Pintar

On 20 May 2025, LONSUM conducted a training program for Early Childhood Education (PAUD) teachers and Rumah Pintar (Rumpin) tutors at the Rambung Sialang Training Center in North Sumatra. This initiative reflects our commitment to improving education quality in our operational areas.

The program focused on enhancing PAUD teachers' competencies through the Kurikulum Merdeka and play-based learning approaches, while strengthening the managerial skills of Rumpin tutors. Training sessions were led by experienced facilitators and concluded with a reflection session to reinforce key learnings.

The event brought together 29 participants (20 PAUD instructors and 9 Rumpin tutors) from across North Sumatra. Feedback was overwhelmingly positive, with more than 70% of participants reporting valuable takeaways and describing the training as a "new experience" that expanded their knowledge in both teaching and management.

Looking ahead, LONSUM plans to expand this initiative to other business areas, ensuring broader access to quality education and community learning support.

Pada tanggal 20 Mei 2025, LONSUM mengadakan program pelatihan bagi guru Pendidikan Anak Usia Dini (PAUD) dan tutor Rumah Pintar (Rumpin) di Pusat Pelatihan Rambung Sialang, Sumatera Utara. Inisiatif ini mencerminkan komitmen kami untuk meningkatkan kualitas pendidikan di wilayah operasional kami.

Program ini berfokus pada peningkatan kompetensi guru PAUD melalui Kurikulum Merdeka dan pendekatan pembelajaran berbasis bermain, sambil memperkuat keterampilan manajerial tutor Rumpin. Sesi pelatihan dipimpin oleh fasilitator berpengalaman dan diakhiri dengan sesi refleksi untuk memperkuat pembelajaran kunci.

Acara tersebut menghadirkan 29 peserta (20 instruktur PAUD dan 9 tutor Rumpin) dari seluruh wilayah Sumatera Utara. Tanggapan peserta secara umum sangat positif, dengan lebih dari 70% peserta melaporkan bahwa mereka mendapatkan manfaat yang berharga dan menggambarkan pelatihan tersebut sebagai "pengalaman baru" yang memperluas pengetahuan mereka dalam bidang pengajaran dan manajemen.

Ke depannya, LONSUM berencana untuk memperluas inisiatif ini ke bidang bisnis lainnya, memastikan akses yang lebih luas terhadap pendidikan berkualitas dan dukungan pembelajaran bagi masyarakat.



Training for PAUD Teachers and Rumpin Tutors, Rambung Sialang Training Center, North Sumatra
Pelatihan Guru PAUD dan Tutor Rumpin, Balai Diklat Rambung Sialang, Sumatera Utara

Inculcating sustainability in daily living

LONSUM's Care & Ownership programme was developed to promote sustainable habits beyond the workplace. Led by spouses of plantation employees, it engages families across plantations, factories, and offices to champion environmental responsibility. This initiative targets key areas: cutting paper and plastic use, improving waste management, and conserving water and energy.

As part of the Care and Ownership programme, in 2025, Begerpang Estate conducted monthly activities focused on growing beneficial plants and vegetables. This initiative has helped improve family nutrition and health by providing fresh produce for daily consumption.

Moving forward, we aim to assist more farmers in obtaining organic fertiliser and provide technical support to plasma areas to improve oil palm quality. We also plan to develop oil palm cultivation modules as a guide for plasma farmers.

Menanamkan keberlanjutan dalam kehidupan sehari-hari

Program Perawatan & Kepemilikan LONSUM dikembangkan untuk mendorong kebiasaan berkelanjutan di luar lingkungan kerja. Dipimpin oleh pasangan karyawan perkebunan, program ini melibatkan keluarga-keluarga di perkebunan, pabrik, dan kantor untuk mempromosikan tanggung jawab lingkungan. Inisiatif ini menargetkan area-area kunci: mengurangi penggunaan kertas dan plastik, meningkatkan pengelolaan limbah, serta menghemat air dan energi.

Sebagai bagian dari Program Perawatan dan Kepemilikan, pada tahun 2025, Begerpang Estate mengadakan kegiatan bulanan yang berfokus pada penanaman tanaman bermanfaat dan sayuran. Inisiatif ini telah membantu meningkatkan gizi dan kesehatan keluarga dengan menyediakan hasil panen segar untuk konsumsi sehari-hari.

Ke depannya, kami berencana untuk membantu lebih banyak petani dalam memperoleh pupuk organik dan memberikan dukungan teknis kepada kawasan plasma untuk meningkatkan kualitas kelapa sawit. Kami juga berencana untuk mengembangkan modul budidaya kelapa sawit sebagai panduan bagi petani plasma.



Food security programme in Pahu Makmur Estate, West Kutai, East Kalimantan
Program ketahanan pangan di Pahu Makmur Estate, Kutai Barat, Kalimantan Timur

APPENDIX – DATA SUMMARY

LAMPIRAN – RINGKASAN DATA

ENVIRONMENTAL DATA

Energy Consumption in Mills (GRI 302-1,3,4)

Energy Consumption	2020 (Baseline)		2023		2024		2025	
	Gj ('000)	%	Gj ('000)	%	Gj ('000)	%	Gj ('000)	%
Fibre	1.375	38%	1.188	38%	1.169	38%	1.190	38%
Palm Shell	2.141	60%	1.935	61%	1.861	61%	1.880	61%
Total from renewable fuel	3.516	98%	3.123	99%	3.030	99%	3.070	99%
Diesel	55	2%	38	1%	36	1%	41	1%
Electricity	8	0%	9	0%	5	0%	5	0%
Total from non renewable fuel	63	2%	47	1%	41	1%	46	1%
Total Energy Consumption	3.579	100%	3.170	100%	3.071	100%	3.116	100%
GJ per tonne of CPO production	10,82		10,79		10,71		10,67	

Note: Our intensity figures refer to the energy types listed for mills as shown and are based on energy consumed within the organisation. Data are not currently available on the overall breakdown of electrical, heating, cooling, and steam energy consumed: we are reviewing the data on these. No energy is sold off site. Data from palm oil mills (27 out of 27 mills). Percentage figures are rounded. We have change intensity calculation base to CPO Production from FFB Processed in the previous years. "2020 was selected as the base year for our targets due to its representative production profile and the availability of a complete and consistent dataset suitable for long-term performance tracking."

Water Consumption in Mills (GRI 303-5)

Water Consumption	2020 (Baseline)		2023		2024		2025	
	'000 m3	m3/tonne	'000 m3	m3/tonne	'000 m3	m3/tonne	'000 m3	m3/tonne
Total Water Consumption	1.581	4,78	1.575	5,36	1.455	5,08	1.467	5,03

Note: We have change intensity calculation base to CPO Production from FFB Processed in the previous years.

Energy Consumption in Rubber Factories (GRI 302-1,3,4)

Energy Consumption In OC Mills	2020 (Baseline)		2023		2024		2025	
	Gj ('000)	%	Gj ('000)	%	Gj ('000)	%	Gj ('000)	%
Palm Shell	14	11%	10	13%	10	13%	11	16%
Rubber Wood	105	81%	61	78%	60	78%	55	76%
Total from renewable fuel	119	91%	71	91%	70	91%	66	92%
Diesel	6	5%	2	3%	1	2%	1	2%
Electricity	5	4%	5	6%	5	7%	4	6%
Total from non renewable fuel	11	9%	7	9%	6	9%	5	8%
Total Energy Consumption	130	100%	78	100%	76	100%	71	100%
GJ per tonne of Rubber Produced	16.52		16.42		16.24		16.01	

Note: Data from 3 factories with 3 crumb rubber and 2 sheet rubber processing lines. Percentage figures are rounded off. We have corrected number of Rubber Wood consumption due to double counting measurement mistakes found in the previous years data.

Water Consumption in Rubber Factories (GRI 303-5)

Water Consumption	2020 (Baseline)		2023		2024		2025	
	'000 m3	m3/tonne	'000 m3	m3/tonne	'000 m3	m3/tonne	'000 m3	m3/tonne
Total Water Consumption	340	43.34	189	39.79	187	39.78	187	42.00

Note: Water intensity in rubber factories increased due to unstable production process and low quality of raw material.



GHG Emissions (GRI 305-1,2,3,4)

Emission Sources	Description	2020 (Baseline)		2023		2024		2025	
		tCO2e ('000)	tCO2e/tonne	tCO2e ('000)	tCO2e/tonne	tCO2e ('000)	tCO2e/tonne	tCO2e ('000)	tCO2e/tonne
Direct Emission Estate	Land Conversion	60	0,14	(5)	(0,01)	(28)	(0,07)	(28)	(0,08)
	Peat emissions	320	0,76	320	0,84	320	0,87	320	0,93
	N2O from fertiliser	42	0,10	74	0,19	47	0,13	51	0,15
	Fuel usage in the estates	0,00	0,00	0,00000023	0,0000000001	0,00000024	0,0000000006	0,00000024	0,0000000007
Direct Emission Mill	Methane from POME	104	0,25	97	0,25	90	0,24	90	0,26
	Fuel usage in the mills	4	0,01	9	0,01	3	0,01	3	0,01
Direct Emission Estate and Mill	Chemical usage in the mills and plantations	2	0,00	2	0,01	2	0,01	2	0,01
Indirect Emission Mill (Scope 2)	Electricity emission	2	0,00	2	0,00	1	0,00	2	0,00
Transportation Emission (Scope 3)	Fuel usage from transport of FFB	22	0,05	22	0,06	21	0,06	20	0,06
Total Emissions from Mills and Estate Operations		556	1,32	513	1,35	457	1,24	460	1,34
Emissions per Tonne of Palm Product		1,32		1,35		1,24		1,34	
Emission per total revenue (tonne CO2e/Million Rupiah)		0,35		0,12		0,10		0,08	

PROPER Evaluation and ISO 14001 Certification Status (GRI 2-27)

	PROPER	ISO 14001 Certification
PROPER	Total number of LONSUM facilities: 12 mills, 3 factories, 1 estates containing peatland	
Sumatra	● 6 mill, 1 factories	● 3 estates 10 palm oil mills, 1 bulking, 1 office
Kalimantan	● 1 mills and 1 estates	1 palm oil mills
Java	●	● 1 factory 1 office
Sulawesi	● 1 factory	Factory implemented ISO 14001 (yet to be certified)

PROPER is the Indonesian Government's Environmental Management evaluation. Participation in the PROPER audit is subject to approval by the Indonesian Ministry of Environment and Forestry. Environmental management procedures are in compliance with national regulatory standards. Environmental management efforts are in place but do not fully comply with national regulatory standards.

The above reflects 2024 PROPER data; 2025 results are pending from the Ministry of Environment

SOCIAL DATA

Health and Safety Data (GRI 403-9, 10)

	2020 (Baseline)	2023	2024	2025
Fatalities	1	0	2	1
Rate of fatalities as a result of work-related injury ¹	0.020	0.000	0.044	0.021
Rate of high-consequence work-related injuries (excluding fatalities) ²	0.000	0.000	0.000	0.000
Rate of recordable work-related injuries ³	0.62	0.73	0.60	0.61
Number of cases of recordable work-related ill-health	0	0	0	0

¹ Rate of fatalities as a result of work-related injury is calculated as follows: No. of fatalities as a result of work-related injury x 1,000,000 divided by Total Hours Worked

² Rate of high-consequence work-related injuries (excluding fatalities) is calculated as follows: No. of high-consequence work-related injuries (excluding fatalities) x 1,000,000 divided by Total Hours Worked.

³ Rate of recordable work-related injuries is calculated as follows: No. of recordable work-related injuries x 1,000,000 divided by Total Hours Worked. Data included third parties workers.

Lowest Monthly Remuneration and Minimum Legal Wage

Region	Minimum Legal Wage (IDR)	LONSUM lowest monthly remuneration (IDR)	LONSUM lowest monthly remuneration as a percentage of minimum legal wage
Java	2,810,319	2,815,000	100%
Sumatra	3,963,706	3,966,000	100%
Kalimantan	3,952,233	3,962,000	100%
Sulawesi	3,775,425	3,781,000	100%

Ratio of remuneration by gender and employee category (GRI 405-2)

Region	Remuneration ratio – Men: Women
Manager and Senior Manager	1:1
Supervisor	1:1
Staff	1:1
Administrative/Operational	1:1

Employee statistic (GRI 2-7, 2-8 and 405-1)

	18 – 24 Years		25 – 35 Years		36 – 45 Years		≥ 46 Years		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Education										
Academy and University (Strata 1, 2 and 3)	72	31	429	108	198	74	172	43	871	256
Diploma (D1-D4)	20	6	84	44	94	63	46	33	244	146
Senior High School	1.897	148	3.187	418	1.947	230	1.095	110	8.126	906
Junior High School	447	35	1.068	256	1.295	240	900	105	3.710	636
Primary School	1.014	88	2.078	444	2.472	614	1.629	382	7.193	1.528
Total	3.450	308	6.846	1.270	6.006	1.221	3.842	673	20.144	3.472
Level										
Manager and Senior Manager	-	-	-	-	2	-	32	5	34	5
Supervisor	-	-	15	1	43	11	83	16	141	28
Staff	68	4	336	38	129	12	103	18	636	72
Administrative/Operational	3.382	304	6.495	1.231	5.832	1.198	3.624	634	19.333	3.367
Total	3.450	308	6.846	1.270	6.006	1.221	3.842	673	20.144	3.472
Region										
Sumatra	2.804	196	5.601	835	4.600	788	2.795	417	15.800	2.236
Kalimantan	400	54	724	254	699	219	355	78	2.178	605
Java	181	46	320	120	286	157	252	134	1.039	457
Sulawesi	65	12	201	61	421	57	440	44	1.127	174
Total	3.450	308	6.846	1.270	6.006	1.221	3.842	673	20.144	3.472

	18 – 24 Years		25 – 35 Years		36 – 45 Years		≥ 46 Years		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Status										
Permanent Employee	281	9	3.503	310	5.162	602	3.593	484	12.539	1.405
Non Permanent Employee	1.318	73	2.024	215	588	239	186	107	4.116	634
Seasonal Workers	1.851	226	1.319	745	256	380	63	82	3.489	1.433
Total	3.450	308	6.846	1.270	6.006	1.221	3.842	673	20.144	3.472

New Hires (GRI 401-1)

	18 – 24 Years		25 – 35 Years		36 – 45 Years		≥ 46 Years		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Region										
Sumatra	2	-	2	-	-	1	-	-	4	1
Kalimantan	2	-	10	6	11	11	8	5	31	22
Java	-	-	13	8	7	20	1	6	21	34
Sulawesi	-	-	14	-	4	1	1	-	19	1
Total	4	-	39	14	22	33	10	11	75	58

Resignations (Excluding Contract Workers)

	18 – 24 Years		25 – 35 Years		36 – 45 Years		≥ 46 Years		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Region										
Sumatra	16	1	184	4	213	13	327	39	740	57
Kalimantan	8	-	50	7	48	3	41	3	147	13
Java	-	-	8	4	5	-	30	3	43	7
Sulawesi	-	-	4	-	3	-	48	6	55	6
Total	24	1	246	15	269	16	446	51	985	83

Turnover rate (GRI 401-1)

Region	18 – 24 Years		25 – 35 Years		36 – 45 Years		≥ 46 Years		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Sumatra	1%	1%	3%	0%	5%	2%	12%	9%	20%	12%
Kalimantan	2%	0%	7%	3%	7%	1%	12%	4%	27%	8%
Java	0%	0%	3%	3%	2%	0%	12%	2%	16%	6%
Sulawesi	0%	0%	2%	0%	1%	0%	11%	14%	14%	14%
Total	3%	1%	15%	7%	14%	3%	46%	29%	77%	39%
Group Turnover rate	5%									

Training hours [GRI 404-1, 404-2, 404-3]

Level	Total Participants		Employee Training Hours		Average Training Hours per Employee	
	Male	Female	Male	Female	Male	Female
Manager and Senior Manager	99	3	1.432	32	14	11
Supervisor	14	2	156	16	11	8
Staff	481	64	20.332	864	42	14
Administrative/Operational	284	50	4.088	664	14	13
Total	878	119	26.008	1.576	30	13

SMK3 Certification

Type	2023	2024	2025
Gold Rating	55	55	54
Palm Oil	43	43	42
Rubber	6	6	6
Tea	2	2	2
Cocoa	2	2	2
Research	1	1	1
Bulking	1	1	1
Silver Rating	1	1	1
Rubber	1	1	1



ISO 45001:2018 Certification

Type	2023	2024	2025
Total Certified	11	11	12
Rubber	5	5	6
Tea	2	2	2
Cocoa	2	2	2
Office	2	2	2

COMMUNITY DATA

Medical Facilities and Related Data	North Sumatra	South Sumatra	Kalimantan	Java	Sulawesi	Total
Division Clinic	47	19	0	2	1	69
Central Clinic	0	6	5	0	2	13
Ambulances	1	6	3	1	0	11
Doctors	1	0	0	0	0	1
Visiting Doctors	14	10	4	1	0	29
Midwife/Nurses	49	27	8	2	2	88
Posyandu	54	17	3	14	2	90

Education Facilities and Related Data	North Sumatra	South Sumatra	Kalimantan	Java	Sulawesi	Total
Day Care Centres	1	3	3	1	0	8
Day Care Centre Visitors	15	8	59	28	0	110
Kindergarten	21	15	4	3	1	44
Primary Schools	0	7	0	3	0	10
Secondary Schools	1	0	0	0	0	1
High Schools	0	0	0	0	0	0
Teachers	242	74	24	17	5	362
Rumah Pintar	4	4	1	0	1	10



PT LONSUM TBK ASSOCIATION MEMBERSHIPS
KEANGGOTAAN PT LONSUM TBK DALAM ASOSIASI

NO	Association Asosiasi	Rol Peran	Scope cope
1	Indonesian Listed Companies Association (AEI) Asosiasi Emiten Indonesia (AEI)	Member Anggota	National Nasional
2	Indonesian Palm Oil Association (IPOA) Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI)	<ul style="list-style-type: none"> Chairman of the Advisory Board Ketua Dewan Pembina Chair of the ISPO Promotion Section Ketua Seksi Promosi ISPO 	National Nasional
3	Rubber Association of Indonesia (GAPKINDO) Gabungan Perusahaan Karet Indonesia (GAPKINDO)	Member Anggota	National Nasional
4	Gabungan Pengusaha Perkebunan (GPP) West Java and Banten Region Gabungan Pengusaha Perkebunan Jawa Barat dan Banten (GPP Jabar-Banten)	Member Anggota	National Nasional

OVERVIEW OF SPECIES FOUND IN OUR ESTATES AND THEIR STATUS UNDER IUCN RED LIST AND INDONESIA REGULATION

NO	CLASS	LOCAL NAME	COMMON NAME	SCIENTIFIC NAME	PROTECTED UNDER INDONESIA REGULATION*	IUCN STATUS
1	BIRDS	Elang tikus	Black-winged Kite	<i>Elanus caeruleus</i>	Yes	Least concern
2	BIRDS	Elang-ular bido	Crested Serpent Eagle	<i>Spilornis cheela</i>	Yes	Least concern
3	BIRDS	Burung-madu sepah-raja	Crimson Sunbird	<i>Aethopyga siparaja</i>	Yes	Least concern
4	BIRDS	Bangau tongtong	Lesser Adjutant	<i>Leptoptilos javanicus</i>	Yes	Vulnerable
5	BIRDS	Kipasan belang	Pied Fantail	<i>Rhipidura javanica</i>	Yes	Least concern
6	BIRDS	Bangau sandang-lawe	Woolly-necked Stork	<i>Ciconia episcopus</i>	Yes	Vulnerable
7	BIRDS	Baza hitam	Black baza	<i>Aviceda leuphotes</i>	Yes	Least concern
8	BIRDS	Rangkong badak	Rhinoceros hornbill	<i>Buceros rhinoceros</i>	Yes	Vulnerable
9	BIRDS	Puyuh hitam	Black partridge	<i>Melanoperdix niger</i>	No	Vulnerable
10	BIRDS	Bangau bluwok	Milky stork	<i>Mycteria cinerea</i>	Yes	Endangered
11	BIRDS	Enggang jambul	White-crowned hornbill	<i>Aceros comatus</i>	No	Endangered
12	BIRDS	Betet ekor-panjang	Long-tailed Parakeet	<i>Psittacula longicauda</i>	Yes	Vulnerable
13	BIRDS	Luntur putri	Scarlet-rumped Trogon	<i>Harpactes duvaucelii</i>	No	Near Threatened
14	BIRDS	Takur tutut	Red-crowned Barbet	<i>Megalaima rafflesii</i>	No	Near Threatened
15	BIRDS	Takur warna-warni	Red-throated Barbet	<i>Megalaima mystacophanos</i>	No	Near Threatened
16	BIRDS	Takur topi-merah	Yellow-crowned Barbet	<i>Megalaima henricii</i>	No	Near Threatened
17	BIRDS	Sempur-hujan darat	Black-and-yellow Broadbill	<i>Eurylaimus ochromalus</i>	No	Near Threatened
18	BIRDS	Cica-daun kecil	Lesser Green Leafbird	<i>Chloropsis cyanopogon</i>	Yes	Near Threatened
19	BIRDS	Cucak kelabu	Grey-bellied Bulbul	<i>Pycnonotus cyaniventris</i>	No	Near Threatened
20	BIRDS	Pelanduk dada-putih	White-chested Babbler	<i>Trichastoma rostratum</i>	No	Near Threatened

NO	CLASS	LOCAL NAME	COMMON NAME	SCIENTIFIC NAME	INDONESIA REGULATION*	IUCN STATUS
21	BIRDS	Tepus-merbah sampah	Chestnut-rumped Babbler	<i>Stachyris maculata</i>	No	Near Threatened
22	BIRDS	Tangkar kambing	Black Magpie	<i>Platysmurus leucopterus</i>	Yes	Least concern
23	BIRDS	Luntur kasumba	Red-naped Trogon	<i>Harpactes kasumba</i>	Yes	Near Threatened
24	BIRDS	Tepus tunggir-merah	Chestnut-rumped Babbler	<i>Stachyris maculata</i>	No	Near Threatened
25	BIRDS	Kadalan beruang	Black-bellied Malkoha	<i>Phaenicophaeus diardi</i>	No	Near Threatened
26	BIRDS	Kadalan saweh	Chestnut-bellied Malkoha	<i>Phaenicophaeus sumatranus</i>	No	Near Threatened
27	BIRDS	Elang bondol	Brahminy Kite	<i>Haliastur indus</i>	Yes	Least concern
28	BIRDS	Elang-ikan kepala-kelabu	Grey-headed Fish Eagle	<i>Ichthyophaga ichthyaetus</i>	Yes	Near Threatened
29	BIRDS	Sikep-madu asia	Crested Honey Buzzard	<i>Pernis ptilorhynchus</i>	Yes	Least concern
30	BIRDS	Alap-alap capung	Black-thighed Falconet	<i>Microhierax fringillarius</i>	Yes	Least concern
31	BIRDS	Kangkareng perut-putih	Oriental Pied Hornbill	<i>Anthracoceros albirostris</i>	Yes	Least concern
32	MAMMALS	Kucing kuwuk	Leopard Cat	<i>Prionailurus bengalensis</i>	Yes	Least concern
33	MAMMALS	Kukang	Greater slow loris	<i>Nycticebus coucang</i>	Yes	Vulnerable
34	MAMMALS	Sero ambrang	Oriental Small-Clawed Otter	<i>Aonyx cinerea</i>	No	Vulnerable
35	MAMMALS	Trenggiling	Pangolin	<i>Manis javanica</i>	Yes	Critically Endangered
36	MAMMALS	Beruk	Pig Tailed Macaque	<i>Macaca nemestrina</i>	Yes	Vulnerable
37	MAMMALS	Rusa sambar	Sambar Deer	<i>Cervus unicolor</i>	Yes	Vulnerable
38	MAMMALS	Kijang	Red Muntjac	<i>Muntiacus muntjak</i>	Yes	Least concern
39	MAMMALS	Owa	Sumatran Gibbon	<i>Hylobates agilis</i>	Yes	Endangered
40	MAMMALS	Lutung simpai	Sumatran Surili (Simpai)/ Mitred Leaf Monkey	<i>Presbytis melalophos</i>	Yes	Endangered

NO	CLASS	LOCAL NAME	COMMON NAME	SCIENTIFIC NAME	INDONESIA REGULATION*	IUCN STATUS
41	MAMMALS	Beruang madu	Sun Bear/Malayan Sun Bear	<i>Helarctos malayanus</i>	Yes	Vulnerable
42	MAMMALS	Harimau sumatra	Sumatran tiger	<i>Panthera tigris sumatrae</i>	Yes	Endangered
43	MAMMALS	Kancil	Lesser Mouse-deer	<i>Tragulus javanicus</i>	Yes	Least concern
44	MAMMALS	Siamang	Symphalangus gibbon	<i>Symphalangus syndactylus</i>	Yes	Endangered
45	MAMMALS	Krabuku ingkat	Sunda tarsier	<i>Tarsius bancanus</i>	Yes	Vulnerable
46	MAMMALS	Babi berjenggot	Bearded pig	<i>Sus barbatus</i>	No	Vulnerable
47	MAMMALS	Pelanduk napu	Greater mouse-deer	<i>Tragulus napu</i>	Yes	Least concern
48	MAMMALS	Macan dahan	Sunda clouded leopard	<i>Neofelis diardi</i>	Yes	Vulnerable
49	MAMMALS	Jelarang	Black Giant Squirrel	<i>Ratufa bicolor</i>	No	Near Threatened
50	MAMMALS	Bekantan kahau	Proboscis monkey	<i>Nasalis larvatus</i>	Yes	Endangered
51	MAMMALS	Lutung-merah kalimantan	Maroon Leaf Monkey	<i>Presbytis rubicunda</i>	Yes	Least concern
52	MAMMALS	Banteng	Banthenng	<i>Bos Javanicus</i>	Yes	Endangered
53	MAMMALS	Macan Tutul Jawa	Javan Leopard	<i>Pantera Pardus Melas</i>	Yes	Critically Endangered
54	REPTILES	Buaya sinyulong	False Gharial	<i>Tomistoma schlegelii</i>	Yes	Vulnerable
55	REPTILES	Buaya muara	Salt-water Crocodile	<i>Crocodylus porosus</i>	Yes	Least concern
56	PLANTS	Acung- Jangkung	Amorphophallus	<i>Amorphophallus decus-silvae</i>	Yes	Endangered
57	PLANTS	Ayah	Resak	<i>Cotylelobium burcki</i>	No	Endangered
58	PLANTS	Majo	Light Red Meranti	<i>Shorea palembanica</i>	No	Critically Endangered
59	PLANTS	Cerindak	Balau tree	<i>Shorea seminis v. Slooten</i>	No	Critically Endangered
60	PLANTS	Mengkaras beringin	Eaglewood tree	<i>Aquilaria beccariana v. Tiegh.</i>	No	Vulnerable

NO	CLASS	LOCAL NAME	COMMON NAME	SCIENTIFIC NAME	INDONESIA REGULATION*	IUCN STATUS
61	PLANTS	Engkaras	Eaglewood tree	<i>Aquilaria malaccensis Lamk.</i>	No	Critically Endangered
62	PLANTS	Ulin	Borneo ironwood	<i>Eusideroxylon zwageri T. & B.</i>	Yes	Vulnerable
63	PLANTS	Mang	Light hopea	<i>Hopea mengerawan Miquel</i>	No	Critically Endangered
64	PLANTS	Belangeran	Red balau	<i>Shorea belangeran</i>	No	Critically Endangered
65	PLANTS	Tengkawang layar	Light Red Meranti	<i>Shorea smithiana Symington</i>	No	Critically Endangered
66	PLANTS	Pekawai	Durian pulu	<i>Durio kutejensis (Hassk.) Beccari</i>	No	Vulnerable
67	PLANTS	Entuyut	Tropical Pitcher Plants	<i>Nepenthes adnata</i>	Yes	Endangered
68	PLANTS	Entuyut	Tropical Pitcher Plants	<i>Nepenthes albomarginata</i>	Yes	Least concern
69	PLANTS	Entuyut	Tropical Pitcher Plants	<i>Nepenthes bicalcarata</i>	Yes	Vulnerable
70	PLANTS	Entuyut	Tropical Pitcher Plants	<i>Nepenthes chaniana</i>	No	Endangered
71	PLANTS	Entuyut	Tropical Pitcher Plants	<i>Nepenthes tentaculata</i>	Yes	Least concern
72	PLANTS	Tengkawang putih	Dark Red Meranti	<i>Shorea cf. pauciflora King</i>	No	Endangered
73	PLANTS	Kelat, Perepat	Tumih wood	<i>Combretocarpus rotundatus</i>	No	Vulnerable
74	PLANTS	Akas, keruing gajah	Keruing tree	<i>Dipterocarpus cornutus Dyer</i>	No	Critically Endangered
75	PLANTS	Keruing tempudau, keruing kepudo	Keruing tree	<i>Dipterocarpus elongatus Korth.</i>	No	Critically Endangered
76	PLANTS	Kapur sintuk	Borneo camphor	<i>Dryobalanops beccarii I</i>	No	Endangered
77	PLANTS	Angsana	Rosewood	<i>Pterocarpus indicus Willd.</i>	No	Endangered
78	PLANTS	Meranti buaya	Meranti	<i>Shorea uliginosa King.</i>	No	Vulnerable

Note: Ministry of Environment and Forestry's Regulation No. P.106/MENLHK/SETJEN/KUM.1/12/2018
Updated December 2024



GLOSSARY

Analisis Dampak Lingkungan (AMDAL)

An environmental impact assessment which companies are required by law to undertake when starting a business or activity that will have an impact on the environment in Indonesia.

Badan Penyelenggara Jaminan Sosial (BPJS)

An authorised body established by the Indonesian Government to provide medical coverage for Indonesian citizens and residents.

Biodiversity

The variety of life forms within a particular ecosystem, biome, or habitat.

Biological Oxygen Demand (BOD)

A measure of the degree of water pollution by the amount of dissolved oxygen needed by aerobic biological organisms in a body of water to break down organic materials.

Carbon Footprint

A measure of the total amount of greenhouse gases, including carbon dioxide, methane and nitrous oxides, emitted directly or indirectly by an organisation, event, product or person.

Child Labour

A person under 18 years of age, according to Indonesian law, who is engaged in work that is mentally, physically, socially or morally dangerous and harmful, and that interferes with that person's schooling.

Crude Palm Oil (CPO)

Oil produced from oil palm fruits in milling process.

Food Safety System Certification (FSSC) 22000

A food safety certification scheme based on the existing internationally recognised standard ISO 22000 and complemented by other technical standards. This certification aims to provide an effective framework for the development, implementation and continual improvement of a food safety management system (FSMS).

Forced Labour

A person who is coerced to work under the threat of violence, intimidation, or undue stress or penalty.

Free Prior Informed Consent (FPIC)

Consent which represents the rights of a community to give or withhold its consent to proposed projects that may affect the lands it customarily owns, occupies or uses.

Fresh Fruit Bunch (FFB)

The fruit bunch harvested from the oil palm tree.

Global Reporting Initiative (GRI)

A non-profit organisation that promotes economic sustainability and develops an international standard for sustainability reporting.

Greenhouse Gas (GHG)

Gases, such as carbon dioxide, methane and nitrous oxide, which trap solar radiation and contribute to climate change and ozone destruction.

High Carbon Stock (HCS)

An area of land with large amounts of carbon and high biodiversity value.

High Conservation Value (HCV)

HCV land comprises certain critical ecological or socio-cultural attributes. A key part of HCV management is ensuring activity in forests does not have a negative impact on the critical ecological and socio-cultural attributes, a process that aligns with ISPO's requirements.

High-consequence work-related injury

According to the GRI Standards, a high-consequence work-related injury (excluding fatalities) is defined as an injury from which the worker cannot or is not expected to recover fully to pre-injury health status within 6 months.

HCV Assessment

Recording ecological or sociocultural attributes is part a process that aligns with ISPO's requirements. HCV assessments use accredited third-party assessors.

Integrated Pest Management (IPM)

The use of ecological pest control techniques to reduce pest populations and replace pesticides and other harmful intervention to minimise risks to human health and the ecosystem.

Indonesian Sustainable Palm Oil (ISPO)

A government effort led by the Ministry of Agriculture to support sustainable palm oil agriculture in Indonesia.

ISO 14000 series

A family of international standards for addressing environmental management.

Koperasi Unit Desa (KUD)

Village unit cooperatives to improve the economic and social wellbeing of rural communities in relation to agricultural activities.

No Deforestation

No new development on HCV areas within LONSUM's operations and no primary forest clearance.

Nucleus

A system developed by the Indonesian Government for estates (nucleus) owned by plantation companies to develop oil palm plots (plasma) near their own plantation for smallholders.

Palm Kernel (PK)

Seed of the oil palm fruit, which is processed to extract crude palm kernel oil (CPKO) and other by-products.

Panitia Pembina Keselamatan dan Kesehatan Kerja (P2K3)

A health and safety committee responsible for monitoring SIMP's compliance to the SMK3 in the estates, mills and refineries.

Palm Oil Mill Effluent (POME)

Liquid waste or sewage produced from the palm oil milling process or refinery.

Plasma or Scheme Smallholder

Plasma smallholders are farmers who participated in the Plasma Transmigration Program (Perkebunan Inti Rakyat, also known as PIR-Trans), organised by the Indonesian government in 1987. Under the scheme, villagers from rural parts of Indonesia were relocated to oil palm growing areas and allocated with two hectares of farming land. The plasma farmers were partnered with local companies for initial financing of development and land preparation, planting materials, and technical knowledge. In return for this assistance, smallholders are committed to selling their crops to the company at a price set by the government.

Program for Pollution Control, Evaluation and Rating (PROPER)

An Indonesian regulatory mechanism based on public disclosure of pollution records and environmental performance.

Recordable work-related injury

According to the GRI Standards, a recordable work-related injury is defined as any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness, or significant injury or ill health diagnosed by a physician or licensed healthcare professional.

Sistem Keselamatan dan Kesehatan Kerja (SMK3)

Occupational health and safety management system according to Indonesia regulation.

Social Impact Assessment (SIA)

A methodology for analysing, monitoring and managing the social consequences of planned interventions and the social change processes arising from these interventions.

Stakeholders

A person, group, organisation, member or system that affects or can be affected by an organisation's actions.



GRI CONTENT INDEX

Statement of use	LONSUM Resources has reported in accordance with the GRI Standards for the period 1 January 2025 to 31 December 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022 V1.1 (Published on 1 January 2026) LONSUM plans to adopt GRI 102: Climate Change 2025 in its next report, in line with the effective date of the Topic Standard (i.e., applicable to reports or other materials published on or after 1 January 2027)

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-1	Organizational details	About LONSUM, Our Vision, Mission and Values; Page iii LONSUM's is 59.51% effectively owned by PT Salim Ivomas Pratama Tbk, 0,11% ownership by Indofood Agri Resources Ltd and 40.38% public ownership (with ownership interest below 5% each). Annual Report > Corporate Structure; Page 10-11 Annual Report > Notes to the Financial Statements; Page 4 Annual Report > Statistics of Shareholdings; Pages 10			
	2-2	Entities included in the organization's sustainability reporting	All palm oil operations and rubber operations are included in scope of the SR. Other entities listed in our financial statements are excluded.			
	2-3	Reporting period, frequency and contact point	Our Sustainability Report; Page 7 Frequency: Annual			
	2-4	Restatements of information	None			
	2-5	External assurance	External Assurance Report; Page 9			

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	2-6 Activities, value chain and other business relationships	<p>Our Sustainability Report; Page 7 Our Operations in Indonesia; Page 38 Responsible Sourcing > Supply Chain Traceability and Transparency; Page 68</p> <p>Annual Report > Operation and Financial Review; Pages 4 & 34 Annual Report > Group Performance Review; Pages 6 Annual Report > Plantation Review; Pages 34</p> <p>Annual Report > Consolidated Statement of Comprehensive Income; Page 25 Annual Report > Balance Sheets; Pages 109</p>				
	2-7 Employees	<p>Workforce Profile; Page 40 Appendix - Employee Statistics; Page 104-105</p> <p>LONSUM does not engage in part-time employment.</p> <p>Our human resources department collates data using the central HR management information system, which adopts standard definitions of terms, in line with regulatory requirements.</p>				
	2-8 Workers who are not employees	<p>Workforce Profile; Page 40 Our People > Human, Child and Labour Rights; Page 84 Appendix - Employee Statistics; Page 104-105</p> <p>Our human resources department collates data using the central HR management information system, which adopts standard definitions of terms, in line with regulatory requirements.</p>				
	2-9 Governance structure and composition	<p>Sustainability Governance; Page 19</p> <p>Sustainability webpage > How We Manage Sustainability</p>				

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	2-10 Nomination and selection of the highest governance body	Annual Report > Corporate Governance; Pages 44-45				
	2-11 Chair of the highest governance body	Annual Report > Corporate Governance; Pages 44-45				
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance; Page 06				
	2-13 Delegation of responsibility for managing impacts	Annual Report > Corporate Governance; Pages 64				
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance; Page 06				
	2-15 Conflicts of interest	Annual Report > Corporate Governance; Page 57				
	2-16 Communication of critical concerns	Whistleblowing Policy and Grievance Mechanism; Page 26 Annual Report > Corporate Governance; Page 72				
	2-17 Collective knowledge of the highest governance body	Annual Report > Corporate Governance; Page 44				
	2-18 Evaluation of the performance of the highest governance body	Annual Report > Corporate Governance; Pages 44-46				
	2-19 Remuneration policies	Annual Report > Corporate Governance; Pages 55				
	2-20 Process to determine remuneration	Annual Report > Corporate Governance; Pages 55				

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	2-21 Annual total compensation ratio		a, b, c	Confidentiality constraints	Not disclosed due to commercial sensitivity	
	2-22 Statement on sustainable development strategy	President Director Statement; Page 10				
	2-23 Policy commitments	Governance & Management; Page 16				
	2-24 Embedding policy commitments	Disclosed throughout Sustainability Report 2025				
	2-25 Processes to remediate negative impacts	Whistleblowing Policy and Grievance Mechanism; Page 26 Sustainability Webpage > How We Manage Sustainability				
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing Policy and Grievance Mechanism; Page 26 Sustainability Webpage > How We Manage Sustainability				
	2-27 Compliance with laws and regulations	Water, Waste and Effluents; Pages 58 Appendix - PROPER Evaluation and ISO 14001 Certification Status; Page 102				
	2-28 Membership associations	We are a member of the Indonesia Palm Oil Association (GAPKI). One of our directors, Joe fly J. Bahroeny, also serves as a member in the executive board committee.				
	2-29 Approach to stakeholder engagement	Governance & Management; Page 16				
	2-30 Collective bargaining agreements	Human, Child and Labour Rights > Freedom of Association; Page 86				

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Material topics						
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Material Topics and Management; Page 29			
	3-2	List of material topics	Material Topics and Management; Page 30			
Responsible Business Conduct (RBC)						
GRI 3: Material Topics 2021	3-3	Management of material topics	Governance & Management; Page 05			13.25.1
			Whistleblowing Policy and Grievance Mechanism; Page 26			13.26.1
			Sustainability Webpage > How We Manage Sustainability			
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Whistleblowing Policy and Grievance Mechanism; Page 26-27			13.26.2
	205-2	Communication and training about anti-corruption policies and procedures	Whistleblowing Policy and Grievance Mechanism; Page 26-27			13.26.3
	205-3	Confirmed incidents of corruption and actions taken	Responsible Business Conduct; Page 16			13.26.4
GRI 206: Anticompetitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	LONSUM has not been identified in any legal actions regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in the reporting period (pending or completed).			13.25.2

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Climate Change and GHG Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Page 29 Environmental Protection; Page 32 Climate Change and GHG Emissions; Pages 52-57				13.1.1 13.2.1
		Sustainability Webpage > How We Manage Sustainability				
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change and GHG Emissions > Task Force on Climate-related Disclosures (TCFD); Page 56				13.2.2**
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Appendix - Environmental Data; Pages 99-100				
	302-3 Energy intensity	Appendix - Environmental Data; Pages 99-100				
	302-4 Reduction of energy consumption	Appendix - Environmental Data; Pages 99-100				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Appendix - GHG Emissions; Page 101				13.1.2**
	305-2 Energy indirect (Scope 2) GHG emissions	Appendix - GHG Emissions; Page 101				13.1.3**
	305-3 Other indirect (Scope 3) GHG emissions	Appendix - GHG Emissions; Page 101				13.1.4**
	305-4 GHG emissions intensity	Appendix - GHG Emissions; Page 101				13.1.5**
	305-5 Reduction of GHG emissions	Climate Change and GHG Emissions; Pages 52-54				13.1.6**

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	305-6 Emissions of ozone-depleting substances (ODS)		a, b, c, d	Not applicable	Due to the nature of our operations, we have concluded that ODS emissions arising from our operations are negligible and do not have a material impact.	13.1.7**
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		a, b, c	Not applicable	Due to the nature of our operations, we have concluded that nitrogen oxides, sulfur oxides and other types of air emissions arising from our operations are negligible and do not have a material impact.	13.1.8**
Water, Waste and Effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Page 29 Environmental Protection; Page 32 Water, Waste and Effluents; Pages 58-62				13.7.1 13.8.1
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water, waste and effluents; Pages 58-62				13.7.2
	303-2 Management of water discharge-related impacts	Water, waste and effluents; Pages 58-62				13.7.3

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	303-3 Water withdrawal		a, b, c, d	Information unavailable/incomplete	LONSUM is currently upgrading our flow meters to provide more accurate data on water withdrawal and we will provide this data in future sustainability reports.	13.74
	303-4 Water discharge		a, b, c, d, e	Information unavailable/incomplete	LONSUM is currently upgrading our flow meters to provide more accurate data on water discharge and we will provide this data in future sustainability reports.	13.75
	303-5 Water consumption	Water, waste and effluents; Pages 58-62				13.76
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste and effluent management; Pages 60-62				13.8.2
	306-2 Management of significant waste-related impacts	Waste and effluent management; Pages 60-62				13.8.3
	306-3 Waste generated	Waste and effluent management; Pages 60-62				13.8.4
	306-4 Waste diverted from disposal	Waste and effluent management; Pages 60-62				13.8.5
	306-5 Waste directed to disposal	Waste and effluent management; Pages 60-62				13.8.6

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Protection of Forests, Peatlands and Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Page 29 Environmental Protection; Page 32 Protection of Forests, Peatland and Biodiversity; Pages 44-50 Sustainability Webpage > How We Manage Sustainability				13.3.1
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Protection of Forests, Peatland and Biodiversity; Pages 44-50				13.3.2
	101-2 Management of biodiversity impacts	Protection of Forests, Peatland and Biodiversity; Pages 44-50	b, c	Information unavailable/incomplete	LONSUM is in the process of collecting some of this required information and will aim to disclose in future sustainability reports.	13.3.3
	101-3 Access and benefit-sharing	Where activities involve local communities, LONSUM applies FPIC processes to govern access to land, natural resources, and any associated traditional knowledge. FPIC is obtained through culturally appropriate engagement and documented agreements, which set out conditions for access and expectations regarding benefit-sharing.				13.3.4
	101-4 Identification of biodiversity impacts	Protection of Forests, Peatland and Biodiversity; Pages 44-50				13.3.5
	101-5 Locations with biodiversity impacts	Protection of Forests, Peatland and Biodiversity; Pages 44-50	a, b, c, d	Information unavailable/incomplete	LONSUM is in the process of collecting some of this required information and will aim to disclose in future sustainability reports.	13.3.6

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	101-6 Direct drivers of biodiversity loss	Protection of Forests, Peatland and Biodiversity; Pages 44-50 Appendix - Overview of species found in our estates and their status under IUCN Red List and Indonesia regulation; Pages 108-111 The total number of IUCN Red List species and national conservation list species with habitats in areas affected by LONSUM operations is 78 species, as of December 2025.	a, b, c, d, e, f	Information unavailable/ incomplete	LONSUM is in the process of collecting some of this required information and will aim to disclose in future sustainability reports.	13.3.7
	101-7 Changes to the state of biodiversity	Protection of Forests, Peatland and Biodiversity; Pages 44-50	a, b	Information unavailable/ incomplete	LONSUM is in the process of collecting some of this required information and will aim to disclose in future sustainability reports.	13.3.8
	101-8 Ecosystem services	Protection of Forests, Peatland and Biodiversity; Pages 44-50	a	Information unavailable/ incomplete	LONSUM is in the process of collecting some of this required information and will aim to disclose in future sustainability reports.	13.3.9
Use of Fertilisers, Pesticides and Chemicals						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Page 29				13.5.1
		Environmental Protection; Page 32 Use of Fertilisers, Pesticides and Chemicals; Pages 63-64 Sustainability Webpage > How We Manage Sustainability				13.6.1
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Use of Fertilisers, Pesticides and Chemicals; Pages 63-64				

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Fire Control and Haze Prevention						
GRI 3: Material Topics 2021	3-3	Management of material topics	Material Topics and Management; Page 29 Environmental Protection; Page 32 Fire Control and Haze Prevention; Pages 50-51 Sustainability Webpage > How We Manage Sustainability			
Sustainability Certification						
GRI 3: Material Topics 2021	3-3	Management of material topics	Material Topics and Management; Page 29 Responsible Sourcing; Page 33 Environmental Data - Certification Status; Page 102 Sustainability Webpage > How We Manage Sustainability			
Supply Chain Traceability and Transparency						
GRI 3: Material Topics 2021	3-3	Management of material topics	Material Topics and Management; Page 29 Responsible Sourcing; Page 33 Supply Chain Traceability and Transparency; Pages 68-72 Sustainability Webpage > How We Manage Sustainability			13.23.1
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers		a, b, c	Information unavailable/incomplete	LONSUM uses the more meaningful indicators from the GRI Food Processing Sector Disclosures in place of 204-1, see below.

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI G4 FPSS (elective use of G4)	FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy	Supply Chain Traceability and Transparency; Pages 68-70			
	FP2	Percentage of purchased volume verified as in accordance with responsible production standards (ISPO)	Sustainability Certification; Page 68			
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain Traceability and Transparency; Pages 68-70 Supplier Engagement and Assessment; Page 69			
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain Traceability and Transparency; Pages 68-70			
Yield Resilience and Innovation						
GRI 3: Material Topics 2021	3-3	Management of material topics	Material Topics and Management; Pages 29-30 Responsible Sourcing; Page 33 Yield Resilience and Innovation; Page 73 Sustainability Webpage > How We Manage Sustainability			
Smallholder engagement and livelihoods						
GRI 3: Material Topics 2021	3-3	Management of material topics	Material Topics and Management; Pages 29-30 Responsible Sourcing; Page 33 Smallholder Engagement and Livelihoods; Pages 74-75 Sustainability Webpage > How We Manage Sustainability			

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Occupational Health and Safety (OHS)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Pages 29-30 People; Page 35 Occupational Health and Safety; Pages 80-82 Sustainability Webpage > How We Manage Sustainability				13.19.1
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety; Pages 80-82				13.19.2
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety; Pages 80-82				13.19.3
	403-3 Occupational health services	Occupational Health and Safety; Pages 80-82				13.19.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety; Pages 80-82 Collective Labour Agreements (CLAs), formed through bipartite discussions between representatives from the Company and respective labour unions, cover occupational health and safety, an OHS Trustee Committee, training, and grievance mechanisms. Collective Labour Agreements are communicated to all employees to whom it applies. Periodic workplace inspection, safety audit, and accident evaluations are also completed with employee representatives. Workers not covered by CLAs are covered by Company Regulation, which is guided by national regulations on OHS.				13.19.5
	403-5 Worker training on occupational health and safety	Occupational Health and Safety; Pages 80-82				13.19.6
	403-6 Promotion of worker health	Occupational Health and Safety; Pages 80-82				13.19.7

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety; Pages 80-82				13.19.8
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety; Pages 80-82				13.19.9
	403-9 Work-related injuries	Appendix - Health and Safety Data; Page 102				13.19.10
	403-10 Work-related ill health	Appendix - Health and Safety Data; Page 102				13.19.11
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Security Guards; Page 84				
Human, Child and Labour Rights						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Pages 29-30 People; Page 35 Human, Child and Labour Rights; Pages 84 Sustainability Webpage > How We Manage Sustainability				13.15.1 13.16.1 13.17.1 13.18.1 13.20.1 13.21.1
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	No minimum notice period or specific provisions on consultation/negotiation are required to be stated in a CLA under Indonesian regulations. If new changes arise e.g., a merger, we would follow Indonesia Financial Services Authority (Bapepam/OJK) laws and UU No. 11-tahun 2020. The employees should be informed 30 days before AGM. Other changes such as new policies that will impact on our workers are supported by awareness raising or training prior to implementation.				

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Appendix - Employee Statistics; Pages 103-104 Annual Report > Corporate Governance; Pages 44			13.15.2
	405-2	Ratio of basic salary and remuneration of women to men	Appendix - Employee Statistics; Pages 103-104			13.15.3
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Human, Child and Labour Rights; Pages 84-88			13.15.4
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human, Child and Labour Rights; Pages 84-88			13.18.2
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Human, Child and Labour Rights; Pages 84-88			13.17.2
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human, Child and Labour Rights; Pages 84-88			13.16.2
Community Rights and Relations						
GRI 3: Material Topics 2021	3-3	Management of material topics	Material Topics and Management; Pages 29-30			13.9.1
			Community Relations; Page 36			13.12.1
			Community Rights and Relations; Pages 92-98			13.13.1
			Sustainability Webpage > How We Manage Sustainability			13.14.1 13.22.1

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Relations > Community Rights and Relations; Pages 92-98 We understand the community needs of all sites based on Social Impact Assessments				13.12.2
	413-2 Operations with significant actual and potential negative impacts on local communities		a	Not applicable	LONSUM ensures that all operations carried out do not result in negative impacts on local communities through social impact assessments. If potential negative impacts are found, LONSUM will ensure remediation to reduce these negative impacts.	13.12.3
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Community Relations > Community Rights and Relations; Pages 92-98				13.14.2
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report > Consolidated Statement of Comprehensive Income; Page 25				13.22.2
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Smallholder Engagement and Livelihoods; Pages 74-77 Community Rights and Relations; Pages 92-98				13.22.3
	203-2 Significant indirect economic impacts	Community Rights and Relations; Pages 92-98				13.22.4

GRI Standard Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Non-Material Topics						
Training and Development						
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Management; Pages 29-30 People; Page 35 Training and Development; Page 88 Sustainability Webpage > How We Manage Sustainability				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Appendix - New Hires; Page 104 Appendix - Turnover rate; Page 105	a, b	Not applicable	We opt to report only new hire numbers and turnover rates in order to provide meaningful reporting. The key outcome of the reported data is to understand the trends as production and operations change over time.	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Appendix - Training Hours; Page 105 We opt to omit reporting the average hours, and instead show the exact hours collated by employee type and gender. The reason for the omission is that the use of an average makes the disclosure substantially less meaningful.				
	404-3 Percentage of employees receiving regular performance and career development reviews	Training and Development; Page 88				

TOPICS IN THE APPLICABLE GRI SECTOR STANDARDS DETERMINED AS NOT MATERIAL

Topic	Explanation	GRI Sector Standard Ref. No.
Sector Standard for Agriculture, Aquaculture, and Fishing (GRI 13)		
Natural ecosystem conversion	Not applicable. LONSUM has no plans to expand beyond its current parameters into other natural ecosystem.	13.4
Animal health and welfare	Not applicable. LONSUM and operations does not generally involve the use or management of animals.	13.11
Public Policy	Not applicable. LONSUM does not make any direct or indirect contributions to political parties, political associations and candidates.	13.24

TCFD CONTENT INDEX

TCFD Core Element	TCFD Disclosure Requirements	Location
Governance	a) The Board’s oversight of climate-related risks and opportunities	Sustainability Governance, Page 17
	b) Management’s role in assessing and managing climate-related risks and opportunities	Sustainability Governance, Page 17
Strategy	a) The climate-related risks and opportunities LONSUM has identified over the short, medium, and long term	Climate Change and GHG Emissions > Taskforce for Climate-related Disclosures (TCFD), Page 56
	b) The impact of climate-related risks and opportunities on LONSUM businesses, strategy, and financial planning	LONSUM FY2023 Sustainability Report, Pages 40-42
	c) The resilience of LONSUM strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
Risk Management	a) LONSUM processes for identifying and assessing climate-related risks	Climate Change and GHG Emissions > Taskforce for Climate-related Disclosures (TCFD), Page 56
	b) LONSUM processes for managing climate-related risks	LONSUM FY2023 Sustainability Report, Pages 40-42
	c) How LONSUM processes for identifying, assessing, and managing climate-related risks are integrated into risk management	
Metrics & Targets	a) The metrics used by LONSUM to assess climate-related risks and opportunities in line with its strategy and risk management process	Appendix > Environmental Data, Page 99-100
	b) LONSUM Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions, and the related risks	Greenhouse Gas Emissions, Pages 52-54 Appendix > Environmental Data, Pages 99-100
	c) The targets used by LONSUM to manage climate-related risks and opportunities and the performance against targets	Protecting Our Environment, Page 41 Greenhouse Gas Emissions, Pages 52-54 Appendix > Environmental Data, Pages 99-100



SASB CONTENT INDEX for Agricultural Products

SASB Sustainability Disclosure Topic	SASB Code	Accounting Metric	Location
Greenhouse gas emissions	FB-AG-110a.1	Gross global Scope 1 emissions	Greenhouse Gas Emissions, Pages 52-54 Appendix > Environmental Data, Pages 99-100
	FB-AG-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Climate Change and GHG Emissions > Taskforce for Climate-related Disclosures (TCFD), Page 56 LONSUM FY2023 Sustainability Report, Pages 40-42
	FB-AG-110a.3	Fleet fuel consumed, percentage renewable	Greenhouse Gas Emissions, Pages 52-54 Appendix > Environmental Data, Pages 99-100
Energy Management	FB-AG-130a.1	1) Operational energy consumed, (2) percentage grid electricity and (3) percentage renewable	Greenhouse Gas Emissions, Pages 52-54 Appendix > Environmental Data, Pages 99-100
	FB-AG-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Water, Waste and Effluents, Pages 60-62
	FB-AG-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water, Waste and Effluents, Pages 60-62 Climate Change and GHG Emissions > Taskforce for Climate-related Disclosures (TCFD), Page 56
	FB-AG-140a.3	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Water, Waste and Effluents, Pages 60-62

SASB Sustainability Disclosure Topic	SASB Code	Accounting Metric	Location
Workforce Health & Safety	FB-AG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Occupational Health and Safety, Pages 80-83 Appendix > Social Data, Page 102
Environmental & Social Impacts of Ingredient Supply Chain	FB-AG-430a.1	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Not applicable
	FB-AG-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Responsible Sourcing > Supply Chain Traceability and Transparency, Pages 68-72
	FB-AG-430a.3	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Risk Management, Business Continuity and Supply Chain Resilience, Page 28 Responsible Sourcing > Supply Chain Traceability and Transparency, Pages 68-72
GMO Management	FB-AG-430b.1	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	Not applicable. We do not produce any GMO products
Ingredient Sourcing	FB-AG-440a.1	Identification of principal crops and description of risks and opportunities presented by climate change	Climate Change and GHG Emissions > Taskforce for Climate-related Disclosures (TCFD), Page 56 LONSUM FY2023 Sustainability Report, Pages 40-42
	FB-AG-440a.2	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	We are not tracking this data at the moment but we will disclose in future reports.

Activity Metric	SASB Code	Unit of Measure	FY2025
Production by principal crop	FB-AG-000.A	Metric tons (t)	3.5m tonnes of FFB from nucleus estates, plasma, and third parties
Number of processing facilities	FB-AG-000.B	Number	27 mills, 5 refineries, 5 rubber processing plants and 2 sugar factories in Indonesia
Total land area under active production	FB-AG-000.C	Hectares	280,975 hectares of nucleus planted area in Indonesia
Cost of agricultural products sourced externally	FB-AG-000.D	Reporting currency	IDR 7.2 trillion - total cost of products sourced but comprising mainly agricultural products



POJK AND SEOJK REFERENCES

REFERENSI POJK DAN SEOJK

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c. Net Profit or Loss Laba atau Rugi Bersih	14
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2. The response of the Issuers and the Public Companies to the issues related to Sustainable Finance Respon Emiten dan Perusahaan Publik terhadap isu-isu yang terkait Keuangan Berkelanjutan		10-11
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4. Performance output contains a brief description on the sustainability performance outputs of the Issuers and the Public Companies Pencapaian kinerja, memuat penjelasan singkat mengenai capaian kinerja keberlanjutan Emiten dan Perusahaan Publik		13-14
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No environmental complaint received in 2025

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