



2024

CSRD Sustainability Statement

Contents

Contents	2
Overarching entity-specific disclosures	7
Introduction	8
Holding structure	8
The Group	9
2 countries where we promote respectful and transformative tropical agricultural practices	10
Key figures	11
Entity-specific – Partnerships for sustainable development at a glance	12
[Entity-specific] Certifications and partnerships in general	12
[Entity-specific] Global Platform for Sustainable Natural Rubber (GPSNR)	13
[Entity-specific] Roundtable for Sustainable Palm Oil (RSPO)	14
[Entity-specific] Earthworm Foundation (EF)	17
ESRS 2 General disclosures	18
[BP-1] General basis for preparation of sustainability statements	19
[BP-2] Disclosures in relation to specific circumstances	20
[GOV-1] Role of the administrative, management and supervisory bodies	22
[Topical GOV-1] Role of the administrative, management and supervisory bodies	25
G1.GOV.1	25
[GOV-2] Information provided to, and sustainability matters addressed by administrative, management and supervisory bodies	26
[GOV-3] Integration of sustainability-related performance in incentive schemes	27
[Topical GOV-3] Integration of sustainability-related performance in incentive schemes	28
E1.GOV-3	28
[GOV-4] Statement on due diligence	29
[GOV-5] Risk management and internal controls over sustainability reporting	32
[SBM-1] Strategy, business model and value chain	34
[SBM-2] Interests and views of stakeholders – general	38
[SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model	41
[Topical SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model	47
E1.SBM-3	47
E4.SBM-3	49

S1.SBM-3.....	51
S3.SBM-3.....	55
S4.SBM-3.....	60
[IRO-1] Description of process to identify and assess material impacts, risks and opportunities.....	61
[Topical IRO-1] Description of process to identify and assess material impacts, risks and opportunities	69
E1.IRO-1	69
E2.IRO-1	72
E3.IRO-1	73
E4.IRO-1	74
E5.IRO-1	77
[IRO-2] Disclosure Requirements in ESRS covered by sustainability statements.....	78
Environmental disclosures.....	79
ESRS E1 – Climate change.....	80
[E1-MDR-M] Metrics in relation to material sustainability matters.....	80
[E1-1] Transition plan for climate change mitigation	84
[E1-2] Policies related to climate change mitigation and adaptation	86
[E1-3] Actions and resources in relation to climate change policies.....	87
[E1-4] Targets related to climate change mitigation and adaptation.....	88
[E1-5] Energy consumption and mix	90
[E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions	92
[E1-7] GHG removals and GHG mitigation projects financed through carbon credits.....	97
[Entity-specific] R&D, yield and climate change monitoring.....	98
ESRS E2 – Pollution	100
[E2-MDR-M] Metrics in relation to material sustainability matters.....	100
[E2-1] Policies related to pollution.....	101
[E2-2] Actions and resources related to pollution	105
[E2-3] Targets related to pollution	108
[E2-4] Pollution of air, water and soil – general	110
[E2-5] Substances of concern and substances of very high concern	112
ESRS E3 - Water and marine resources	113
[E3-MDR-M] Metrics in relation to material sustainability matters.....	113
[E3-1] Policies related to water and marine resources	114
[E3-2] Actions and resources related to water and marine resources.....	120

[E3-3] Targets related to water and marine resources.....	123
[E3-4] Water consumption	125
[E3-5] Anticipated financial effects from material water and marine resources-related risks and opportunities.....	127
ESRS E4 - Biodiversity and ecosystems	128
[E4-MDR-M] Metrics in relation to material sustainability matters.....	128
[E4-1] Transition plan on biodiversity and ecosystems in strategy and business model	129
[E4-2] Policies related to biodiversity and ecosystems	130
[E4-3] Actions and resources related to biodiversity and ecosystems.....	140
[E4-4] Targets related to biodiversity and ecosystems.....	144
[E4-5] Impact metrics related to biodiversity and ecosystems change	152
[E4-6] Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities.....	154
[Entity-specific] Compensation projects and sustainable agricultural practices	155
ESRS E5 - Resource use and circular economy	157
[E5-MDR-M] Metrics in relation to material sustainability matters.....	157
[E5-1] Policies related to resource use and circular economy	158
[E5-2] Actions and resources related to resource use and circular economy	159
[E5-3] Targets related to resource use and circular economy.....	162
[E5-4] Resource inflows.....	163
[E5-5] Resource outflows	164
Social disclosures.....	167
ESRS S1 - Own workforce.....	168
[S1-MDR-M] Metrics in relation to material sustainability matters.....	168
[S1-1] Policies related to own workforce	170
[S1-2] Processes for engaging with own workers and workers' representatives about impacts	175
[S1-3] Processes to remediate negative impacts and channels for own workforce to raise concerns	177
[S1-4] Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	179
[S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	183
[S1-6] Characteristics of undertaking's employees	184
[S1-7] Characteristics of non-employees in undertaking's own workforce	186
[S1-8] Collective bargaining coverage and social dialogue	187
[S1-9] Diversity metrics	188

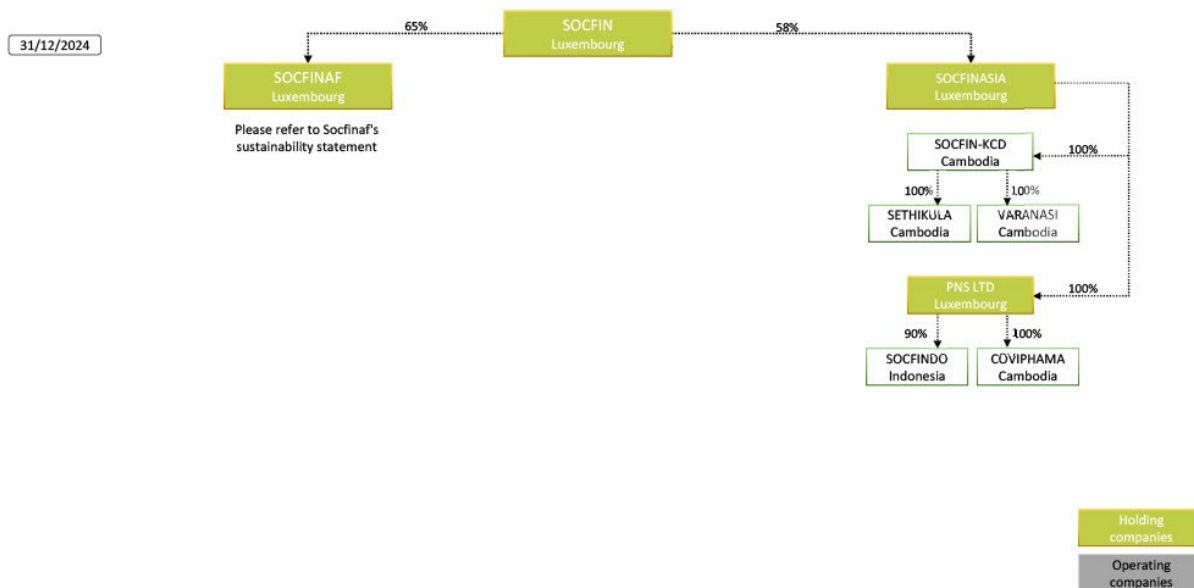
[S1-10] Adequate Wages.....	189
[S1-11] Social protection.....	190
[S1-13] Training and skills development metrics	192
[S1-14] Health and safety metrics.....	193
[S1-15] Work-life balance metrics.....	195
[S1-16] Remuneration metrics (pay gap and total remuneration) - general.....	196
[S1-17] Incidents, complaints and severe human rights impacts -general	197
ESRS S2 – Workers in the value chain.....	199
[S2-1] Policies related to value chain workers	199
[S2-2] Processes for engaging with value chain workers about impacts	202
[S2-3] Processes to remediate negative impacts and channels for value chain workers to raise concerns	203
[S2-4] Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions.....	204
[S2-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	206
ESRS S3 - Affected communities.....	212
[S3-1] Policies related to affected communities	212
[S3-2] Processes for engaging with affected communities about impacts	217
[S3-3] Processes to remediate negative impacts and channels for affected communities to raise concerns.....	219
[S3-4] Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions.....	222
[S3-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	227
ESRS S4 - Consumers and end-users.....	228
[S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns.....	229
Governance disclosures.....	230
ESRS G1 - Business conduct.....	231
[G1-1] Business conduct policies and corporate culture	231
[G1-2] Management of relationships with suppliers	235
[G1-3] Prevention and detection of corruption or bribery	237
[G1-MDR-A] Actions and resources related to business conduct	239

[G1-4] Incidents of corruption or bribery	241
[G1-5] Political influence and lobbying activities	242
[G1-6] Payment practices	243
Annex I – Glossary of terms.....	244
Acronyms and abbreviations.....	244
Synonyms and definitions	247
Annex II – Additional DMA information	248

Overarching entity-specific disclosures

Introduction

Holding structure



The Group

Founded in 1905, the Socfin Group is active in the development and management of oil palms and rubber trees plantations. Its expertise, industry knowledge and innovation make Socfin an international agro-industrial player.

Present in 8 countries in Central and West Africa (Socfinaf), as well as 2 countries in Southeast Asia (Socfinasia), Socfin is a major player in the regional economic development through its responsible tropical agriculture, addressing basic social needs while protecting the environment.

The Socfin Group has more than a century of field expertise, it is a pioneer in long-term rural development thanks to responsible tropical agriculture. Taking into account the evolving development challenges, the Socfin Group is working consistently to improve its activities and become a leader in responsible tropical agriculture.

Socfinasia produces and sells 3 types of products:

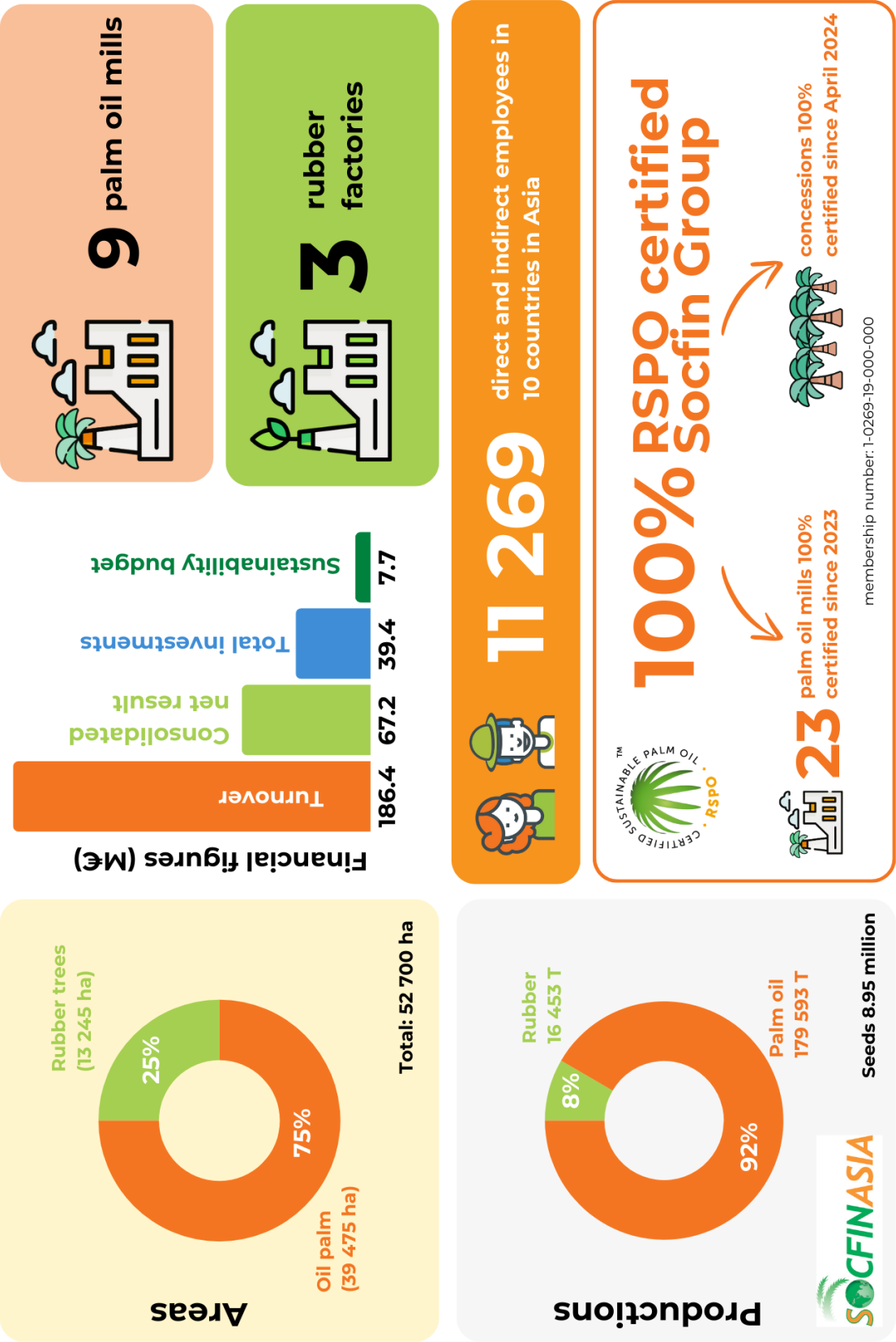
- Natural Rubber: From trees of selected varieties, natural rubber is a renewable raw material with many advantages. Rubber trees also constitute a considerable carbon sink;
- Palm oil: This is the most widely used vegetable oil in the world. The oil palm is the plant whose cultivation is the most economical in terms of land use and the most sustainable; and
- Seeds: Research in the field of oil palm, as well as the experience acquired, position the Socfin Group among the world leaders in seed production regarding oil palm.

2 countries where we promote respectful and transformative tropical agricultural practices



Key figures

Key figures Socfinasia - 2024



Entity-specific – Partnerships for sustainable development at a glance

[Entity-specific] Certifications and partnerships in general

Overview of certifications and partnerships

Our partnerships are based on shared values essential for project success: transparency and mutual respect. We are convinced of the effectiveness of building win-win partnerships with development organisations or universities that share our mission, and therefore continuously seek to develop synergies that bring together complementary expertise. This ensures the realisation of adapted sustainability projects with a long-term positive impact on the regions.

RSPO, GPSNR and EF: At Group level, our main partnerships and certifications are with RSPO (Roundtable for Sustainable Palm Oil), GPSNR (Global Platform for Sustainable Natural Rubber), and EF (the Earthworm Foundation). These are detailed in their respective sections below. For Socfindo, in addition to RSPO the oil palm sites are also ISPO (Indonesian Sustainable Palm Oil) certified.

ISO: In addition to these, some of Socfinasia's operations are ISO 14001:2015 certified. Similarly, the quality management system proposed by the ISO 9001 certification provides a suitable structure for our approach, and is also highly valued by the rubber industry, more specifically the tyre manufacturers.

Certifications by subsidiary

Sites	RSPO	ISO 9001	ISO 14001	ISO 45001	ISO 17205	SNI SIR / ISPO / IFCC / PEFC
Socfin Cambodia	V	V	V			
Socfindo	V	V	V	V	V	V

V = Obtained

Note: at Socfindo the ISO 14001, ISO 45001 and ISO 17205 only apply to the Bangun Bandar seed production unit. For Socfin Cambodia the ISO 14001 certification applies to the rubber factory (the scope will include the plantation by 2026).

[Entity-specific] Global Platform for Sustainable Natural Rubber (GPSNR)

GPSNR Participation

In October 2018, the Global Platform for Sustainable Natural Rubber (GPSNR) was founded by a group of industry leaders, including the Socfin Group, to drive sustainability in the natural rubber supply chain.

GPSNR is an industry-led initiative committed to improving the socio-economic and environmental performance of the natural rubber sector. As an active member, the Group upholds GPSNR's 12 Principles of Sustainable Natural Rubber and aligns with its eight overarching themes guiding its policy framework. These include commitments to legal compliance, community livelihoods, healthy, functioning ecosystems (including no deforestation), and respecting all human rights.

The Group fully complies with GPSNR's reporting requirements, with its subsidiaries' disclosures publicly available on the platform's website each year.

Demonstrating its ongoing engagement, the Group also actively participates in GPSNR working groups, such as the assurance model taskforce in 2024.

Since the General Assembly in December 2024, the Socfin Group has been re-elected to hold a seat at the Executive Committee of GPSNR.

[Entity-specific] Roundtable for Sustainable Palm Oil (RSPO)

RSPO cycles of certification

The RSPO certification process may be found in the RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard. A summary is provided here:

Certification standards:

- Compliance with the RSPO Principles & Criteria (P&C), supported by the RSPO P&C Audit Checklist and National Interpretations where applicable,
- Compliance with the Supply Chain Certification Standard (SCCS),
- Compliance with the New Planting Procedure (NPP) for new oil palm developments.

Accreditation requirements:

- Certification Bodies (CBs) must be accredited by an Accreditation Body (AB) approved by RSPO,
- The AB ensures CBs operate with competence, credibility, and consistency in their certification assessments.

Certification process:

- Unit of certification: The mill and its supply base, including both company-owned estates and scheme smallholders,
- Audit process: Carried out by an accredited CBs (through an accreditation body appointed by RSPO), which evaluates compliance through document review, site visits, and stakeholder consultations,
- Initial certification audit: May be conducted as a one-stage or two-stage audit,
- Stakeholder consultation: Public announcements are made at least one month before audits, inviting stakeholder input,
- Decision-making: The CB makes the final certification decision based on compliance with RSPO P&C,
- Surveillance audits: Conducted annually to ensure ongoing compliance,
- Recertification audits: Conducted every five years to renew certification.

Certification requirements and compliance:

- Time-bound plan: Companies must certify all management units within five years of RSPO membership,
- Handling non-compliances:
 - Major non-compliances must be resolved before certification is granted,
 - Minor non-compliances must be addressed within one year, or they escalate to major non-compliances,
 - Certificates can be suspended or withdrawn if non-compliances are not addressed within the set timelines.
- Public reporting: RSPO requires CBs to publish audit summary reports, certification details, and grievance procedures on public platforms.

This structured certification process ensures that palm oil producers adhere to sustainability standards, legal requirements, and best management practices while maintaining transparency and stakeholder engagement.

RSPO certified palm oil mills

9 out of 9.

RSPO Certified palm kernel crushing plants

N/A.

RSPO certified plantations

40 866 ha (100% of oil palm concessions).

RSPO main numbers at Socfinasia

FFB supply - obtained from traceability forms	Unit	Socfinasia
Total FFB volume produced by estates managed or controlled by your company	T	795 962
Total certified FFB volume produced by certified estates managed or controlled by your company	T	795 962
Total FFB volume supplied by independent smallholders (< 50 ha)	T	-
Total certified FFB volume supplied by independent smallholders (< 50 ha)	T	-
Total FFB volume supplied by outgrowers (50 - 500 ha)	T	-
Total certified FFB volume supplied by outgrowers (50 - 500 ha)	T	-
Total FFB volume supplied by other third-party suppliers	T	-
Total certified FFB volume supplied by other third-party suppliers	T	-
RSPO production		
FFB processed	T	795 962
Of which RSPO certified FFB	T	795 962
<i>% production certified</i>	%	100
CPO produced	T	179 593
Of which RSPO certified palm oil	T	179 593
<i>% production certified</i>	%	100
PK produced	T	26 884
Of which RSPO certified PK	T	26 884
<i>% production certified</i>	%	100
PKO produced	T	-
Of which RSPO certified PKO	T	-
<i>% production certified</i>	%	-

RSPO product sales		
RSPO Certified Sustainable (CS) CPO sold as:	T	
<i>Identity Preserved (IP)</i>	T	166 600
<i>Segregated (SG)</i>	T	-
<i>Mass Balance (MB)</i>	T	-
RSPO CS CPO sold as RSPO credits	T	-
RSPO CS CPO sold as conventional	T	-
RSPO Certified Sustainable (CS) PK sold as:	T	
<i>Identity Preserved (IP)</i>	T	26 178
<i>Segregated (SG)</i>	T	-
<i>Mass Balance (MB)</i>	T	-
RSPO CS PK sold as conventional	T	-

RSPO Certified Sustainable (CS) PKO sold as:	T	-
<i>Identity Preserved (IP)</i>	T	-
<i>Segregated (SG)</i>	T	-
<i>Mass Balance (MB)</i>	T	-
RSPO CS PKO sold as RSPO credits	T	-
RSPO CS PKO sold as conventional	T	-

[Entity-specific] Earthworm Foundation (EF)

Sites visited by EF during the year for the ongoing support to full implementation of the Socfin Group Responsible Management Policy

1 site (Socfin-KCD and Coviphama), February 2024.

Progress of action plan implementation for the sites visited by EF for full implementation of the Responsible Management Policy

As at now, Socfinasia's sites that have been visited by EF are Socfin-KCD and Coviphama in Cambodia, with their first visit in 2024.

An action plan for the implementation of the Responsible Management Policy is in progress with an evolutive increase in all topics (health & safety, grievances, gender committee, living conditions of workers, management of contractors and waste management).

Number of sites visited in 2024 by EF for the deep dive investigation exercise

Site	Country	Mission	Dates of visit	EF deep dive report link
Socfin-KCD Coviphama	Cambodia	Deep dive investigation	29/01-10/02/2024	https://earthworm.ams3.digitaloceanspaces.com/uploads/files/Final-EF-SOCFIN-CAMBODIA-report_Jan-2025.pdf

Number of public EF reports & Socfin action plans resulting from the EF deep dive investigation visits

1 investigation in 2024 (Socfin-KCD and Coviphama):

- 1 EF public report has been published in 2025.
- 1 Socfin public action plan has been published on Socfin's website in 2025.

ESRS 2 General disclosures

[BP-1] General basis for preparation of sustainability statements

ESRS 2-BP-1: 5 a: Basis for preparation of sustainability statement

Consolidated basis.

ESRS 2-BP-1: 5 b i: Scope of consolidation of consolidated sustainability statement is same as for financial statements

The scope of consolidation is the same as for the financial statements.

Disclaimer: Among Socfinasia's subsidiaries, "Socfinde" and "PNS Ltd" are not material for ESG reporting. Indeed, these are purely financial entities which do not contain employees, do not deal with the upstream or downstream value chain, and do not generate emissions or pollution of any kind.

Second disclaimer: Among Socfinasia's subsidiaries, "Sethikula" and "Varanasi" are consolidated under "Socfin-KCD", as is the case for the financial statements.

ESRS 2-BP-1: 5 c: Disclosure of extent to which sustainability statement covers upstream and downstream value chain

The nature of Socfinasia's activities means that impacts, risks and opportunities are in most cases concentrated in the undertaking's own operations. Nevertheless, impacts, risks and opportunities relating to the upstream and downstream value chain were covered in the double materiality assessment. In line with this, data relating to the relevant impacts, risks and opportunities in Socfinasia's value chain is also covered in this sustainability statement.

ESRS 2-BP-1: 5 d: Option to omit specific piece of information corresponding to intellectual property, know-how or results of innovation has been used

Yes.

ESRS 2-BP-1: 5 e: Option allowed by Member State to omit disclosure of impending developments or matters in course of negotiation has been used

No.

[BP-2] Disclosures in relation to specific circumstances

ESRS 2-BP-2: 9 a: Disclosure of definitions of medium- or long-term time horizons

Slightly different time horizons than those defined in ESRS 1 section 6.4 were used for the financial materiality assessment. In this specific context, the short-term timespan was the same as the one indicated in ESRS (“the reporting period”, i.e., 12 months), as was the long-term timespan (“more than 5 years” in ESRS, translated to “6-12 years” in our case to make it subtly more specific, in line with ESRS 1 para. 78). The main difference was in the medium term, which is defined as “up to 5 years” in the text, and we instead broke down into 1-3 years on one hand, and 3-6 years on the other.

ESRS 2-BP-2: 9 b: Disclosure of reasons for applying different definitions of time horizons

Evaluating potential financial effects in a context of complex activities proved challenging. Indeed, the assessment conducted at Group level had to consider activities spread across several countries, involving two separate crops (oil palms and rubber trees), and both agricultural and industrial operations. Thus, in the particular context of the financial materiality assessment, making the “medium-term” timespan more specific by splitting it in two was helpful for the analysis.

ESRS 2-BP-2: 10 a: Disclosure of metrics that include value chain data estimated using indirect sources

No metrics that include value chain data estimated using indirect sources.

ESRS 2-BP-2: 10 b: Description of basis for preparation of metrics that include value chain data estimated using indirect sources

No metrics that include value chain data estimated using indirect sources.

ESRS 2-BP-2: 10 c: Description of resulting level of accuracy of metrics that include value chain data estimated using indirect sources

No metrics that include value chain data estimated using indirect sources.

ESRS 2-BP-2: 10 d: Description of planned actions to improve accuracy in future of metrics that include value chain data estimated using indirect sources

No metrics that include value chain data estimated using indirect sources.

ESRS 2-BP-2: 11 a: Disclosure of quantitative metrics and monetary amounts disclosed that are subject to high level of measurement uncertainty

For GHG emissions data (details under E1-MDR-M: 77a):

- Scope 1: wastewater quality parameters data (estimates used for certain sites).

For MDR-A paragraphs 69 b (1), b (2), c (1) and c (2): There is likely a certain degree of uncertainty in these numbers as, with the current cost accounting system, these are not straightforward to obtain. We aim to improve this in the next few years.

ESRS 2-BP-2: 11 b i: Disclosure of sources of measurement uncertainty

Sources of measurement uncertainties for GHG emissions are disclosed in E1-MDR-M: 77 and E1-6: AR 39 b.

ESRS 2-BP-2: 11 b ii: Disclosure of assumptions, approximations and judgements made in measurement

Assumptions, approximations and judgements made in measurement of GHG emissions are disclosed in E1-MDR-M: 77 and E1-6: AR 39 b. Assumptions and approximations made in waste measurements are disclosed under E5-5: 40 (2).

ESRS 2-BP-2: 15 (1): Disclosure of other legislation or generally accepted sustainability reporting standards and frameworks based on which information has been included in sustainability statement

The Socfinasia report follows the taxonomy regulation for some elements mentioned.

Some elements included in our report are based on GRI, SPOTT and EcoVadis.

ESRS 2-BP-2: 15 (2): Disclosure of reference to paragraphs of standard or framework applied

Any elements that have been included to respond to the GRI, SPOTT or EcoVadis frameworks are in all cases covered by ESRS disclosures.

ESRS 2-BP-2: 16: List of DRs or DPs incorporated by reference

N/A.

[GOV-1] Role of the administrative, management and supervisory bodies

ESRS 2-GOV-1: 21 a (1): Number of executive members

3.

ESRS 2-GOV-1: 21 a (2): Number of non-executive members

4.

ESRS 2-GOV-1: 21 b: Information about representation of employees and other workers

N/A (no employees).

ESRS 2-GOV-1: 21 c: Information about member's experience relevant to sectors, products and geographic locations of undertaking

The executive members of the administrative management and supervisory bodies are part of the Group's operational activities and decisions. Their experience relating to the Group's sectors products and geographic locations is therefore constantly renewed. Furthermore, some of the current non-executive members were previously engaged in the Group's operational activities, therefore adding to the bodies' overall relevant experience.

ESRS 2-GOV-1: 21 d (1): Percentage of members of administrative, management and supervisory bodies by gender and other aspects of diversity

Diversity aspect	Percentage (%)
Female	14.28
Male	85.72

ESRS 2-GOV-1: 21 d (1.2): Percentage of members of administrative, management and supervisory bodies by employee category and gender

Diversity aspect	Percentage (%)
Female	14.28
Male	85.72

ESRS 2-GOV-1: 21 d (1.3): Percentage of members of administrative, management and supervisory bodies by nationality

Employee nationality	Percentage (%)
Belgian	57.14
French	42.86

ESRS 2-GOV-1: 21 d (2): Board's gender diversity ratio

14.28%.

ESRS 2-GOV-1: 21 e: Percentage of independent board members

14.28%.

ESRS 2-GOV-1: 22 a: Information about identity of administrative, management and supervisory bodies or individual(s) within body responsible for oversight of impacts, risks and opportunities

To be added in 2025.

ESRS 2-GOV-1: 22 b: Disclosure of how bodies, or individuals within body's, responsibilities for impacts, risks and opportunities are reflected in undertaking's terms of reference, board mandates and other related policies

To be added in 2025.

ESRS 2-GOV-1: 22 c: Description of management's role in governance processes, controls and procedures used to monitor, manage and oversee impacts, risks and opportunities

Over the years, the Group has put in place a management structure aimed at proposing and implementing validated policies. These policies are aligned with international sustainability platforms such as RSPO for oil palm and GPSNR for rubber. Adhering to the standards of these platforms ensures the monitoring and management of impacts, risks and opportunities.

ESRS 2-GOV-1: 22 c i: Description of how oversight is exercised over management-level position or committee to which management's role is delegated to

The Group's Board of Directors plays an active role in guiding and formulating the sustainability strategy and recognises that sustainability must lie at the core of all Group activities, as it is indispensable to ensure long-term success. Consequently, the Board approves and encourages all sustainability and responsible governance policies and provides the financial and human resources required to meet key objectives, more specifically RSPO certification for all oil palm sites and compliance with the GPSNR policy for all rubber sites. The Head of Sustainability, the Compliance Officer and the Internal Auditor, who are all part of the management committee, ensure the implementation of policies and the subsidiaries' adherence to those.

ESRS 2-GOV-1: 22 c ii: Information about reporting lines to administrative, management and supervisory bodies

The Head of Sustainability, the Compliance Officer and the Internal Auditor report to their respective line Managers and to the executive members of the Board.

ESRS 2-GOV-1: 22 c iii: Disclosure of how dedicated controls and procedures are integrated with other internal functions

Internal controls are linked with each other, throughout the group risks assessment and risk matrix, allowing multiple functions to propose alternative mitigating actions for outstanding risks.

ESRS 2-GOV-1: 22 d: Disclosure of how administrative, management and supervisory bodies and senior executive management oversee setting of targets related to material impacts, risks and opportunities and how progress towards them is monitored

Board members and senior executive Managers have to validate any targets that are set at Group level before these are enacted. Progress towards targets is monitored through the operational teams to which they relate. These teams in turn regularly inform administrative and management bodies of the progress made.

ESRS 2-GOV-1: 23: Disclosure of how administrative, management and supervisory bodies determine whether appropriate skills and expertise are available or will be developed to oversee sustainability matters

Administrative, management and supervisory bodies are informed at regular intervals of the progress and evolution of sustainability matters. These are overseen by the Head of Sustainability, who is part of the management committee and is also in close contact with board members. Whenever a new need relating to a sustainability matter arises, the Head of Sustainability informs board members and the management committee. A decision is then made at top management level to involve new resources when required.

ESRS 2-GOV-1: 23 a: Information about sustainability-related expertise that bodies either directly possess or can leverage

To be added in 2025.

ESRS 2-GOV-1: 23 b: Disclosure of how sustainability-related skills and expertise relate to material impacts, risks and opportunities

To be added in 2025.

[Topical GOV-1] Role of the administrative, management and supervisory bodies

G1.GOV.1

G1-GOV-1: 5 a: Disclosure of role of administrative, management and supervisory bodies related to business conduct

Compliance acts independently from operational management and reports to senior management through management committee meetings (every 1-2 months), monthly activity reports, mission reports and annual group shareholder meeting.

Compliance Department works in cooperation with Internal Audit Department to ensure application of policies and procedures.

Policies and procedures are reviewed and approved by senior management prior to formal approval by all the Socfin entity boards.

G1-GOV-1: 5 b: Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters

Senior management has completed a full online training course on compliance main issues. Most of the Board members have completed the online compliance training (4 modules on Compliance basics, Data protection, Information security and Prevention of corruption).

[GOV-2] Information provided to, and sustainability matters addressed by administrative, management and supervisory bodies

ESRS 2-GOV-2: 26 a: Disclosure of whether, by whom and how frequently administrative, management and supervisory bodies are informed about material impacts, risks and opportunities, implementation of due diligence, and results and effectiveness of policies, actions, metrics and targets adopted to address them

Directors are informed twice a year of these topics, at each Board meeting.

ESRS 2-GOV-2: 26 b: Disclosure of how administrative, management and supervisory bodies consider impacts, risks and opportunities when overseeing strategy, decisions on major transactions and risk management process

Executive Board members play a key role in drawing the link between strategic decision-making and operational elements reported by subsidiaries and HQ teams. Their role is therefore particularly important when it comes to considering impacts, risks and opportunities at the level of administrative, management and supervisory bodies.

ESRS 2-GOV-2: 26 c: Disclosure of list of material impacts, risks and opportunities addressed by administrative, management and supervisory bodies or their relevant committees

- Following the Carbon Taskforce's work on the development of GHG emission reduction targets and possible actions for effective reduction.
- Overseeing the status of certifications and frameworks followed.
- Developing and following further actions in the area of business conduct, notably anti-corruption and transparency.
- Following research developments relating to productivity and yield.
- Generally following the work of teams at Group level and on sites relating to impacts, risks and opportunities.

[GOV-3] Integration of sustainability-related performance in incentive schemes

ESRS 2-GOV-3: 29: Incentive schemes and remuneration policies linked to sustainability matters for members of administrative, management and supervisory bodies exist

No.

[Topical GOV-3] Integration of sustainability-related performance in incentive schemes

E1.GOV-3

E1-GOV-3: 13 (1): Disclosure of whether and how climate-related considerations are factored into remuneration of members of administrative, management and supervisory bodies

Socfinasia does not yet have incentive schemes and/or remuneration policies linked to sustainability matters for members of administrative, management and supervisory bodies.

E1-GOV-3: 13 (2): Percentage of remuneration recognised that is linked to climate related considerations

0%.

[GOV-4] Statement on due diligence

ESRS 2-GOV-4: 30; 32: Disclosure of mapping of information provided in sustainability statement about due diligence process

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2-GOV-4: 30; 32 (1) ESRS 2-SBM-3: 48 b
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2-GOV-4: 30; 32 (2) ESRS 2-SBM-2: 45 a ESRS 2-SBM-2: 45 a iii – v Section S1-2 Section S2-2 Section S3-2 S3-2: 22 S3-2: 23
c) Identifying and assessing adverse impacts	ESRS 2-GOV-4: 30; 32 (3) S3-SBM-3: 9 a ESRS 2-IRO-1: 53 a – b Section S1-3 S3-3: 27 a – c
d) Taking actions to address those adverse impacts	ESRS 2-GOV-4: 30; 32 (4) S3-SBM-3: 9 a S1-4: 38 a – c S1-4: 39 S2-4: 33 c S2-4: AR 31 S3-4: 32 a – b S3-4: 33 a – b
e) Tracking the effectiveness of these efforts and communicating	ESRS 2-GOV-4: 30; 32 (5) S1-4: 38 d S1-4: 40 a S2-4: AR 31 S3-2: 21 d S3-4: 32 d S3-4: 33 c S3-4: 34 a

ESRS 2-GOV-4: 30; 32 (1): Embedding due diligence in governance, strategy and business model

The due diligence process is implemented through various components. All subsidiaries that have oil palms plantations and palm oil mills are RSPO certified and therefore undergo annual audits which verify all criteria of the 7 RSPO Principles:

- Behave ethically and transparently,

- Operate legally and respects rights,
- Optimise productivity, efficiency, positive impacts and resilience,
- Respect community and human rights and deliver benefits,
- Support smallholder inclusion,
- Respect worker's rights and conditions, and,
- Protect, conserve and enhance ecosystems and the environments.

All subsidiaries that have rubber trees plantations and processing factories follow the GPSNR policy framework. A self-assessment of the policy components of the 8 main themes is done annually, the themes being:

- Commitment to legal compliance,
- Commitment to healthy, functioning ecosystems,
- Commitment to respecting all human rights,
- Commitment to community livelihoods,
- Commitment to increased production efficiency,
- Commitment to systems and processes to drive effective implementation of policy components,
- Commitment to supply chain assessment, traceability, and management,
- Commitment to monitoring and reporting on progress towards, and conformance with policy components.

In addition to adhering and respecting standards of the oil palm and rubber sustainability platforms, we have a partnership with Earthworm Foundation (EF) since 2017 for the full implementation of the Socfin Group Responsible Management Policy, with annual activities involving sites visits and follow-ups of action plans.

The Responsible Management Policy is “intended to be in line with the United Nations Guiding Principles on Business and Human Rights, the Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria, and the Global Platform on Sustainable Natural Rubber (GPSNR) policy framework”. This baseline is established already in the very first section of the Responsible Management Policy. Then, section 6 on transparency emphasises the importance of collaborating with all relevant stakeholders. In fact, the Responsible Management Policy was developed together with Earthworm Foundation, taking into consideration key points highlighted by environmental NGOs. The implementation of the policy, as well as its revisions as and when necessary, takes into account feedback from key stakeholders. This is mentioned in section 8 on verification, ensuring continuous improvement.

ESRS 2-GOV-4: 30; 32 (2): Engaging with affected stakeholders in all key steps of the due diligence

Both internal and external stakeholders are continuously engaged in due diligence through various processes, among which meetings with workers and communities play a central role. In addition, the Group's tyre-maker customers sometimes visit our sites.

ESRS 2-GOV-4: 30; 32 (3): Identifying and assessing adverse impacts

Identification and assessment of adverse impacts are done through various studies such as ESIA (Environmental and Social Impact Assessment), HCV (High Conservation Value), HSE risk assessments, and the materiality assessments which include stakeholder questionnaires.

ESRS 2-GOV-4: 30; 32 (4): Taking actions to address those adverse impacts

Actions to address adverse impacts are taken through ESIA, HCV and HSE management plans.

ESRS 2-GOV-4: 30; 32 (5): Tracking the effectiveness of these efforts and communicating

Management plans are regularly reviewed and actions communicated through internal and external meetings.

[GOV-5] Risk management and internal controls over sustainability reporting

ESRS 2-GOV-5: 36 a: Description of scope, main features and components of risk management and internal control processes and systems in relation to sustainability reporting

There are various internal control processes in place relating to sustainability reporting. To begin with, each person on the HQ sustainability team that is responsible for receiving data from subsidiaries does multiple controls during consolidation. These entail elements like comparing the data to previous year's data and comparing data across subsidiaries. These analyses allow to identify responses that seem unlikely as well as outliers, which leads to analyses of the possible underlying cause. Once consolidated for all subsidiaries, the sustainability data is also presented to the Head of Sustainability for review, discussion and validation.

In addition, HQ sustainability team members are in close contact with the Sustainability Managers in subsidiaries and conduct field visits. These helps to better understand the challenges that subsidiaries may face in relation to sustainability reporting. It also allows to raise awareness across the various on-site departments that typically provide data to the local Sustainability Manager, such as the HR, Agricultural and Industrial Departments. Regular contact with Sustainability Managers ensures that they are kept up to date with reporting requirements. In turn, this is complemented by the field visits conducted by the Group's Internal Auditor, who communicates any encountered issues to the HQ sustainability team besides discussing solutions with subsidiaries.

ESRS 2-GOV-5: 36 b: Description of risk assessment approach followed

A hybrid risk assessment approach is consistently applied, comprising a quantitative and qualitative risk assessment. Risk assessment consolidated based on the COSO framework and consistently applied across the business.

Internal Audit and Compliance Departments coordinate the risk assessment by sending the templates to each transversal/group function and to business heads. Once received, they complete the inherent risks specifics to their operations (impact and likelihood), and they recommend mitigating controls to bring those inherent risks down to residual risks. Subsequently, the group risk heatmap is consolidated and shared with top management and critical stakeholders. It is also kept up to date annually.

ESRS 2-GOV-5: 36 c: Description of main risks identified and their mitigation strategies

The main risk identified in relation to sustainability reporting has to do with integrity of the data.

Regarding integrity of the data, the risk more specifically relates to possible human errors, both at subsidiary level and at consolidated level. Indeed, some of Socfinasia's subsidiaries are located in delicate contexts, where on-site teams encounter the issue of availability of educated staff. This sometimes leads to situations of handwritten data measurements that then must be passed onto digital files by someone else, which increases the margin of error. Even in subsidiaries in less fragile contexts, sustainability teams often have to compile the data from various departments into their own files, which leads to copy-and-paste manoeuvres that also increase the margin of error – and even more so when working under tight deadlines.

Similar issues are encountered by HQ teams during consolidation, where the complexity of the Group's structure, paired with still evolving reporting management tools and the pressure of tight deadlines, may increase the margin of error. A new IT tool is under implementation, but for 2024 reporting not all functionalities are available yet. To this should be added the complexity of inter-department and inter-company communication, in the context of a complex Group structure and of the wide variety of topics falling under the umbrella of "sustainability".

Several mitigation strategies are in place, or underway, in relation to these risks. First, multiple readers always go through the draft consolidated report at HQ, which allows to pin-point any remaining errors. Second, a centralised IT tool for sustainability reporting is being implemented as of 2024, thereby ensuring a much smoother data collection and consolidation as of 2025. Third, the focus has been put on team building efforts, both among different teams at HQ and among all sustainability teams across the Group. A sustainability workshop took place in April 2024, where the Sustainability Managers from all plantations travelled to Europe for a three-day seminar with the HQ sustainability team. Since this workshop, close contact between all sustainability teams has been maintained through quarterly calls covering various topics to share challenges encountered and good practices.

ESRS 2-GOV-5: 36 d: Description of how findings of risk assessment and internal controls as regards sustainability reporting process have been integrated into relevant internal functions and processes

A continuous monitoring of controls and audit recommendations tied to sustainability reporting process helps reinforcing the control environment as regards to sustainability reporting process.

Sustainability-related findings resulting from risk assessment and internal controls are embedded in each business function processes through:

- Risks and controls self-assessment,
- Risks workshops and seminars,
- Group internal controls frameworks currently being implemented group wide,
- Group internal audits,
- Follow-up on group internal audits recommendations addressing sustainability findings.

ESRS 2-GOV-5: 36 e: Description of periodic reporting of findings of risk assessment and internal controls to administrative, management and supervisory bodies

Findings of risk assessment and internal controls as regards to sustainability are reported annually to administrative, management and supervisory bodies based upon ongoing monitoring results and actions plan. Continuous risks identification and assessments based on sound and proven methodology derived from the COSO standards.

[SBM-1] Strategy, business model and value chain

ESRS 2-SBM-1: 40 a i: Description of significant groups of products and (or) services offered

Socfinasia sites produce two commodities: palm products and natural rubber. The former are derived from the fruits of the oil palm cultivated in tropical regions, and the latter is derived from the bark of the rubber tree, cultivated in the same regions.

We operate in 2 countries of South-East Asia, Cambodia and Indonesia.

ESRS 2-SBM-1: 40 a ii: Description of significant markets and (or) customer groups served

The palm oil we produce is mostly for local markets. We mainly resell it locally and regionally to refiners and processors operating in the agri-food or cosmetic sectors. The natural rubber produced is exported to the sector's major buyers, more specifically, the tyre manufacturers.

ESRS 2-SBM-1: 40 a iii (1): Total number of employees (headcount)

10 032.

ESRS 2-SBM-1: 40 a iii (2.2): Number of employees (headcount) by country

Region	Number of employees (headcount)
Cambodia	1 294
Indonesia	8 738
Total	10 032

ESRS 2-SBM-1: 40 b (1): Total revenue

186 432 826 EUR.

ESRS 2-SBM-1: 40 d i (1): Undertaking is active in fossil fuel (coal, oil and gas) sector

No.

ESRS 2-SBM-1: 40 d ii (1): Undertaking is active in chemicals production

No.

ESRS 2-SBM-1: 40 d iii (1): Undertaking is active in controversial weapons

No.

ESRS 2-SBM-1: 40 d iv (1): Undertaking is active in cultivation and production of tobacco

No.

ESRS 2-SBM-1: 40 e: Description of sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas and relationships with stakeholders

First, through the sustainability platforms such as RSPO for oil palm and GPSNR for rubber, the Socfin Group commits to high sustainability standards with the goals to maintain its RSPO certification across all

its oil palms plantations and oil palm mills, and to undergo the GPSNR Assurance System that is being developed and have a successful verification through auditors by 2027.

Second, in the Group Responsible Management Policy, the Socfin Group commits to reach 100% traceability of all its raw material by 2025.

Third, the Socfin Group has a target to be 100% compliant with the new European EUDR regulation for its oil palm and rubber products. EUDR was initially going to be implemented by end of December 2024, but European legislators decided to delay the implementation by one year.

Finally, in 2023 the Socfin Group committed to investigate all allegations raised by NGOs and communities through a deep dive investigation exercise undertaken by Earthworm Foundation, and to put in place action plans for all allegations assessed as founded.

All of these goals encompass Socfinasia and its related activities.

ESRS 2-SBM-1: 40 f: Disclosure of assessment of current significant products and (or) services, and significant markets and customer groups, in relation to sustainability-related goals

In 2015 we completed the RSPO certification process covering all our palm oil mills and own oil palms plantations. Moreover, since 2022 we report to GPSNR the data of the reporting requirements for all our rubber factories and rubber trees plantations.

By December 2024 we had achieved 100% of traceability at the highest level for rubber trees and oil palms.

The EUDR implementation work started in 2023. By end of 2025 when EUDR is effective, both rubber trees and oil palms products will fully comply with the EUDR legislation.

The EF deep dive investigation of allegations raised against the Socfin Group started in 2023 and will be concluded early 2025 with the publication of the last report (Socfin-KCD/Coviphama). There will be an action plan resulting from the recommendations arising from the investigations.

ESRS 2-SBM-1: 40 g: Disclosure of elements of strategy that relate to or impact sustainability matters

The certification of all of Socfinasia's palm oil mills and own oil palms plantations, done from 2010 to 2015, was part of the strategy to ensure an external verification of Socfinasia's sustainability practices. The same can be said about rubber with Socfinasia's commitment to GPSNR, first with the Socfin Group being one of its founding members, then by being active in various working groups put in place to build the GPSNR systems and also by being a member of the GPSNR Executive Committee.

The release in 2017 of the Socfin Group Responsible Management Policy made clear the different commitments with regards to local and rural development in Africa and Asia, commitment to employees and communities, commitment to our planet, commitment to transparency, commitment to zero-deforestation and third-party verification.

The Group is involved in several ways with its main partners, thereby ensuring long-lasting collaboration. With RSPO, the Group participates in activities like contributing to the revision of the RSPO Principles & Criteria every 5 years, the ACOP (Annual Communication of Progress) reporting, the annual RSPO meetings, and other ad hoc tasks such as the consultations on living wages and on the revised PalmGHG calculator. In turn, the Group was active in all of GPSNR's foundational activities (e.g.: code of conduct,

policy framework), and has since then been involved as member in the Executive Committee and several working groups. The Socfin Group also submitted to GPSNR the GHG calculator developed with Michelin and SIPH, and regularly attends GPSNR workshops to continue developing the assurance system tools. Finally, the collaboration with EF was only reinforced throughout the years, from the elaboration of the Responsible Management Policy and the ongoing work to ensure its implementation, to the annual workplans and the deep dive investigations.

The Group's involvement with these important partners and sustainability platforms has necessitated to adjust the availability of resources accordingly, both in terms of staffing and expenditure. This has taken place both at subsidiary level and at Group level. As a result, the size of sustainability departments has considerably increased in the past few years.

ESRS 2-SBM-1: 42: Description of business model and value chain

Socfinasia has several subsidiaries that have their own processing facilities to produce palm oil and natural rubber. Subsidiaries also have their own integrated plantations.

On all our sites, we strive to produce palm oil and rubber in a way that is beneficial to all: our employees and their family, and the communities by improving their livelihoods.

Palm oil we produce in Asia will be mainly for local consumption while the rubber will be exported to countries where clients (mostly tyre makers) require them.

ESRS 2-SBM-1: 42 a: Description of inputs and approach to gathering, developing and securing inputs

The inputs are the raw material, Fresh Fruit Bunches (FFB) to produce the palm products, and wet natural rubber to produce the dry processed rubber. These inputs are secured from the business model described above with Socfinasia having its own plantations that supply the raw material used in the processing factories.

ESRS 2-SBM-1: 42 b: Description of outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders

The outputs are the palm products and rubber produced, sold mostly locally for the palm products and exported for the rubber. The various ISO certifications ensure products of high quality while the production of the raw material respects stringent environmental standards. The additional RSPO certification for palm products and adherence to the GPSNR standards for rubber are an added sustainability recognition valued by customers, investors and other stakeholders.

ESRS 2-SBM-1: 42 c: Description of main features of upstream and downstream value chain and undertakings position in value chain

Socfinasia's activities not only are situated quite at the beginning of the value chain but also cover an important part of what might qualify, for another company, as value chain activities. Indeed, the business model is centred around growing oil palms and rubber trees – with all the farming operations this entails – and the related industrial processes with palm oil mills and rubber factories.

In the general activities of the Socfin Group, the main component of the value chain are the smallholders who sell their produce to the factories in our subsidiaries. It is with them that material value chain IROs (Impacts, Risks and Opportunities) are concentrated. However, the Socfin Group's subsidiaries which are

based in Asia (Cambodia and Indonesia) do not have smallholders in their upstream value chain, so there are no material IROs related to the value chain in Socfinasia's case.

The downstream value chain is composed of the distribution network; clients who further process the purchased palm oil and dry rubber; further vendors and retailers; and consumers. No material IROs are linked to these components of the value chain.

[SBM-2] Interests and views of stakeholders – general

ESRS 2-SBM-2: 45 a: Description of stakeholder engagement

The Group conducted its first double materiality assessment between end of 2023 and beginning of 2024, applicable to 2024 reporting. On this occasion, a variety of stakeholders were engaged, both internal and external. A questionnaire covering all ESRS topics was submitted to stakeholders for them to assess the materiality of positive and negative impacts. The questionnaire consisted of multiple-choice questions on scale and scope, as well as irremediability and likelihood where relevant. The results of this engagement allowed the Group to gain insight into what topics are considered material by stakeholders, leading to the structuring of the 2024 sustainability report and to taking note of what further actions might be needed to ensure alignment with stakeholders' perspectives.

Besides the double materiality assessment, stakeholders are engaged with on a regular basis on the different sites. More details on this are provided under paragraph 45(a)(iii).

ESRS 2-SBM-2: 45 a i: Description of key stakeholders

Key stakeholders are typically: shareholders, banks, NGOs, rating agencies and financial analysts, education and/or research institutions, networks developing sustainability (such as RSPO, GPSNR or partners like Earthworm Foundation), government and law enforcement bodies, suppliers, leadership teams, direct and indirect employees, union delegates, subcontractors, clients, and certain media players. In some contexts, additional stakeholders like professionals' associations, trade unions, and foundations/voluntary associations may apply.

For the double materiality assessment, the Group identified its key internal and external stakeholders. A variety of possible stakeholders was listed for the Group's "HQ" entities, as well as for Safacam (the subsidiary in Africa selected for the first DMA) and for Socfindo (the subsidiary in Asia selected for the first DMA). In a second step, each stakeholder category under these entities was mapped (i.e.: classified as a key or non-key stakeholder). Three criteria, each ranging from 1 to 5, were used to do this: first, the company's impact on the stakeholder; second, the stakeholder's influence on the company; and third, whether the stakeholder required more attention than usual. After giving each stakeholder category a score for each of these criteria, the average was calculated, therefore obtaining a final weight per stakeholder category.

Nature was not per se included as a key "silent" stakeholder in this exercise, although all important aspects relating to nature were taken into account in the materiality assessment (biodiversity and ecosystems, pollution, etc.). However, we will aim to include nature as silent stakeholder in upcoming rounds of the double materiality assessment.

ESRS 2-SBM-2: 45 a ii: Description of categories of stakeholders for which engagement occurs

In the context of the double materiality assessment, the aim was to engage with all key stakeholders (listed under SBM-2, 45 a i), i.e., to send them the questionnaire to and obtain their insights on impact materiality.

All key stakeholders were contacted, but some chose not to respond to the questionnaire. This was notably the case with banks, NGOs and the media. A reminder was sent to stakeholders who had not

replied, but even so some did not respond, or communicated that they could not do so for internal reasons.

ESRS 2-SBM-2: 45 a iii: Description of how stakeholder engagement is organised

Since the CSRD applies at Group level, for the materiality assessment stakeholder engagement was planned from HQ. One subsidiary in Africa (Safacam) and one subsidiary in Asia (Socfindo) were chosen to participate in the first DMA. The impact materiality questions to be submitted to stakeholders were designed at HQ, albeit with the input from the 2 subsidiaries. Double materiality assessments as per the CSRD will in principle occur every two years and will progressively involve all subsidiaries.

Besides the top-down materiality assessment, each site organises engagement with local stakeholders in its own way: with employees, using different forums such as regular meetings between management and workers representatives for HR and social issues. For Health, Safety and Environment (HSE) topics, short meetings are organised in the morning with employees before the work start on subject related to safety, various policies, etc. Engagement with local communities occurs during bipartite meetings (management and community representatives) or tripartite meetings (management, community representatives and local authorities). Finally, engagement with local authorities takes place during meetings at sub-district, district or national level.

ESRS 2-SBM-2: 45 a iv: Description of purpose of stakeholder engagement

The purpose of stakeholder engagement in the context of the materiality assessment was to understand what positive and negative impacts are considered material by key stakeholders, to then define material topics in combination with the financial materiality assessment exercise. Besides filling the main purpose of understanding sustainability reporting priorities, stakeholders' responses to the impact materiality questionnaire allowed to generally gain insight into stakeholders' perspectives and possible concerns, thereby helping to prioritise certain action plans or projects.

At local level, regular engagement with key stakeholders like employees and local communities helps to anticipate potential grievances, to find common solutions and respond to any requests or concerns. It overall allows to maintain a collaborative and trusting relationship between the company and its employees, as well as surrounding communities. The effects of cultivating such relationships reverberates at Group level.

ESRS 2-SBM-2: 45 a v: Description of how outcome of stakeholder engagement is taken into account

Stakeholders' perspective on positive and negative material impacts was crucial to defining material topics for sustainability reporting under the CSRD. Although almost no ESRS topic came out as non-material once combined to financial materiality, stakeholders' views on impacts helped to understand nuances in materiality degrees, or the perceived level of urgency relating to the different topics. Outside the context of reporting, this has proven key to understanding in which areas more actions or targets should be developed, as opposed to those for which existing monitoring practices are sufficient.

Regarding stakeholder engagement at local level, the outcome of regular engagement described in ESRS2-SBM-2: 45a iii is taken into account by agreeing on a list of actions with timelines and responsibilities. The progress of the implementation of these actions is then reviewed at each subsequent meeting.

ESRS 2-SBM-2: 45 b: Description of understanding of interests and views of key stakeholders as they relate to undertaking's strategy and business model

The interests and views of stakeholders have had, and keep having, an influence on the Group's strategy and business model. Banks have notably demonstrated a significant interest in closely monitoring the Group's progress in obtaining the RSPO certification for the entirety of its palm oil activities. Similarly, clients have been an important influence in the Group's involvement with GPSNR for its rubber activities, and the Group also closely listens to any environmental or social concerns that clients may have. NGOs have also played a role in the unfolding of the processes mentioned. Overall, these have led the Group to make its strategy evolve and keep its business model – which remains focused on tropical agriculture – up to date with modern concerns and sustainability requirements.

ESRS 2-SBM-2: 45 c: Description of amendments to strategy and (or) business model

In 2017 the Group launched its Responsible Management Policy, which confirmed previous commitments and added new ones, such as the zero-deforestation, with the need for any new development to be preceded by studies identifying HCS, HCV and peatland areas, and transparency and traceability commitments.

In parallel the Group became a founding member of GPSNR, the Global Platform for Sustainable Natural Rubber. GPSNR was created in October 2018 and has gradually become a driving force establishing strict sustainability standards.

ESRS 2-SBM-2: 45 c i: Description of how strategy and (or) business model have been amended or are expected to be amended to address interests and views of stakeholders

The 2017 launch of the Responsible Management Policy included new points such as the zero-deforestation and the transparency commitments.

The GPSNR membership and active contribution during the building phases of the platform confirmed the seriousness of the Group's sustainability standards. This recent development is also in line with requests made by various external stakeholders.

ESRS 2-SBM-2: 45 d: Description of how administrative, management and supervisory bodies are informed about views and interests of affected stakeholders with regard to sustainability-related impacts

The Group's top management and Board members are informed of the outcome of each stage of the double materiality assessment. This includes gaining insight into stakeholders' responses on impact materiality, which provides a useful tool to determine sustainability priorities beyond reporting.

[SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

Our double materiality results

Double materiality result	SOCFIN GROUP TOPICS	ESRS TOPICS	Reporting strategy
Important	i. Climate change mitigation and responsible energy use	E1 Climate change	Priority
Informative	ii. Pollution reduction and control	E2 Pollution	Monitoring
Informative	iii. Water consumption	E3 Water and marine resources	Monitoring
Critical	iv. Protection of ecosystems and ecosystem services	E4 Biodiversity and ecosystems	Priority
Important	v. Resource and waste management	E5 Resource use and circular economy E3 Water and marine resources	Maintain
Important	vi. Local employees	S1 Own workforce	Maintain
Important	vii. Employee development and wellbeing	S2 Workers in the value chain	Maintain
Important	viii. Sustainable value chains	S3 Affected communities	Priority
Significant	ix. Community relations	S3 Affected communities + Entity-specific, related to Partnerships for sustainable development	Maintain
Important	x. Sustainable consumption	G1 Business conduct	Priority
Critical	xi. Responsible business conduct	Entity-specific	Priority
Critical	xii. Partnerships for sustainable development	Entity-specific	Priority
Critical	xiii. Productivity and yield	+ E1 Climate change (adaptation)	Priority

The blue side of the table shows the materiality degrees obtained as a result of the first double materiality assessment conducted at Group level. Since the topics used were slightly accommodated to better align with the Group's previous sustainability reports and facilitate the transition towards CSRD reporting, the yellow side of the table draws the link with ESRS topics. It also translates materiality results into the reporting strategy adopted.

More details on the equivalence of topics can be found in section IRO-1, while the following SBM-3 paragraphs describe impact and financial materiality results in detail.

ESRS 2-SBM-3: 48 a (1): Description of material impacts resulting from materiality assessment

The most material impacts relate to topics such as **productivity and yield** (positive impacts from less surface required and better resistance, interrelated with climate change), **partnerships for sustainable development** (the positive impacts resulting from certifications, frameworks and collaboration with foundations), and **biodiversity and ecosystems protection**. Other material impacts relate to own workforce (human rights, well-being, health and safety), climate change in general (GHG emissions, fossil fuels and green energy), business conduct (anti-corruption and transparency), water resources, workers in the value chain (where relevant), and affected communities (human rights).

Stakeholders considered that the undertaking's impact on other topics is rather low, among which resource and waste management, pollution, and some less salient aspects among own workforce topics. These therefore came out as less material topics from an impact perspective. In this context, it is important to remember that the questions that were submitted to stakeholders in the impact materiality questionnaire did not focus on the *importance* of the different topics, but on stakeholders' perception of

the undertaking's impacts, whether positive or negative, on its environment/entourage. In other words, topics that do not come out as material here are not necessarily unimportant to stakeholders, but the undertaking's impact on them was considered rather low. In the case of negative impacts, one reason for this could be because preventative or corrective measures are already in place – which in no way means that these topics are unimportant for the undertaking and that ongoing monitoring will cease.

All of Socfinasia's impacts are concentrated in our own operations. As explained previously, Socfinasia's business model is based on its own oil palms and rubber trees cultivation and the related industrial processes in palm oil mills and rubber factories. This means that Socfinasia's own activities encompass a wide array of what might be part of the value chain for another undertaking.

ESRS 2-SBM-3: 48 a (2): Description of material risks and opportunities resulting from materiality assessment

The most material financial risks relate to business conduct (linked notably to evolving regulations, as well as reputational risks), affected communities, resource and waste management (because of the price fluctuations of fuel and fertiliser needed on plantations), and own workforce (more specifically relating to the high dependency on labour, in remote locations). Other material risks relate to climate change, water, and workers in the value chain.

The most material opportunities relate also to business conduct (linked to the implementation of the Group's Responsible Management Policy), to partnerships for sustainable development and sustainable consumption (advantages to maintaining certifications and collaboration with frameworks and foundations), and productivity and yield (linked to research and development tools used in line with sustainability objectives). Other material opportunities relate to climate change, resource and waste management, own workforce, workers in the value chain, and affected communities.

Blending risks and opportunities together, the most material topics from the perspective of financial materiality are business conduct, partnerships for sustainable development, productivity and yield (in relation to R&D), and affected communities. These are followed by resource and waste management (including water discharges), own workforce, workers in the value chain, and climate change. The less material topics from a risk and opportunity perspective are water and marine resources, pollution, and biodiversity and ecosystems.

As with impacts, all material risks and opportunities are concentrated in Socfinasia's own operations.

ESRS 2-SBM-3: 48 b: Disclosure of current and anticipated effects of material impacts, risks and opportunities on business model, value chain, strategy and decision-making, and how undertaking has responded or plans to respond to these effects

Although the CSRD double materiality assessment was the first such exercise conducted at Socfin Group, applicable to Socfinaf and Socfinasia, materiality results were not a surprise. Indeed, the Group was already aware of the impacts, risks and opportunities related to key topics such as local communities, employees, preserving the environment, business conduct, and partnerships for sustainable development. These topics are addressed in the Group's Responsible Management Policy, which was established in 2017 and is a key pillar in the undertaking's current strategy and business model. Actions have been put in place since 2017 to implement the Responsible Management Policy, and further projects are also being implemented regarding climate change, productivity and yield, and business conduct. Specific actions are detailed under the respective topics.

The double materiality assessment did shed light on possible further developments for material topics – such as setting precise targets, conducting further studies, or considering the development of more specific topic-related policies at Group level. These developments will take place within the respective areas, in alignment with, and implementation of, the Group’s existing business model and strategy. Furthermore, the CSRD’s double materiality perspective will be progressively integrated into parallel efforts by the financial and internal audit teams to map and monitor risks at all levels. These combined efforts will help apply these new lenses to existing decision-making processes.

ESRS 2-SBM-3: 48 c i: Disclosure of how material negative and positive impacts affect (or are likely to affect) people or environment

The Group’s activities positively impact people and the environment in several ways. Its involvement with partners like RSPO, GPSNR and Earthworm Foundation ensures active implementation of the Responsible Management Policy, as well as ongoing action and monitoring of all ESG areas. More specifically, on one hand the Group’s commitment to protecting peatland, forests and HCV areas in regions where such areas would currently otherwise be at risk is highly beneficial for the environment, as is fire prevention in regions where burning for farming purposes is often the norm.

The Group’s work in the field of R&D, notably to increase yield and improving resistance to diseases, is also beneficial for the environment. Indeed, the objective is to produce the same amount or more with less surface and using less herbicides/pesticides, thereby producing in a less invasive way and aligning with other actions in place to preserve ecosystems. On the other hand, the Group is continuously involved with both its employees and local communities, notably when it comes to the development and accountability of workers and young people. Socfinasia’s subsidiaries in different countries offer jobs as well as training programmes for young people to be able to keep developing in their work. Support is also notably provided by financing education, be it through the provision of school facilities or the financing of higher education.

Of course, the Socfin Group is aware that its activities, through Socfinasia’s subsidiaries, may also imply negative impacts, the question being how to manage and mitigate them. The most salient aspect in that sense is occupational health and safety, related to all the safety risks that stem from working in the fields and in industrial units. Although, unfortunately, accidents still occur, risks are mitigated through the provision of protective equipment specific to each activity involving health and safety risks, and through continuous training.

Other aspects of the Group’s activities possibly involving negative impacts are closely monitored. In relation to the environment, Socfinasia’s activities have their own share of GHG emissions – for the main part coming from palm oil mill effluents –, for which mitigation plans are currently under review. Furthermore, this industrial wastewater, and more specifically the organic matter it contains, could be harmful for the environment if released into nature before the end of the treatment process, should an accident occur. In relation to local communities, the Group is closely working with Earthworm Foundation to determine where communities could be negatively impacted and implement corrective action plans.

Finally, the Group pays close attention to potential issues relating to corruption or transparency as these could affect people by generating inequalities and impacting employees and clients’ trust.

It should be noted that in general, topics that may involve negative impacts usually also involve positive ones – such as the production of green energy for own operations, the recycling of industrial waste, the

development of infrastructure for local communities, and the implementation of a responsible governance system. There are also areas that can still be explored in terms of potential positive aspects, such as household waste management within concessions.

ESRS 2-SBM-3: 48 c ii: Disclosure of whether and how material impacts originate from or are connected to strategy and business model

As the business revolves around large-scale tropical agriculture, there are negative impacts that could originate from the business model. However, with the Responsible Management Policy as one of its pillars, it is also at the core of Socfinasia's business model to mitigate or remediate the negative impacts, as well as to make positive ones emerge.

ESRS 2-SBM-3: 48 c iii: Disclosure of reasonably expected time horizons of material impacts

Positive impacts relating to partnerships for sustainable development, biodiversity and ecosystems, recycling of industrial waste, own workforce, business conduct, the production of green energy and development of infrastructure for local communities, are already in place and ongoing.

Positive impacts relating to productivity and yield already exist, but further improvements are expected in the short to medium term. Household waste management-related positive impacts are expected in the medium to long-term depending on the sites.

Negative impacts relating to communities, as well as to occupational health and safety, already exist. Mitigation measures are ongoing, with further improvements expected in the short term. With regards to GHG emissions, mitigation plans are expected in the short term.

ESRS 2-SBM-3: 48 c iv: Description of nature of activities or business relationships through which undertaking is involved with material impacts

The undertaking is involved with the material impacts in question through its own activities. As previously explained, Socfinasia's activities cover an important part of what might otherwise qualify as value chain activities since the nature of activities is the large-scale production in a responsible manner of palm oil and natural rubber through the Group's own plantations and industrial facilities. Such activities involve the possibility of certain negative impacts which the undertaking is continuously working to mitigate and remediate. In turn, the implementation of the Group's Responsible Management Policy ensures the stable achievement of material positive impacts.

ESRS 2-SBM-3: 48 d: Disclosure of current financial effects of material risks and opportunities on financial position, financial performance and cash flows and material risks and opportunities for which there is significant risk of material adjustment within next annual reporting period to carrying amounts of assets and liabilities reported in related financial statements

The current financial effects of the undertaking's material risks and opportunities on its financial position, financial performance and cash flows:

Material risks and current financial effects:

- Related to resource and waste management: The price fluctuations of fuel and fertiliser used on plantation. This may imply an impact on production costs.

- Related to own workforce: The possible challenge of finding workers in remote locations. This involves the cost of making job offers more interesting. As this is not an immediate issue at Group level, there are no current financial effects.
- Related to affected communities: The reputational risk if resilience of communities were not to be taken into account in strategic decisions, and the possible difficulty to obtain/keep land in a context of demographic growth and urban expansion. These involve the cost of losing key business relationships and/or the basis of the Group's business. These are not current issues, so no current financial effects.
- Related to business conduct: The risks related to evolving expectations, be it legal/certification or from clients, investors, etc. This involves the cost of losing key business relationships. Current financial effects are related to the Group's efforts to stay up to date with such expectations, but since these efforts are in place there are no major current financial effects related to these risks.

Material opportunities and current financial effects:

- Related to business conduct: The implementation of the Group's Responsible Management Policy, which is key to strengthening the Group's reputation.
- Related to partnerships for sustainable development: Maintaining and furthering certifications, and cultivating key partnerships that help pin-point action areas and speed up project implementation. This involves benefits related to keeping up to date with consumer preferences and to enhancing the Group's image.
- Related to productivity and yield: Research aiming to improve yield while taking ESG issues into account involves benefits like reducing costs over the medium to long term (since less issues are likely to arise later on), a general better financial performance and better access to finance. This is tied to ongoing research, there are no current financial effects yet.

The **material risks and opportunities** for which there is a **significant risk of a material adjustment within the next annual reporting period** to the carrying amounts of assets and liabilities reported in the related financial statements.

Among the material risks and opportunities described, there are none for which there is a significant risk of a material adjustment, within the next annual reporting period, to the carrying amounts of assets and liabilities reported in the financial statements.

ESRS 2-SBM-3: 48 e: Disclosure of anticipated financial effects of material risks and opportunities on financial position, financial performance and cash flows over short-, medium- and long-term

With regards to opportunities related to partnerships for sustainable development and to business conduct, financial effects are mainly expected in relation to the Group's financial position, in the short term (strengthening the Group's image, better positioning it in the market, reducing reputational risks). In turn, in relation to productivity and yield (direct link with R&D), opportunities are expected in the form of improving financial performance in the medium term.

With regards to material risks, some involve financial effects in the form of reduced financial performance/cash flows in the cases where operating or production costs could increase. Others involve financial effects in the form of a less favourable financial position, in the cases where reputational risks are at stake.

ESRS 2-SBM-3: 48 f: Information about resilience of strategy and business model regarding capacity to address material impacts and risks and to take advantage of material opportunities

The Socfin Group Responsible Management Policy, released in 2017 and revised in 2022, is a confirmation of the commitment to address material impacts and risks and take advantage of material opportunities. Indeed, it reinforces the Group's long-standing commitments towards growing palm oil and rubber in a sustainable manner, respecting employees and communities and protecting the environment in which it operates. Adhering to RSPO and GPSNR standards, as well as working with Earthworm Foundation, ensures that impacts, risks and opportunities are continuously being reviewed and addressed.

ESRS 2-SBM-3: 48 h: Disclosure of specification of impacts, risks and opportunities that are covered by ESRS Disclosure Requirements as opposed to those covered by additional entity-specific disclosures

All IROs are covered by ESRS disclosure requirements, except for those falling under entity-specific topics "Partnerships for sustainable development" and "Productivity and yield". In addition, some entity-specific disclosures have been added to existing ESRS topics as they were elements that the Group already reported on – such as information relating to peat, education, medical infrastructure and services provided, and housing. These have been included, respectively, under "Biodiversity and ecosystems", and under "Own workforce".

[Topical SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

E1.SBM-3

E1-SBM-3: 18: Type of climate-related risk

Material climate-related risk	Type of risk
Regulations imposing strict requirements in terms of full use of renewable energies could put the Group at risk of losing existing clients or access to markets, if the use of these renewable energies is not possible right away for some operations	Climate-related transition risk
As a consequence of global warming, increased incidence and severity of extreme weather events, such as extreme winds and floods, could impact crop volume and quality as well as assets (extreme winds can impact young rubber trees, while flooding in oil palms plantations impedes access to crops and so to harvesting)	Climate-related physical risk
Current unpredictability regarding how rainfall patterns might evolve because of climate change, and whether abnormal rainfall patterns might lead to water deficit/unusual droughts, thus impacting crop volume and quality	Climate-related physical risk
By changing and more extreme weather conditions, crops could be affected by phytosanitary hazards related to adaptational stress (biotic and abiotic factors), which impacts production volumes and thus revenues	Climate-related physical risk
Rising adaptation-related costs as climate change shifts ecosystems, thus impacting the planet and livelihoods	Climate-related transition risk

E1-SBM-3: 19 a: Description of scope of the resilience analysis

Resilience analysis elements were applied during the financial materiality assessment, so the relevant scope is the same as for financial materiality. That is, risks and resilience were considered from a global, Group-level perspective, taking into account all operations.

E1-SBM-3: 19 b (1): Disclosure of how the resilience analysis has been conducted

Although an in-depth climate-related risk and resilience analysis is still to be conducted (probably in 2025 or 2026), several elements of a resilience analysis are in fact implemented or underway. Indeed, the financial materiality assessment represents an initial risk identification and assessment, which will also serve as basis for any future ones. From this, it was possible to establish that vulnerabilities are mainly concentrated in own operations – which was to be expected given the nature and scope of activities and gives the Group more leverage to manage them. Risk adaptation and mitigation strategies, although they

have not been framed this way and such framing will be useful for further analysis, are in fact in place or under development from different angles (e.g.: sustainability, industrial, R&D).

E1-SBM-3: 19 c: Description of results of resilience analysis

Overall, from the preliminary analysis of the Group's resilience to climate-related risks conducted through the financial materiality assessment, resilience seems to be rather high. To begin with, at Group level some risks are naturally mitigated by the fact that operations are spread across several countries/regions and encompass two economic activities. This means that what might impact one location may not necessarily impact another, which is also true for the two types of crops. Furthermore, climatic conditions are closely monitored on all sites, research on crop resistance and adaptability is ongoing, and efforts to stay up to date with legal regulations are in place.

Of course, a more in-depth resilience analysis, based on a professionalised climate scenario and climate-related risk analysis, is likely to shed light on additional information and provide a useful complement to existing conclusions.

E1-SBM-3: AR 8 b: Description of ability to adjust or adapt strategy and business model to climate change

As previously explained, there is an important unpredictability factor regarding how climatic conditions will evolve, and another unpredictability factor as to how changes may impact crops. Some changes might negatively impact production, while others might be beneficial. The Socfin Group has the advantage of being able to switch from one type of crop to the other in several sites, which already provides adaptability if certain changes were to affect one crop more than the other. Moreover, the option exists to switch the variety used for the same crop at the time of replanting, thus giving a certain flexibility in terms of variety resistance. With two commodities that are in high demand and will remain this way, these options provide strategical room for manoeuvre within the same business model.

E4.SBM-3

E4-SBM-3: 16 a: List of material sites in own operation

All of Socfinasia's operations have potential biodiversity and ecosystem impacts.

E4-SBM-3: 16 a i: Disclosure of activities negatively affecting biodiversity sensitive areas

Socfinasia's operational subsidiaries have identified activities that could potentially negatively affect biodiversity sensitive areas. As such, they have implemented mitigation measures, including best management practices, biodiversity monitoring, sensitisation campaigns and conservation efforts to prevent these activities from negatively affecting the identified BSAs.

Potential impacts on biodiversity sensitive areas include:

1. Habitat destruction and illegal logging from external populations:
 - a. Communities using fire for land clearance, causing habitat destruction and species loss.
 - b. Illegal logging, including within sacred forests, degrading ecosystems and reducing biodiversity.
 - c. Drainage of swamps and soil erosion from vegetation clearance threatening riparian buffers.
2. Water pollution and ecosystem degradation:
 - a. Wastewater from palm oil mills potentially affecting river systems.
 - b. Use of fertilisers and improper waste disposal by local communities polluting water bodies.
3. Overexploitation from external populations and population pressure:
 - a. Encroachment into buffer zones as population growth increases demand for agricultural land.
 - b. Overexploitation of ecosystems leading to habitat degradation and reduced biodiversity resilience.

E4-SBM-3: 16 a ii: Disclosure of list of material sites in own operations based on results of identification and assessment of actual and potential impacts on biodiversity and ecosystems

All of Socfinasia's operations have potential biodiversity and ecosystem impacts. Strict standards are in place to ensure that operations mitigate negative impacts on biodiversity and ecosystems, and that they protect and/or enhance all high conservation value areas within their management areas.

E4-SBM-3: 16 a iii: Disclosure of biodiversity-sensitive areas impacted

- Phnom Namlier and Snoul / Keo Sema / O Reang - Socfin-KCD and Coviphama
- Lae Raso - Socfindo Lae Butar

E4-SBM-3: 16 b: Material negative impacts with regards to land degradation, desertification or soil sealing have been identified

No.

E4-SBM-3: 16 c: Own operations affect threatened species

No.

S1.SBM-3

S1-SBM-3: 14: All people in its own workforce who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2

Yes.

S1-SBM-3: 14 a: Description of types of employees and non-employees in its own workforce subject to material impacts

There are 4 categories in our workforce:

Employees:

- Company employees (permanent employees): Employees contractually employed by the Company, receiving a pay slip issued by the Company (part-time or full-time).
- Daily workers: Employees under daily contract to the Company.

Non-employees:

- Temporary workers: Employees hired for the Company but employed by an employment agency.
- Contractors: Employees employed by a contractor to carry out a specific task for the Company.

S1-SBM-3: 14 b: Material negative impacts occurrence (own workforce)

Widespread or systemic in contexts where the undertaking operates.

Explanation:

- The ESRS text requires undertakings to select either:
 - option (i) *“widespread or systemic in contexts where the undertaking operates (for example, child labour or forced labour or compulsory labour in specific countries or regions outside the EU)”*, or
 - option (ii) *“related to individual incidents (for example, an industrial accident or an oil spill)”*.
- Option (i) was selected here because we are aware that negative impacts on our workforce are related to the sensitive contexts in which the Group operates, even though measures are in place to prevent and correct them in our operations.

S1-SBM-3: 14 c: Description of activities that result in positive impacts and types of employees and non-employees in its own workforce that are positively affected or could be positively affected

As our sites are in isolated areas, we try to offer all the services that our employees, non-employees and their dependents may need such as medical, education, housing and social infrastructures.

Regarding the **medical** part, all our sites offer medical facilities, from hospital to health outposts according to the size of the site and population. Medical consultations for employees are available at all site health centres, most of the time free of cost for our employees and at reduction cost for their families. Most of our health centres are accessible 24/24 and 7/7 and have an ambulance. The outposts are generally located in the site villages. They address the basic health needs of the village population.

In 2024, 59 271 people received a consultation and more than 1 362 have been admitted in the Socfinasia's health centres.

Medical infrastructures (2024)	
Hospitals	0
Medical centres including dispensaries	13
Health outposts	13
Ambulances	13

Medical staff (2024)	
Doctors	25
Nurses	46
Midwives	17
Other staff	12
Total medical staff	100

We are also dedicated to improving the availability and quality of the **schools** in the regions where we operate. Public schools are available close to and within the sites. We support these schools financially or logistically, in so far as possible, with renovations, construction of new school buildings and supply of furniture.

We are aware that in these remote areas the socio-economic situation of the families is often difficult and therefore we offer scholarships to the most meritorious pupils to guarantee the longest possible schooling. The teaching staff deployed in these remote areas is often too limited to guarantee good supervision of the pupils. In this context, we also support the schools by deploying additional teachers and by paying them.

In 2024, 116 schools welcomed students from our employees and/or were financially supported by Socfinasia operations: 41 nursery schools, 54 primary schools and 21 secondary schools. 18 302 pupils (50% girls and 50% boys) attended the schools in 2024. 1 435 teachers worked in the 116 schools in 2024, of which 91 (6%) are paid by Socfinasia entities, with a student/teacher ratio of 12.43.

Within the **plantation villages**: Depending on availabilities, each new employee is attributed housing within the site, adapted to family composition and job level. We are committed to ensuring that all employees have decent quality housing. Another objective of the current construction programme is, on certain sites, to offer the employees housing closer to their workplace, thereby facilitating their daily commuting. Latrines and kitchens are also constructed so that each employee has his/her own facilities. One objective is that each village has, depending on its size, one or more water points in order to meet water supply needs.

Leisure infrastructures are available within our villages, in total, 135 sports fields, 12 market places and 61 meeting places are available for our employees and their families. On most sites, we organise sports competitions between the different villages or departments. The 856 shops, in turn, encourage trade and exchange of products, either locally grown or imported from urban centres. Lastly, more than 34 clubs/bars, generally managed by an external entrepreneur, offer village inhabitants the opportunity to follow their favourite soccer teams and other international sports events on television.

Leisure infrastructures (2024)	
Sports fields	135
Economats, shops, stalls	856
Clubs	34
Market places	12
Meeting places	61

S1-SBM-3: 14 d: Description of material risks and opportunities arising from impacts and dependencies on own workforce

Two material risks relating to own workforce were identified in the financial materiality assessment; both relate to the dependency on workforce in a context of labour-intensive activities. The first one relates to the potential future challenge of finding staff prepared to work in remote locations; the second one to the potential rising cost of labour if the countries where the Group operates were to significantly rise living wage levels.

Two material opportunities were also identified: First, maintaining and improving housing conditions for employees can be an incentive for them to stay with/join the undertaking and positively impact employee satisfaction. Second, continuing to improve health and safety trainings and equipment will keep reducing the number of accidents, thus making the undertaking a safer place to work at and boosting reputation.

S1-SBM-3: 14 e: Description of material impacts on workers that may arise from transition plans for reducing negative impacts on environment and achieving greener and climate-neutral operations

No such formal transition plans are in place yet, so it remains to be determined if once in place these might imply material impacts on workers. However, there is in principle no reason that this should be the case.

S1-SBM-3: 14 f i: Information about type of operations at significant risk of incidents of forced labour or compulsory labour

At Socfinasia, we do not tolerate forced labour or compulsory labour; there are clear policies, procedures and monitoring ensuring that there is no significant risk of forced labour or compulsory labour.

S1-SBM-3: 14 f ii: Information about countries or geographic areas with operations considered at significant risk of incidents of forced labour or compulsory labour

In the countries in which Socfinasia operates the risk of forced and compulsory labour exists.

At Socfinasia we do not tolerate forced or compulsory labour, including prison labour, bonded labour, slavery, servitude, or any form of human trafficking.

S1-SBM-3: 14 g i: Information about type of operations at significant risk of incidents of child labour

At Socfinasia we do not tolerate that school-aged children are taken to work. Therefore, we are committed to not employ or make use of any individual below the minimum employment age set by local law or by ILO conventions (International Labour Organisation).

Our teams take adequate measures to prevent child labour; they verify the age of all employees, using documents such as birth certificates, school records, IDs and driving licenses.

We do not make any exceptions to this policy; our teams are regularly audited by their line Managers or local labour inspectors. Any violation of this commitment will lead to severe disciplinary actions.

Regarding the supply chain, we have developed an audit system to verify whether all commodity suppliers and subcontractors correctly adhere to this policy.

S1-SBM-3: 14 g ii: Information about countries or geographic areas with operations considered at significant risk of incidents of child labour

In the countries where Socfinasia operates the risk of child labour exists.

Refer to the map in the section “The Group”.

S1-SBM-3: 15: Disclosure of whether and how understanding of people in its own workforce with particular characteristics, working in particular contexts, or undertaking particular activities may be at greater risk of harm has been developed

Within Socfinasia, we strive to create an equal and fair workplace encouraging diversity. We understand that certain groups, such as women, young people, migrants, or individuals of a different religion or sexual orientation, may be victims of discrimination. In this regard, Socfinasia is committed to working daily to eliminate all forms of discrimination – not only among its employees but also for non-employees, and starting from the recruitment and appointment process.

In 2024, our employees consisted of more than 1 391 women and 8 641 men. In 2024, women thus represented 14% of employees. On the total number of employees and non-employees, they represent more than 17% of the workforce. It should be noted that the lower numbers of women among employees are in part related to the physical difficulty of FFB harvest, although each subsidiary makes efforts to further integrate women in the workforce in the best possible way. The best example regarding Socfinasia entities is Coviphama, with 37% of female employees in its own workforce. In 2024, we counted 27 women out of a total of 268 supervisors and managers across Socfinasia’s operations, i.e., 10%.

We are committed to doing our utmost to avoid discrimination of any type. Our operational sites have therefore put in place internal policies and organised workshops and awareness sessions on the topic. We also encourage the integration of young people in the working world. In 2024, young people – aged between 18 and 29 years – represented 18% of our workforce. Most internships and job requests come from young people living on and around the sites.

Priority is given to people from the local communities in the vicinity of the sites.

S1-SBM-3: 16: Disclosure of which of material risks and opportunities arising from impacts and dependencies on people in its own workforce relate to specific groups of people

No material risks and opportunities arising from impacts/dependencies on people in the Group’s workforce relate to specific groups of people.

S3.SBM-3

S3-SBM-3: 9: All affected communities who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2

Yes: All materially impacted communities are included in the scope of disclosure.

S3-SBM-3: 9 a: Description of types of affected communities subject to material impacts

Our commitment to respecting the human rights of the communities

We are aware that an agro-industrial site has an impact on the region where it operates. Taking this into account, our search and choice of concessions focus primarily on existing plantations, operational or abandoned (former private or state plantations) that need rehabilitation and where the land titles are well documented.

Many communities are present within and surrounding our concessions. This is why Socfinasia is committed to respecting the laws regarding land and the rights of the communities, and to encouraging community dialogue. We also take care of the development of our communities by contributing to energy and water supply in community villages, support education and facilitate the access to health care.

Our compliance with land legislation

We spare no effort to strictly comply with not only the legal and environmental laws of the host countries where we operate, but also the requirements and standards we adhere to: ISO, RSPO, GPSNR, etc.

Our subsidiaries do not own, directly or indirectly, the concessions; they are managed as a lessee under long-term leaseholds with the various governments. All our sites' concession maps are available on our dashboard.

Unfortunately, land ownership in some countries can be poorly documented. The legal, community and customary rights on the land and its resources are not always clearly documented, and despite all precautionary measures, there are sometimes inevitable claims for the same area of land. Furthermore, because of the recent demographic explosion in certain regions, we notice that land pressure has strongly increased around certain sites even though they have often existed for almost 50 years.

In order to resolve these complex situations, we rely on governments and their Local Land Registry Departments, and on the communities concerned to carry out a precise status report and clarify the situation objectively and practically: demarcation, mapping, etc. This process can be time consuming, but can provide positive satisfactory results for all stakeholders, improving the good neighbourly relations between the communities and the sites.

Compensation for land occupation

When we choose to rent a concession from the government, we are aware that the land concerned is often abandoned, and even though it belongs to the government, the local communities have often used it for several years. Compensations are therefore provided for these specific situations and are paid as indemnity to the communities that planted food crops on the land. In most cases, the amount of these compensations is set by local legislation with great accuracy.

Our commitment to respecting the rights of the communities: FPIC

We have always respected the rights of indigenous populations and local communities to give or withhold their consent to all operations affecting the land or resources they are legally, communally, or customary entitled to.

Practically, when starting a new development project, environmental and social impact studies are always carried out. They comprise environmental and social impact plans, impact mitigation measures, a community development plan, and a stakeholder engagement plan, all are an integral part of the occupancy agreement with the government and the communities.

Simultaneously, in our Responsible Management Policy, we have formally committed to apply Free, Prior and Informed Consent (FPIC), a concept legally supported by the UNDRIP (United Nations Declaration on the Rights of Indigenous Peoples) before every operation impacting land, with the objective to minimise as much as possible any negative impact on local communities. We do not start any new development unless this process is finalised (or in case of a non-resolved conflict for particular areas, unless of course it ensures that an appropriate conflict resolution process is started and approved independently by all stakeholders).

Our commitment to the RSPO certification, including adherence to the principle of FPIC, is an additional guarantee of the proper implementation of this concept on all our sites.

We encourage community dialogue

Our neighbouring communities participate in dialogue platforms organised to structure community relations. The particularities of each community are recognised, and particular attention is given to each and every one.

In the case of a land conflict, for example, we discuss transparently and openly with the stakeholders concerned, at a local, national, and international level to resolve the situation. All complaints are recorded and documented, and we do our utmost to settle all grievances in due course.

Protection of indigenous populations

One indigenous population group lives in the vicinity of Socfinasia's operations: the Bunongs in Cambodia. In our Responsible Management Policy, we committed to respecting the rights of indigenous communities by complying with the articles in the United Nations' Declaration on the rights of indigenous population groups.

Our specific commitment to the communities' long-term development

Particularly within the framework of our community engagement plans, although not exclusively, various projects are carried out with and for the communities.

In 2024, more than € 272 000 was spent.

We contribute to energy and water supply in community villages

Improvement of public services (water, electricity, and telecommunications) is a frequently raised issue, which requires the involvement of local authorities, energy carriers and suppliers. The distance from certain villages to the main urban centres deprives many communities from public services.

To bridge this gap, the Group supports their requests to be connected to either government or private electricity grids and in certain cases finances the connection of these isolated communities. € 1 700 was spent on water, electricity, and telecommunication connection in 2024.

Our policy to support youth education

We are dedicated to improving the availability and quality of the schools in the regions where we operate.

The public schools situated in and around the sites are open to children of employees, temporary employees, contractors, and local communities, in so far as public infrastructure allows it. Together with local communities and local authorities, support to public services concerning the schools surrounding the plantation is often provided to improve youth's education, this amounted to € 3 100 in 2024.

To ensure the longest possible schooling of the children from these remote areas, we also provide scholarships for the most meritorious pupils and assist in the renovation of buildings when needed.

18 302 pupils attended these schools in 2024, and among them, 12 446 pupils are children from the local communities, or more than 68% of the total number of pupils.

Access to health care for the communities

Considering the remoteness of certain regions where we operate, we provide medical care, both preventive and curative, at an affordable price, to the local population living in the immediate vicinity of the site even if they are not employed by the company.

At the request of communities and as part of our community engagement plans, we have also, at certain sites, offered logistic support, renovated and/or constructed and donated health centres to the communities.

S3-SBM-3: 9 a i-iv: Type of communities subject to material impacts by own operations or through value chain

- i. Communities living or working around the undertaking's operating sites, factories, facilities or other physical operations, or more remote communities affected by activities at those sites.
- ii. Communities of indigenous peoples.

S3-SBM-3: 9 b: Material negative impacts occurrence (affected communities)

Widespread or systemic in contexts where the undertaking operates or has sourcing or other business relationships.

Explanation:

- The ESRS text requires undertakings to select either:
 - option (i) *“widespread or systemic in contexts where the undertaking operates or has sourcing or other business relationships (for example, marginalised populations suffering impacts on their health and quality of life in a highly industrialised area)”*, or
 - option (ii) *“related to individual incidents in the undertaking's own operations (e.g., a toxic waste spill affecting a community's access to clean drinking water) or in a specific business relationship (e.g., a peaceful protest by communities against business operations that was met with a violent response from the undertaking's security services)”*.

- Option (i) was therefore selected here because we are aware that the Group's activities take place in contexts that can be sensitive in terms of impacts on communities, even though measures are in place to prevent and correct them in the cases where impacts are related to the Group's operations.

S3-SBM-3: 9 c: Description of activities that result in positive impacts and types of affected communities that are positively affected or could be positively affected

As we are usually the only private employer in the region, long-term job opportunities, coupled with the working conditions and salary we offer, often represent a unique professional opportunity for certain communities. As mentioned previously, we are committed to long-term development with communities by supporting the implementation of many projects such as construction of boreholes and donations. We also contribute to energy and water supply in community villages.

We furthermore support education. The public schools situated in and around the sites are open to children of employees, temporary employees, contractors, and local communities, in so far as public infrastructure allows it. Considering the remoteness of certain regions where we operate, we provide medical care, both preventive and curative, at an affordable price, to the local population living in the immediate vicinity of the site (but not employed by the company).

We invest in road maintenance as there are crucial for access to markets, schools, workplaces, cities, hospitals, and local communities. Indeed, in the remote regions, travel is difficult: public transport is non-existent, and roads are rarely maintained.

S3-SBM-3: 9 d: Description of material risks and opportunities arising from impacts and dependencies on affected communities

In relation to communities, two material risks and one material opportunity were identified in the financial materiality assessment. The first risk relates to how the Group's reputation and license to operate could be impacted if the Group were to make business decisions that neglect to account for the resilience of communities in which we operate and on which we depend. The second risk has to do with demographic growth and urban expansion in areas where communities often already face some pressure relating to land availability, which could impact the undertaking's licence to operate in certain locations. Both risks are mitigated by taking community relations into account in strategic decision-making, and generally maintaining efforts to ensure a good relationship and close collaboration with local communities. These risks are to be monitored in upcoming years, notably by paying close attention to the needs of communities.

The material opportunity is based on the Group's commitment to provide infrastructure for local communities, such as schools, health outposts and water access points. Many initiatives are already in place and have proved beneficial to nurture strategic relationships with communities. Thus, continuing these initiatives and implementing new ones can contribute to the identification of new commercial opportunities like finding local suppliers. Besides, it contributes to building and maintaining a good reputation, which positively influences the Group's financial position and development.

S3-SBM-3: 10: Disclosure of whether and how the undertaking has developed an understanding of how affected communities with particular characteristics or those living in particular contexts, or those undertaking particular activities may be at greater risk of harm

Different methods are being used to understand how affected communities with particular characteristics or those living in particular contexts, or those undertaking particular activities may be at greater risk of harm.

We can mention the Environmental and Social Impact Assessments (ESIA), done prior to any development project being undertaken, and the High Value Conservation studies (HCV); both will involve experts consulting communities to understand and take into account any environmental and social concern they may have.

There is also the work done by Earthworm Foundation in terms of support to the full implementation of the Socfin Group Responsible Management Policy and the deep dive investigation of allegations raised towards certain subsidiaries by communities and NGOs (Socfin-KCD and Coviphama for Socfinasia).

There is the regular engagement between subsidiaries' management and communities to listen to their concern and grievances. The external grievances management processes, either managed by the subsidiaries or by an external party, will complement the other methods described above by allowing communities to express grievances and concerns they may have.

S3-SBM-3: 11: Disclosure of which of material risks and opportunities arising from impacts and dependencies on affected communities are impacts on specific groups

Among the risks and opportunities relating to affected communities, none arise from impacts on specific groups.

S4.SBM-3

S4-SBM-3: 10 a: Description of types of consumers and end-users subject to material impacts

Consumers and end-users are in fact not subject to any material impacts. To begin with, the commodities that the Group produces do not per se imply any risks for consumers and end-users. Palm oil and natural rubber are not harmful products for those who end up consuming or using them as part of their goods. Furthermore, the Group has no contact with consumers and end-users – the commodities produced are sold to the Group's clients, i.e., palm oil refineries and tyre-makers. These businesses further process the products, and it is only after this that the products start reaching consumers and end-users – and even then, usually through several vendor stages. In that sense, the Group's key stakeholders really are the clients who buy the palm oil and rubber produced by Socfinasia, who duly participated in the impact materiality stakeholder consultation.

S4-SBM-3: 10 c: Description of activities that result in positive impacts and types of consumers and end-users that are positively affected or could be positively affected

The Group's production of high-quality palm oil and natural rubber responds to high local demand for palm oil, and high international demand for natural rubber. Moreover, the Group's commitment to applying international sustainability standards for its production contribute to ensuring a supply that is sustainable, in every sense of the word – and in a context where both client and consumer preferences increase towards sustainable suppliers.

S4-SBM-3: 10 d: Description of material risks and opportunities arising from impacts and dependencies on consumers and end-users

N/A.

S4-SBM-3: 11: Disclosure of whether and how understanding of how consumers and end-users with particular characteristics, working in particular contexts, or undertaking particular activities may be at greater risk of harm has been developed

N/A.

S4-SBM-3: 12: Disclosure of which of material risks and opportunities arising from impacts and dependencies on consumers and end-users are impacts on specific groups

N/A.

[IRO-1] Description of process to identify and assess material impacts, risks and opportunities

ESRS 2-IRO-1: 53 a: Description of methodologies and assumptions applied in process to identify impacts, risks and opportunities

As per the CSRD and ESRS, undertakings are to conduct a Double Materiality Assessment (DMA) in order to identify the material topics according to which their sustainability statements will be structured. Therefore, conducting a DMA in line with ESRS requirements and which would encompass both Socfinaf and Socfinasia was necessary, but also an opportunity for the Group to undertake such an exercise for the first time.

A team at Group level was in charge of conducting the DMA, coordinating where necessary with the relevant subsidiaries in Africa and Asia. This team worked with external consultants throughout the process, for guidance on best practices and advice on how to apply ESRS requirements.

For this first DMA, the focus was on the Group's headquarters (several entities spread between Switzerland, Belgium and Luxembourg), Safacam (one of the subsidiaries in Africa) and Socfindo (the main subsidiary in Asia). Regarding the subsidiaries, the choice of Safacam and Socfindo aimed at having good representation of the diversity of activities – oil palms crops and palm oil mill, rubber trees crops and rubber factory, as well as work with smallholders (only for Safacam). In upcoming years, as the DMA exercise is repeated, more subsidiaries will be added in order to be as representative as possible at Group level.

In line with ESRS requirements, the DMA relied on in-house knowledge as well as stakeholder consultation. The process unfolded according to the following essential steps:

- Key stakeholders were identified as detailed in SBM-2 disclosures, using a stakeholder identification and mapping Excel tool.
- The first step was then to identify potentially material topics, which were submitted to the stakeholder consultation to determine material impacts. An impact materiality questionnaire was prepared for the stakeholder consultation (explained below under para. 53(b)(iv)). Then, an impact materiality Excel/Access Microsoft tool was used to process results.
- Second, the same list of potentially material topics was used to determine risks and opportunities, some of which related to established impacts and dependencies.
- Third, impact and financial materiality results were brought together in the form of tables and matrices. **Five materiality thresholds are used:** critical, significant, important, informative, and minimal.
- Finally, the final list of material topics for ESG reporting was obtained, selecting the highest level of materiality obtained for each topic – that is, whether from the impact or from the financial materiality perspective.

The methodological details for the different steps are explained in the corresponding disclosures below.

ESRS 2-IRO-1: 53 b: Description of process to identify, assess, prioritise and monitor potential and actual impacts on people and environment, informed by due diligence process

Identification of potentially material topics: A list of potentially material topics was drawn up with guidance from external consultants, on the basis of existing sustainability and due diligence practices across the Group like RSPO audits, the GPSNR framework, the work with Earthworm Foundation and preparation for EUDR implementation. In addition, the external consultants also did a benchmarking exercise of peer companies' annual sustainability reports to identify other potentially material sustainability topics. This list was started at a time when the ESRS were still in draft form, so the equivalences to the final ESRS topics was established later in the process.

SOCFIN GROUP MACRO-TOPICS	SOCFIN GROUP SUB-TOPICS	ESRS TOPIC EQUIVALENCE
i. Climate change mitigation and responsible energy use	1. Carbon emissions and climate change mitigation	E1 Climate change (mitigation)
	2. Non-renewable energy use	E1 Climate change (energy)
	3. Green energy use and fossil fuel consumption reduction	E1 Climate change (energy)
ii. Pollution reduction and control	4. Healthy soils	E2 Pollution (soil + substances of concern)
	5. Water and air pollution	E2 Pollution (water and air + substances of concern)
iii. Water consumption	6. Water consumption	E3 Water and marine resources (water consumption and withdrawals)
		E4 Biodiversity and ecosystems
iv. Protection of ecosystems and ecosystem services	7. Ecosystem protection	E4 Biodiversity and ecosystems
	8. Identification, maintenance and protection of peatland, forests and HCV areas	E4 Biodiversity and ecosystems (others)
	9. Fire prevention	E5 Resource use and circular economy
v. Resource and waste management	10. Recycling of industrial waste	E3 Water and marine resources (water discharges)
	11. Industrial wastewater management and treatment	E5 Resource use and circular economy
	12. Household waste management	E5 Resource use and circular economy
vi. Local employees	13. Freedom of association	S1 Own workforce (working conditions)
	14. Protection and respect of the rights of employees (Labour Standards, Universal Declaration of Human Rights)	S1 Own workforce
	15. Social well-being	S1 Own workforce (working conditions)
vii. Employee development and wellbeing	16. Development and accountability of workers and young people	S1 Own workforce (equal treatment and opportunities for all)
	17. Occupational health and safety for our employees	S1 Own workforce (working conditions)
viii. Sustainable value chains	18. Protection and respect of the rights of employees in the value chain (Labour Standards, Universal Declaration of Human Rights)	S2 Workers in the value chain
	19. Smallholder inclusion in supply chains	S2 Workers in the value chain
ix. Community relations	20. Protection and respect of the rights of local communities (Labour Standards, Universal Declaration of Human Rights)	S3 Affected communities
	21. Rural development	S3 Affected communities (economic, social and cultural rights)
	22. Local infrastructure	S3 Affected communities (economic, social and cultural rights)
x. Sustainable consumption	23. Food security	S3 Affected communities (economic, social and cultural rights)
	24. Collective action for sustainable palm oil and natural rubber production	Entity-specific, related to xii. Partnerships for sustainable development
xi. Responsible business conduct	25. Ethics, transparency and traceability	G1 Business conduct (management of relationships with suppliers)
	26. Responsible governance system	G1 Business conduct (corporate culture; protection of whistle-blowers)
	27. Anti-bribery and anti-corruption	G1 Business conduct (corruption and bribery)
xii. Partnerships for sustainable development	28. Partnerships stimulating innovation and sustainability performance	Entity-specific
xiii. Productivity and yield	29. Productivity and yield	E1 Climate change (adaptation) + entity-specific

For further specifications regarding how the Group approached certain topics, please refer to Annex II.

Designing the stakeholder questionnaire: The questionnaire was designed in a way that ensured, for each potentially material topic, covering all relevant aspects from an impact perspective – scale and scope for every impact, as well as irremediability in the case of negative impacts, and likelihood in the case of potential impacts. More details are provided above, under SBM-2, and below, under IRO-1 para. 53(b)(iv).

Processing of stakeholder questionnaire results: Once all responses from stakeholders were obtained, results had to be processed in a way that ensured getting clear impact materiality results at Group level. The impact materiality Excel tool that was suggested by the external consultants was replicated in Microsoft Access, to automatise the result processing phase and bring down to a minimum the margin of human error. Details on the methodology applied to process questionnaire results can be found in Annex II.

It is important to remember that the questions asked in the questionnaire did not concern the importance for stakeholders of the different topics, but rather their perceptions of the undertaking's impact, whether positive or negative, on its environment/entourage. This led to some topics being ranked rather low on the impact materiality scale, without this implying that the topic is not important for the Group and its stakeholders. In fact, certain topics then ranked higher in the financial materiality assessment, leading to a higher final materiality result.

ESRS 2-IRO-1: 53 b i: Description of how process focuses on specific activities, business relationships, geographies or other factors that give rise to heightened risk of adverse impacts

For the DMA, all of the Group's activities were taken into consideration – that is, both palm oil and rubber activities, as well as both plantations and industrial units. Although not all geographies participated in the stakeholder consultation, the selected subsidiaries were representative of the main activities and possible issues across all sites. Moreover, cross-department collaboration at headquarters ensured that insights from the sustainability, finance, agricultural and industrial teams be taken into account. This helped understand impacts, risks and opportunities from a global, Group-level perspective. Notably, the RSPO certification for palm oil sites, as well as the GPSNR framework for rubber sites and the overall work with Earthworm Foundation, serve as key points of reference in the identification of possible adverse impacts. This applies to own operations as well as to supply chain considerations, in particular the collaboration with smallholders.

ESRS 2-IRO-1: 53 b ii: Description of how process considers impacts with which undertaking is involved through own operations or as result of business relationships

The Group's activities focus on growing oil palms and rubber trees, and producing palm products and natural rubber. The Group's activities occur for the most part in its own plantations and industrial units, so material impacts, whether positive or negative, are mainly concentrated in its own operations too. This reduces the scope of impacts relating to the upstream value chain (mainly suppliers and transportation) and downstream value chain (mainly transportation for distribution, retailers, and consumers). Nevertheless, upstream and downstream value chain actors were among the key stakeholders with whom the Group engaged for the DMA, notably local suppliers as well as local and international clients. Moreover, upstream and downstream value chain-related impacts were included in the topics covered by the stakeholder engagement questionnaire – such as sustainable consumption, the human rights of employees in the value chain, and inclusion of smallholders. Overall, the DMA confirmed that material impacts are mostly concentrated in the Group's own operations, thus providing leverage when it comes to actions, policies and targets.

ESRS 2-IRO-1: 53 b iii: Description of how process includes consultation with affected stakeholders to understand how they may be impacted and with external experts

For the DMA stakeholder engagement, a questionnaire covering all ESRS topics was submitted to stakeholders for them to assess the materiality of positive and negative impacts. Most of the questionnaire was built on a multiple-choice model. For each sub-topic, stakeholders were required to rate each evaluation criterion (scale and scope, as well as irremediability and likelihood where relevant) on a scale from 1 to 4. With 29 sub-topics to cover, and from two to four evaluation criteria to consider each time, the questionnaire contained 90 multiple-choice questions in total. It also included 5 more open-ended questions at the end, where stakeholders could add topics, evaluate the evolving importance of topics in coming years, evaluate the undertaking's strengths and weaknesses, and provide any additional feedback.

The questionnaire was submitted to stakeholders both as a printable PDF version and a linked Microsoft Forms version so that they could choose the most convenient format to them.

The Group's headquarters, Safacam and Socfindo participated in this DMA's stakeholder engagement (also see IRO-1, para. 53(a) on the selection of subsidiaries). Six versions of the same questionnaire were prepared: Socfin HQ English and French, Safacam English and French, and Socfindo English and Bahasa Indonesia. Close collaboration with the Sustainability Managers from Safacam and Socfindo was required in the final stages of the questionnaire preparation.

Globally, all material stakeholders were involved. However, some stakeholders in selected subsidiaries could not be involved because of unforeseen logistical challenges. Namely, in the case of Safacam, some stakeholders – mostly external ones from the public sector – could not be reached within the DMA timeframe, because hard copies of the questionnaire were requested and there were delays in the local post. Moreover, since it was the first time conducting a materiality assessment at Safacam, the concept was foreign to many stakeholders, so further explanations and awareness-raising on the process of a materiality assessment were necessary with almost all stakeholders and there was not enough time to reach out to all of them. In the case of local communities and of field employees, someone from Safacam's offices had to physically visit different locations and collect responses by going through hard copies together with the stakeholders in question, one by one. These challenges were specific to the context on the ground of remote plantations. In that sense, the first DMA exercise represented a key lesson learned for upcoming rounds.

At headquarters level, a reminder was sent to stakeholders who had not replied, but even so some did not respond, or communicated that they could not do so for internal reasons. In particular, NGOs communicated that they chose not to respond to the questionnaire. Nevertheless, cumulating the responses from all stakeholders a total of 321 responses was obtained. Stakeholders were overall happy to share their perspective on the undertaking's impacts, although there was some incomprehension too, related to the length of the questionnaire and the complexity of certain topics. This has provided the team with ideas on how to improve the process next time, such as ask different groups of stakeholders more focused questions.

ESRS 2-IRO-1: 53 b iv: Description of how process prioritises negative impacts based on their relative severity and likelihood and positive impacts based on their relative scale, scope and likelihood and determines which sustainability matters are material for reporting purposes

From the list of potentially material sub-topics, impacts were listed – positive or negative, actual or potential depending on the issue in question. The impact materiality questionnaire was then based on each listed impact, and designed in such way that the questions aligned with ESRS requirements. More specifically:

- Scale, scope and irremediability questions were asked for each actual negative impact;
- Scale, scope irremediability and likelihood questions were asked for each potential negative impact;
- Scale and scope questions were asked for each actual positive impact; and
- Scale, scope and likelihood questions were asked for each potential positive impact.

Then, final scores for each topic were calculated according to the methodology described under IRO-1, para. 53(b). The highest-ranking topics are therefore the ones for which negative and/or positive impacts were considered most material by stakeholders according to the relevant evaluation criteria (scale, scope, irremediability, likelihood), to be prioritised for reporting purposes. Lower-ranking topics are still included from a continuous monitoring perspective.

ESRS 2-IRO-1: 53 c: Description of process used to identify, assess, prioritise and monitor risks and opportunities that have or may have financial effects

Identification of risks and opportunities: For each topic considered under impact materiality, a list of possibly relevant risks and opportunities was drawn up with guidance from our external consultants. Reflecting on dependencies, on possible links with material impacts, and building on sectorial approaches contributed to establishing a complete list. In some cases, the same incident was examined both from a risk and an opportunity perspective, notably depending on the time-frame considered. Identifying possible risks and opportunities naturally led to considering a variety of scenarios (please refer to section SBM-3, para. 48 d for a list of material risks and opportunities). However, bringing in a more in-depth analysis of scenarios as starting point for the identification of risks and opportunities could be an interesting exercise in the next DMA round.

Assessment of risks and opportunities: Each risk and opportunity were assessed according to the required criteria of likelihood of occurrence of the incident and magnitude of the financial effect (details provided below under IRO-1 para. 53(c)(ii)). An Excel tool was used to score risks and opportunities one by one, with the reasoning behind each given score provided in a separate column.

For each risk and opportunity, a formula then automatically calculated the average of the scores given for *likelihood* and for *magnitude*. This represented the potential financial effect of each risk/opportunity. The financial materiality assessment was overall an in-house exercise in that no external stakeholders were consulted. However, internal experts from the finance, agricultural and industrial departments were consulted where relevant, and the results were submitted to Safacam and Socfindo's management for feedback. Moreover, a general exchange with an industry peer took place in this context, all these elements contributing to fine-tuning the process and scores.

In a second step, the average of all risks and opportunity scores within each topic was calculated, leading to the obtention of a “potential financial effect” score per topic. Additionally, the same calculation was run within each topic, but separating risks from opportunities, thus also obtaining a “risk” and an “opportunity” average score per topic. As with impact materiality, five materiality thresholds (critical, significant, important, informative, and minimal) were used. The five thresholds were established by determining the possible minimum score, the possible maximum score, and dividing the scale in-between by five.

In this case, no consolidation of results was needed, since only one financial materiality assessment was conducted and validated by all involved parties (Socfin headquarters, Safacam and Socfindo).

ESRS 2-IRO-1: 53 c i: Description of how connections of impacts and dependencies with risks and opportunities that may arise from those impacts and dependencies have been considered

Impacts and dependencies were naturally part of the reflection on risks and opportunities, in that for some topics, risks and opportunities intrinsically relate to impacts and/or to dependencies. For example, the Group’s revenues depend on its production, which in part depends on fertiliser use, thus creating a dependency; the same goes for the dependency on workers in the context of labour-intensive activities. On the other hand, the Group’s commitment to applying international sustainability standards and frameworks creates positive impacts on its different sites, which is also beneficial for its financial position as it fosters trust from clients and investors.

ESRS 2-IRO-1: 53 c ii: Description of how likelihood, magnitude, and nature of effects of identified risks and opportunities have been assessed

Each risk and opportunity had to be evaluated against the criteria of likelihood of occurrence, and potential magnitude of the financial effect. Each criterion was assessed, for every risk and opportunity, on a scale of 1 to 4.

Likelihood of occurrence of the incident: In a context of only emerging double materiality assessment practices, there was some uncertainty as to how to differentiate the notion of “likelihood of occurrence” from that of “time horizon”. Moreover, with it being the Group’s first materiality assessment exercise, for which a rather qualitative approach was taken, estimating a percentage of probability of occurrence would have been too subjective. Likelihood of occurrence was therefore approached as being the estimated *frequency* of the event, determining in what timespan the event would be highly likely to occur.

Time horizons: In this first financial materiality assessment, time horizons were merged with the concept of likelihood of occurrence that was applied. The short-term timespan was the same as the one recommended by ESRS – that is, “the reporting period”, or 12 months. The medium-term timespan, which is “up to 5 years” in the ESRS, was in our case split into 1-3 years on one hand, and 3-6 years on the other. In turn, the long-term time horizon was defined as 6-12 years, to make it more specific than the “more than 5 years” mentioned in the ESRS. The reason for these adaptations was twofold: On one hand, bringing in an additional “medium-term” timespan helped to assess potential financial effects in a context of complex activities, that are not only spread across several countries but also involve two separate crops (oil palms and rubber trees), as well as agricultural and industrial operations. On the other hand, for the purpose of the materiality assessment specifically, working with a 1-4 scale helped avoid the default selection of the “middle option” in case of uncertainty.

Magnitude of the financial effect: Magnitude scores were also approached from a qualitative perspective, as there was no solid basis from which to quantify financial effects (no financial risk assessment had been previously conducted by other departments either). Thus, the notion of “degree of operational impact” was applied, to obtain a qualitative estimation of the extent to which the incident in question could impact the Group’s financial situation. The notion of “nature of effects” was helpful in this regard, as financial effects were assessed, notably, in terms of the impact on the Group’s financial position vis-à-vis clients and investors, on the Group’s licence to operate, or of the scale of the investment required.

Potential financial effect (classification and value)	Likelihood of occurrence	Magnitude	Magnitude qualitative criteria (risks)	Magnitude qualitative criteria (opportunities)
Minimal (1)	Low probability of occurrence: the event will happen, or is very likely to happen, every/in 6-12 years.	Low cost/benefit compared to Socfin’s overall financial situation: very low operational impact.	- Uncostly transition - Cost irrelevant: measures already in place	- Almost no room for improvement - Cost reduction negligible at Group level
Weak (2)	Weak probability of occurrence: the event will happen, or is very likely to happen, every/in 3-6 years.	Moderate cost/benefit compared to Socfin’s overall financial situation: low operational impact.	- Localised impact and/or cost: only some sites affected - Only one factor among several at play - Risk already being mitigated and/or no major changes to be implemented	- Limited room for improvement: only a few locations affected / no major changes possible across Group - Potentially important opportunity, but ongoing research (tbd)
Medium (3)	Medium probability of occurrence: the event will happen, or is very likely to happen, every/in 1-3 years.	Medium cost/benefit compared to Socfin’s overall financial situation: medium operational impact.	- New measures to be put in place / recurrent investments required in most sites - Significant proportion of production volumes across Group are impacted - Production costs in almost all sites impacted - Main sources of revenues affected, or penalties implied, but not for whole business	- Increase in sales/revenues in most operations - Reduction of operating costs / of a key operating cost in all or most sites - Avoidance of a significant cost (expensive project and/or in most sites)
High (4)	High probability of occurrence: the event will happen, or is very likely to happen, every/in 12 months.	High cost/benefit compared to Socfin’s overall financial situation: high operational impact.	- Two factors of medium magnitude at once - License to operate across most sites and/or at Group level impacted - Main sources of revenues across operations affected	- Key opportunity to maintain license to operate - Central factor to maintain current financial position

In upcoming double materiality assessment rounds, the Group intends to more clearly separate time horizon from likelihood, and to quantify potential financial effects.

ESRS 2-IRO-1: 53 c iii: Description of how sustainability-related risks relative to other types of risks have been prioritised

Of course, sustainability related risks were the focus of the financial materiality assessment. Besides that, a process started a few months ago at Group level to list all types of risks and flag them according to their level of urgency. This process, which is still ongoing, was initiated by the Internal Auditor and the work began with the Financial Department.

Collaboration with the Sustainability Department is also underway to complete the list by adding risks related to sustainability aspects. Prioritisation of risks is done objectively according to the risk level which depends on points attributed to likelihood and consequence as well as consideration for any residual risks that might remain after the implementation of mitigation measures. Although this approach is new in the Group and will surely shed light on interesting elements, it should be noted that sustainability-related risks are continuously being considered and monitored through the RSPO certification and GPSNR guidelines measures.

ESRS 2-IRO-1: 53 d: Description of decision-making process and related internal control procedures

The Group’s Head of Sustainability, as well as the CFO Holdings, oversaw and actively took part in the whole double materiality assessment process. At the end of the process, the final list of material topics and their respective ESG reporting strategies were validated by the Group’s top management. This

validation took place in the form of a few discussions in which the impact and financial materiality assessments were explained in detail, followed by a couple of closing sessions.

With regards to internal control procedures, the Group's Internal Auditor arrived at the time when the financial materiality assessment was starting, so he participated in some sessions to provide helpful insight. In addition, the CSRD process in general was submitted to an internal audit later on, on the occasion of the internal audit of all headquarters departments.

ESRS 2-IRO-1: 53 e: Description of extent to which and how process to identify, assess and manage impacts and risks is integrated into overall risk management process and used to evaluate overall risk profile and risk management processes

Integrated risk management. Identification and assessment of material impacts, risks and opportunities occurs throughout risks and controls workshops, and continuous update from key stakeholders with regards to critical business/sustainability risks.

ESRS 2-IRO-1: 53 f: Description of extent to which and how process to identify, assess and manage opportunities is integrated into overall management process

Annual review and update of the Group's risks register.

ESRS 2-IRO-1: 53 g: Description of input parameters used in process to identify, assess and manage material impacts, risks and opportunities

The data sources used were mostly qualitative, drawing inspiration from certain industry practices and consulting with in-house experts. The opinions of these experts were based on elements like relevant research (e.g., agricultural R&D), empirical experience (e.g., for industrial aspects), and sustainability benchmarks related to certifications and frameworks (e.g., RSPO and GPSNR). Although not all operations actively participated in the materiality assessment, all activities and regions were taken into account at Group level when conducting the different parts of the assessment.

The different departments, with their different areas of expertise, continuously monitor the Group's operations and de facto manage impacts, risks and opportunities. Initiatives to strengthen cross-department collaboration, as well as to professionalise the monitoring and management of impacts, risks and opportunities are underway.

[Topical IRO-1] Description of process to identify and assess material impacts, risks and opportunities

E1.IRO-1

E1-IRO-1: 20 a, AR 9: Description of process in relation to impacts on climate change

For the impact materiality assessment, stakeholders were asked to rate the seriousness (scale), scope and irremediability of the undertaking's GHG emissions, as well as of its use of non-renewable energy. They were also asked to rate the scale and scope of the undertaking's green energy use and fossil fuel consumption reduction. Overall, stakeholders' assessment of the topic "Climate change mitigation and responsible energy use" led it to be ranked as *important* on the impact materiality scale, but not as *critical* or *significant*. However, it was often selected by stakeholders as a topic that they expect to become more important in the next 3-5 years.

The impact materiality assessment results in relation to GHG emissions and energy use can be explained by 2 elements: First, the fact that the same list of questions was submitted to all stakeholders, which may have led some stakeholders to answer intuitively, without in fact knowing much about the topic in question. Second, it is likely that when answering, stakeholders had in mind mitigation measures that are already being implemented, thus leading to lower scores for negative impacts.

Nevertheless, with a business model that revolves around industrial agricultural activities, the Group is aware of the importance of understanding and mitigating its impacts on climate change. This is why the team in charge of CSRD reporting, in collaboration with the Group's top management, moved the topic to the top of the materiality list at the end of the DMA process. This also occurred in the context of the beginnings of the Carbon Taskforce, whose work aims to identify the main emission areas, suggest concrete reduction actions, and present an emission reduction target proposal.

E1-IRO-1: 20 b: Description of process in relation to climate-related physical risks in own operations and along value chain

In 2024, the process followed in relation to climate-related physical risks was the one done for the financial materiality assessment, as explained under E1.SBM-3 and ESRS 2 IRO-1. An in-depth analysis of climate-related physical and transition risks is yet to be conducted. Accordingly, the answers to the semi-narrative datapoints in this section respond to what was done in terms of climate-related risks in the context of the financial materiality assessment.

E1-IRO-1: AR 11 a (1): Climate-related hazards have been identified over short-, medium- and long-term time horizons

Yes.

E1-IRO-1: AR 11 a (2): Undertaking has screened whether assets and business activities may be exposed to climate-related hazards

Yes.

E1-IRO-1: AR 11 b: Short-, medium- and long-term time horizons have been defined

Yes.

E1-IRO-1: AR 11 c: Extent to which assets and business activities may be exposed and are sensitive to identified climate-related hazards has been assessed

Yes.

E1-IRO-1: AR 11 d: Identification of climate-related hazards and assessment of exposure and sensitivity are informed by high emissions climate scenarios

No.

E1-IRO-1: 21 (1): Explanation of how climate-related scenario analysis has been used to inform identification and assessment of transition risks and opportunities over short, medium and long-term

Climate-related scenario analysis has not been used yet (physical risks).

E1-IRO-1: 20 c: Description of process in relation to climate-related transition risks and opportunities in own operations and along value chain

The process followed for climate-related risks and opportunities was embedded in the financial materiality assessment, as described in sections IRO-1 of ESRS 2 and E1.SBM-3.

E1-IRO-1: AR 12 a (1): Transition events have been identified over short-, medium- and long-term time horizons

Yes.

E1-IRO-1: AR 12 a (2): Undertaking has screened whether assets and business activities may be exposed to transition events

Yes.

E1-IRO-1: AR 12 b: Extent to which assets and business activities may be exposed and are sensitive to identified transition events has been assessed

Yes.

E1-IRO-1: AR 12 c: Identification of transition events and assessment of exposure has been informed by climate-related scenario analysis

No.

E1-IRO-1: AR 12 d: Assets and business activities that are incompatible with or need significant efforts to be compatible with transition to climate-neutral economy have been identified

No.

E1-IRO-1: 21 (2): Explanation of how climate-related scenario analysis has been used to inform identification and assessment of transition risks and opportunities over short, medium and long-term

Climate-related scenario analysis has not been used yet (transition risks).

E1-IRO-1: AR 15: Explanation of how climate scenarios used are compatible with critical climate-related assumptions made in financial statements

No climate scenarios have been applied yet.

E2.IRO-1

E2-IRO-1: 11 a (2.1): Information about the process to identify actual and potential pollution-related impacts, risks and opportunities

All Socfinasia operations conduct Environmental Impact Assessments (EIA), as required by national law, to identify and assess potential risks, impacts, opportunities and mitigation measures related to water, soil and air pollution, and the broader environment, caused by current and future activities. EIAs are conducted exclusively by government-approved assessors and must comply with national regulatory frameworks.

Additionally, all of Socfinasia's sites have conducted High Conservation Value (HCV) assessments, following the methodology of the HCV Resource Network. These assessments identify critical habitats, key species populations, essential ecosystem services, and culturally significant areas within and adjacent to operational boundaries. They also evaluate existing and potential negative impacts, including pollution, on these HCV areas and propose targeted mitigation measures to avoid or minimise harm. Furthermore, risks and opportunities associated with impact mitigation are systematically assessed to ensure long-term environmental sustainability.

These assessments have only been conducted for the companies' direct operations, and do not include the upstream and downstream value chain.

E2-IRO-1: 11 b (2.1): Disclosure of whether and how consultations have been conducted (pollution)

Both Environmental Impact Assessments (EIA) and High Conservation Value (HCV) assessments mandate the identification and consultation of stakeholder communities as part of their methodology.

E2-IRO-1: AR 9 (2.1): Disclosure of results of materiality assessment (pollution)

The topic "pollution" is among the least material ones, both from an impact and from a financial perspective. This does not mean that it is an unimportant topic for the Group, but rather that financial risks and opportunities in relation to pollution did not score high, and that stakeholders considered pollution-related impacts to be minor. Regarding the latter, it should be noted that stakeholders likely have this perception because several measures are already in place, on all sites, to mitigate and control the pollution that may be linked to industrial agricultural activities. Reporting on pollution is therefore maintained for monitoring purposes.

E3.IRO-1

E3-IRO-1: 8 a: Disclosure of whether and how assets and activities have been screened in order to identify actual and potential water and marine resources-related impacts, risks and opportunities in own operations and upstream and downstream value chain and methodologies, assumptions and tools used in screening

Please refer to the explanations provided under E2.IRO-1.

E3-IRO-1: 8 b: Disclosure of how consultations have been conducted (water and marine resources)

Please refer to the explanations provided under E2.IRO-1.

E4.IRO-1

E4-IRO-1: 17 a: Disclosure of whether and how actual and potential impacts on biodiversity and ecosystems at own site locations and in value chain have been identified and assessed

Explanations provided under E2.IRO-1 also apply here.

Furthermore, in alignment with its Responsible Management Policy and compliance with the EU Deforestation Regulation (EUDR), the Group is currently conducting a comprehensive assessment of all supplied rubber and fresh fruit bunches to ensure no deforestation has occurred after 31 December 2020.

This evaluation also includes a review of supplier compliance with local environmental regulations, including that no suppliers operate within nationally protected areas or violate conservation laws.

It must be noted that currently, there are no third-party suppliers to any of Socfinasia's palm oil mills and rubber factories. However, if a third-party became a supplier of rubber or fresh fruit bunches, they would be subject to this assessment.

E4-IRO-1: 17 b: Disclosure of whether and how dependencies on biodiversity and ecosystems and their services have been identified and assessed at own site locations and in value chain

Dependencies on biodiversity and ecosystems were considered in the context of the financial materiality assessment, drawing on in-house knowledge based on environmental studies conducted on the different sites. Considerations included soil equilibrium, zero deforestation and pollination improvement, and avoiding erosion.

The financial materiality assessment did not identify any material risks or opportunities related to dependencies on biodiversity and ecosystems, as a healthy balance seems to be in place regarding pollination insects, soil nutrients and structure, and biodiversity in general. In the future, a more in-depth scientific study focusing on dependencies could complement the monitoring that is already done by the Agriculture/R&D Department and the independent environmental studies that are already regularly conducted on the ground.

E4-IRO-1: 17 c: Disclosure of whether and how transition and physical risks and opportunities related to biodiversity and ecosystems have been identified and assessed

No transition and/or physical risks and opportunities relating to biodiversity and ecosystems were identified in the financial materiality assessment.

E4-IRO-1: 17 d: Disclosure of whether and how systemic risks have been considered (biodiversity and ecosystems)

Systemic risks are de facto considered/monitored through environmental studies and research. However, this specific lens has not been applied as such so far, so a study focusing on the specific notion of biodiversity systemic risks could be useful in the future, to complement what is already in place.

E4-IRO-1: 17 e: Disclosure of whether and how consultations with affected communities on sustainability assessments of shared biological resources and ecosystems have been conducted

Environmental Impact Assessments (EIA) are conducted in accordance with methodologies set by the relevant governing bodies. Where these methodologies require consultation with affected communities, such consultations are carried out. On all Socfinasia sites affected communities have been engaged as part of the EIA process.

Similarly, High Conservation Value (HCV) assessments mandate the identification and consultation of stakeholder communities as part of their methodology. These assessments also require that the findings be shared with the communities, ensuring transparency and stakeholder involvement.

E4-IRO-1: 17 e i: Disclosure of whether and how specific sites, raw materials production or sourcing with negative or potential negative impacts on affected communities

Raw material production activities, such as oil palms and rubber trees cultivation, may potentially have negative impacts on natural resources like forests and water sources used by affected communities. To address this, the company identifies potential impacts and ensures that stakeholder communities are consulted during relevant project stages. In addition, strict environmental and social management measures are implemented to avoid or minimise negative impacts.

E4-IRO-1: 17 e ii: Disclosure of whether and how communities were involved in materiality assessment

Yes, communities were involved in the materiality assessment and their opinion regarding biodiversity and ecosystems was duly taken into account. For details on the stakeholder consultation process, please refer to sections SMB-2 and IRO-1 under ESRS 2 disclosures.

E4-IRO-1: 17 e iii (1): Disclosure of whether and how negative impacts on priority ecosystem services of relevance to affected communities may be avoided

The Group actively mitigates impacts on ecosystem services that are relevant to communities through sustainable land-use planning, responsible sourcing practices, and stakeholder engagement:

- Implementation of HCV and HCS assessments: Ensuring no conversion of high conservation value or high carbon stock forests.
- No deforestation: Ensuring that raw materials are not sourced from deforested areas (March 2017 cut-off for industrial plantations and 31 December 2020 cut-off for smallholders).
- Traceability and supply chain monitoring: Ensuring raw materials come from verified sustainable sources.
- Community engagement and FPIC process: Informed consultation and Free, Prior, and Informed Consent (FPIC) with affected communities before land-use changes.
- Water management strategies: Protection of riparian zones, wastewater treatment, monitoring of water use, and ensuring community access to clean water sources.

E4-IRO-1: 17 e iii (2): Disclosure of plans to minimise unavoidable negative impacts and implement mitigation measures that aim to maintain value and functionality of priority services

The Socfin Responsible Management Policy, along with its commitments to RSPO standards and the GPSNR Policy Framework, ensures that industry best practices and a science-based approach are followed to avoid, and where avoidance is not possible, minimise negative impacts on biodiversity, ecosystems,

and priority services. Through sustainable land management, pollution prevention, ecosystem protection, and community engagement, the Group integrates mitigation measures that support environmental resilience and long-term sustainability.

E4-IRO-1: 19 a (1): Undertaking has sites located in or near biodiversity-sensitive areas

Yes.

E4-IRO-1: 19 a (2): Activities related to sites located in or near biodiversity-sensitive areas negatively affect these areas by leading to deterioration of natural habitats and habitats of species and to disturbance of species for which protected area has been designated

No.

E4-IRO-1: 19 b: It has been concluded that it is necessary to implement biodiversity mitigation measures

Yes.

E5.IRO-1

E5-IRO-1: 11 a: Disclosure of whether the undertaking has screened its assets and activities in order to identify actual and potential impacts, risks and opportunities in own operations and upstream and downstream value chain, and if so, methodologies, assumptions and tools used

Actual and potential impacts in relation to resource use and circular economy, as well as risks and opportunities, were examined during the DMA exercise. Regarding impacts, the questions that were submitted to stakeholders revolved around the benefits of recycling industrial waste, the impact of not treating rubber factories and palm oil mills water effluents properly, and how beneficial household waste recycling could be.

The responses provided by stakeholders ranked these impacts as quite material (“important” on the materiality scale). In turn, risks and opportunities relating to managing resources like fuel and fertiliser, the application of industrial wastewater effluents to the fields, and the use of solid biodegradable waste in industrial processes were considered in the financial materiality assessment. Overall, risks and opportunities also ranked as “important” on the financial materiality scale. For details on methodologies and tools used please refer to sections IRO-1, SBM-2 and SBM-3 under ESRS 2. In addition, the independent environmental impact assessments that are conducted on the different sites allow to regularly screen resource use and waste management activities and flag any issues.

E5-IRO-1: 11 b: Disclosure of whether and how the undertaking has conducted consultations (resource and circular economy)

Consultations have indeed been conducted, both in the form of a stakeholder consultation in the context of the DMA and in the form of independent interventions in the context of environmental impact assessments. The opinion of stakeholders regarding resource and waste management was duly taken into account; for details, please refer to sections SMB-2 and IRO-1 under ESRS 2 disclosures.

[IRO-2] Disclosure Requirements in ESRS covered by sustainability statements

ESRS 2-IRO-2: 56 (1): Disclosure of list of data points that derive from other EU legislation and information on their location in sustainability statement

N/A.

ESRS 2-IRO-2: 56 (2): Disclosure of list of ESRS Disclosure Requirements complied with in preparing sustainability statement following outcome of materiality assessment

Please refer to the Contents section.

ESRS 2-IRO-2: 58 (8): Explanation of negative materiality assessment for ESRS S4 Consumers and end-users

S4 Consumers and end-users was deemed out of scope for the Group, because activities are situated quite at the beginning of our clients' upstream value chain, so there is no contact with consumers or end-users, only with clients. For example, regarding rubber activities, the clients with whom there is regular contact are the tyre-makers, but there is no contact with the consumers who eventually use the tyres as part of their cars – this would be very far removed from the Group's activities, since the rubber sold to tyre-makers is then further processed by them, to be sold to the automobile industry and in turn to further vendors. A similar process applies to palm oil activities. Nevertheless, some basic S4 disclosures are kept in the report to provide more details on our approach, should it be of use to the Group's stakeholders.

ESRS 2-IRO-2: 59: Explanation of how material information to be disclosed in relation to material impacts, risks and opportunities has been determined

The material information to be disclosed in relation to impacts, risks and opportunities was determined by analysing all ESRS datapoints one by one. To do this, EFRAG's IG 3 file was used, to which a series of columns were added in order to document the different aspects of the reasoning. Namely:

- Mandatory datapoints were flagged right away, and voluntary ones were marked in a different colour.
- For all remaining datapoints, materiality of information was evaluated in-house by the sustainability team, by determining whether the information in question is significant and/or decision useful. When relevant, other internal experts were consulted. The reasoning for each datapoint was written in a column next to it.
- Additional columns were then used to determine data availability (carefully separating it from data materiality), data location, and data responsibility.

Environmental disclosures

ESRS E1 – Climate change

[E1-MDR-M] Metrics in relation to material sustainability matters

E1-MDR-M: 75: Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity

A list of the metrics that are used, to be found in detail in the specific E1 sections:

- Total energy consumption related to own operations,
- Total energy consumption from fossil sources,
- Percentage of energy consumption from nuclear sources in total energy consumption,
- Total energy consumption from renewable sources,
- Fuel consumption from renewable sources,
- Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources,
- Consumption of self-generated non-fuel renewable energy,
- Percentage of renewable sources in total energy consumption,
- Fuel consumption from coal and coal products,
- Fuel consumption from crude oil and petroleum products,
- Fuel consumption from natural gas,
- Fuel consumption from other fossil sources,
- Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources,
- Percentage of fossil sources in total energy consumption,
- Non-renewable energy production,
- Renewable energy production,
- Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue),
- Total energy consumption from activities in high climate impact sectors,
- Gross Scopes 1, 2, 3 and Total GHG emissions - GHG emissions per scope [table],
- Gross Scopes 1, 2, 3 and Total GHG emissions - financial and operational control [table],
- Gross Scopes 1, 2, 3 and Total GHG emissions - Scope 3 GHG emissions (GHG Protocol) [table],
- Gross Scope 1 greenhouse gas emissions,
- Gross location-based Scope 2 greenhouse gas emissions,
- Gross market-based Scope 2 greenhouse gas emissions,
- Gross Scope 3 greenhouse gas emissions,
- Total GHG emissions location based,
- Total GHG emissions market based,
- Biogenic emissions of CO₂ from the combustion or bio-degradation of biomass not included (= separate from) in Scope 1 GHG emissions,

- Biogenic emissions of CO₂ from combustion or bio-degradation of biomass not included in Scope 2 GHG emissions,
- Percentage of GHG Scope 3 calculated using primary data,
- List of Scope 3 GHG emissions categories included in inventory,
- Disclosure of reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions,
- GHG emissions intensity, location-based (total GHG emissions per net revenue),
- GHG emissions intensity, market-based (total GHG emissions per net revenue),
- Net revenue,
- Net revenue used to calculate GHG intensity,
- Net revenue other than used to calculate GHG intensity,
- Removals and carbon credits are used,
- GHG removals and storage activity by undertaking scope (breakdown by own operations and value chain) and by removal and storage activity,
- Total GHG removals and storage,
- Total waste generated,
- Waste diverted from disposal, breakdown by hazardous and non-hazardous waste and treatment type,
- Waste directed to disposal, breakdown by hazardous and non-hazardous waste and treatment type,
- Non-recycled waste,
- Percentage of non-recycled waste,
- Total amount of hazardous waste.

E1-MDR-M: 77 a: Disclosure of methodologies and significant assumptions behind metric

GHG emissions for crude palm oil and palm kernel oil production

Methodology

To calculate its GHG emissions for the production of CPO and PKO, Socfinasia uses the PalmGHG Tool developed by the Roundtable on Sustainable Palm Oil (RSPO). The tool follows a Life Cycle Assessment (LCA) approach.

Scope
<u>Studied product:</u> CPO or PKO <u>Unit of analysis / reference flow:</u> One ton of product <u>Type of inventory:</u> Cradle-to-Gate <u>GHG emissions in the sector:</u> CO ₂ , CH ₄ , N ₂ O <u>Timeframe:</u> One year

Each palm oil mill enters its primary data (plantation and palm oil mill inputs) into the online platform. Results are calculated in tons of CO₂ equivalent (T CO₂e) per hectare or per unit of intermediate (FFB) or final product (CPO or PKO) for palm oil mills.

Gross emissions depend on:

- The surface area of the concession;

- The type of vegetation converted;
- Fossil fuel consumption;
- Fertiliser application;
- Effluents;
- Transport, etc.

The quantities of carbon fixed by plantations and conservation areas (carbon sinks) are then deducted from these emissions to give net emissions on the platform. PalmGHG also includes carbon sinks from palm kernel shells sold to replace fossil fuels, and a surplus of green energy provided to others to replace grid electricity. These carbon sinks were **not** included in the calculation of Gross Scope 1, 2 and 3 values in the present report.

GHG emissions for rubber production

Methodology

To calculate its GHG emissions for the production of rubber, Socfinasia uses a “carbon calculator” developed by MEO Carbon Solutions (MCS), an independent consulting company with longstanding experience in sustainability. This was done through a project with Michelin and SIPH.

The calculation tool is based on the GHG Protocol methodology “Product Lifecycle Accounting and Reporting Standard”. The calculator takes into account GHG emissions from cultivation, processing, transport and distribution of natural rubber.

Scope	System boundaries
<u>Studied product:</u> Natural rubber (intermediate product) <u>Unit of analysis / reference flow:</u> One ton of natural dry rubber <u>Type of inventory:</u> Cradle-to-Gate <u>GHG emissions in the sector:</u> CO ₂ , CH ₄ , N ₂ O <u>Timeframe:</u> One year	Nursery Cultivation Processing Transport & Distribution

Activity data is provided by each subsidiary through report templates collected at Group level. The data is entered into the carbon calculator and provides the footprint of each site for the year in kilograms of carbon dioxide equivalent (kg CO₂e) per ton of dry rubber produced.

Emissions linked to Land Use Change (LUC) on industrial plantations are not included in the inventory presented, and the quantities of carbon fixed by plantations and conservation areas (carbon sinks) are not deducted. The GHG Protocol standard: *Land Sector and Removal Guidance*, whose final version is announced for 2025, will provide the necessary guidelines for integrating this data.

Significant assumptions

In calculating emissions from rubber factories’ wastewater treatment systems, the Rubber GHG Calculator utilises data from water samples, specifically testing parameters like Chemical Oxygen Demand (COD) and nitrogen content of influent and effluent. Although Socfinasia’s subsidiaries engage government-approved laboratories for this testing, various local factors – such as sampling errors, environmental

fluctuations, and equipment limitations— can lead to inaccurate or inconsistent results. Consequently, test outcomes may occasionally deviate from expected ranges, raising concerns about their reliability.

To address these inconsistencies, when data appears flawed, sector-specific assumptions are employed to provide a more stable and realistic assessment. This approach was used in 2024 for the nitrogen content of the wastewater at Socfin-KCD (Cambodia).

E1-MDR-M: 77 b: Type of external body other than assurance provider that provides validation

The data provided for the calculation of GHG emissions through PalmGHG is validated by RSPO-approved certification bodies.

The RSPO data review process for PalmGHG indeed ensures an accurate and transparent greenhouse gas (GHG) reporting. The process involves:

1. Data submission – growers input operational data (land use, fertilisers, fuel, POME management) into the PalmGHG calculator.
2. Internal review – companies verify data accuracy before submission.
3. Audit & verification – RSPO auditors assess the data completeness and consistency during certification/Annual Surveillance Audits (ASA).
4. Validation – the auditors verify and request corrections if needed.
5. Reporting & transparency – Verified results are included in RSPO public reports.

This process ensures credible GHG assessments.

[E1-1] Transition plan for climate change mitigation

E1-1: 14: Disclosure of transition plan for climate change mitigation

A transition plan for climate change mitigation is currently under development at Group level. A multidisciplinary “Carbon Taskforce” was created at the beginning of 2024, bringing together members from the sustainability, agriculture (palm oil and rubber), industrial, trading and financial consolidation teams. The taskforce was asked by the executive committee to present a proposal regarding GHG emission reduction targets for the Group, backed up by solid analyses of legal requirements, key emission areas within the Group’s activities, and concrete options for implementation. Developing a transition plan is therefore part of the taskforce’s work as it encompasses these different elements.

In 2024, the Carbon Taskforce focused on analysing the external expectations framework in which targets have to be defined, reviewing existing GHG emission calculation tools and understanding gaps, and mapping possible reduction solutions. Building on this solid basis, in 2025 the taskforce will dive into perfecting the calculation tools used, defining emission reduction targets, and drawing up a concrete action plan for implementation. The transition plan, targets and actions will all be approved by the executive committee.

E1-1: 16 a: Explanation of how targets are compatible with limiting of global warming to one and half degrees Celsius in line with Paris Agreement

As explained, the transition plan and emission reduction targets are still under development. However, ESRS requirements are duly taken into account in the process, so targets are being developed to ensure compatibility with limiting of global warming to +1.5°C, in line with the Paris Agreement.

E1-1: 16 d: Explanation of potential locked-in GHG emissions from key assets and products and of how locked-in GHG emissions may jeopardise achievement of GHG emission reduction targets and drive transition risk

These elements are still under consideration. A preliminary analysis suggests that there might be some key assets or activities relating to the Group’s operations that could represent locked-in GHG emissions, such as certain facilities with fossil fuels as main source of energy and transportation/business travel. However, these should in principle not jeopardise achievement of GHG emission reduction targets as there are actions that can be taken, as part of the transition plan, to address these potential locked-in GHG emissions.

E1-1: 16 e: Explanation of any objective or plans (CapEx, CapEx plans, OpEx) for aligning economic activities (revenues, CapEx, OpEx) with criteria established in Commission Delegated Regulation 2021/2139

Mitigation action CapEx are directly considered within budgets. No specific data yet, waiting on the adoption of the delegated regulation on agriculture.

E1-1: 16 g: Undertaking is excluded from EU Paris-aligned Benchmarks

No.

E1-1: 16 i: Transition plan is approved by administrative, management and supervisory bodies

Yes, once it is ready, by the end of 2025.

E1-1: 17: Date of adoption of transition plan for undertakings not having adopted transition plan yet
2025-12-31.

[E1-2] Policies related to climate change mitigation and adaptation

E1-MDR-P: 62 (1): Disclosure of reasons for not having adopted policies

The Group's Responsible Management Policy provides a general framework by mentioning the commitment to minimising carbon emissions, energy usage and fossil fuel consumption; towards climate change mitigation; and to increasing green energy consumption. The Carbon Taskforce is reviewing the need to have a more specific policy on climate change.

E1-MDR-P: 62 (2): Disclosure of timeframe in which the undertaking aims to adopt policies

If it is determined, in the context of the Carbon Taskforce's work on a transition plan, actions and targets, that a specific policy on climate change is necessary, the undertaking will aim to adopt one by the end of 2025.

[E1-3] Actions and resources in relation to climate change policies

E1-MDR-A: 68 a: Disclosure of key action

Regarding climate change adaptation, the Group has implemented various strategies to enhance sustainability through yield intensification. The focus is notably on:

- Recording of climatic data on plantations. As a minimum, plantations are equipped with a rain gauge. For some years now, automatic stations have been installed in our plantations to monitor climatic data more accurately: temperature, rainfall, rain days, sunshine, PAR, wind speed, etc.
- For palm, determination of the yield potential for each plantation taking climatic factors into account. Site yield potential is the yield that can be obtained on a specified site, with natural water supply, nutrients supplied at optimum rates, and agronomic and disease control measures implemented to a high standard.
- For rubber, using climatic data, knowing the distribution of rainfall during the day in order to understand and improve tapping activities. Also developing climate resilient and high-yielding clones (through clonal selection projects) and adapting cultivation practices to increase the resistance of trees to wind damage.

E1-MDR-A: 68 b: Description of scope of key action

The key actions taken regarding climate change adaptation cover all the Group's plantations, including oil palm and rubber estates. They encompass agronomic practices such as soil management, pest control, fertilisation, and climate resilience strategies.

E1-MDR-A: 68 c: Time horizon under which key action is to be completed

Breeding & disease resistance: Ongoing.

Climatic data monitoring: Ongoing.

E1-MDR-A: 62 (1): Disclosure of reasons for not having adopted actions

Emission reduction actions have in fact been implemented in the last few years, although they have not been specifically framed as such. Notably, biomass and steam turbines are in place in all palm oil mills. However, now that the Group is in the process of defining emission reduction objectives, further actions are in the works to target high emission areas of activities and actively work towards achieving reduction goals.

E1-MDR-A: 62 (2): Disclosure of timeframe in which the undertaking aims to adopt actions

The intended timeframe for the adoption of actions is in principle the same as for targets and the transition plan; that is, by end of 2025.

[E1-4] Targets related to climate change mitigation and adaptation

E1-4: 33: Disclosure of whether and how GHG emissions reduction targets and (or) any other targets have been set to manage material climate-related impacts, risks and opportunities

Climate change-related targets have not yet been adopted, but are being developed by the Group's Carbon Taskforce. Please refer to explanations provided under E1-1.

E1-MDR-T: 81 a (1): Disclosure of timeframe for setting of measurable outcome-oriented targets

In March 2017, the Group's management set the target of zero deforestation in its operations by signing the Group's Responsible Management Policy.

Targets related to climate change mitigation and adaptation are also linked to GHG emissions. The tools and methods used to calculate emissions, as currently prescribed by industry initiatives such as RSPO and GPSNR, do not follow the GHG Protocol Corporate Standard but the Product Standard. The Group, through its Carbon Taskforce and engagement with those industry platforms, is working with partners to update its tools in 2025. Once GHG inventories are aligned with the corporate standard, a baseline year, value and time-bound targets will be defined. This work is planned to be completed by the end of 2025.

E1-MDR-T: 81 b: Whether the undertaking tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity

Yes.

E1-MDR-T: 81 b i: Description of processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity

The effectiveness of the implementation of the zero-deforestation commitment is monitored through deforestation alerts and monitoring conducted by Mapping Manager on all sites. Since 2023, the Group has indeed been using Starling to ensure continuous monitoring through very high-resolution satellite images. While Starling is used for the Socfin-KCD and Coviphama concessions in Cambodia, the Socfindo concessions in Indonesia have not been included in this monitoring system due to the very low occurrence of fires at Socfindo. Through this tool, we receive alerts that are all verified on the field by our teams. The Starling monitoring system is complemented by other satellite imagery platforms: GFW (Global Forest Watch) for all our concessions, and RSPO Firewatch System (which will cover the Socfindo oil palm sites) and NASA FIRMS (Fire Information for Resource Management System). Most of the occurrences of deforestation and fire are due to external causes. The combined use of these different platforms allows the Group to prevent these events and have an increased level of monitoring and control to reduce the frequency of deforestation or fire incidents affecting HCV areas and concessions.

The effectiveness of actions related to GHG emissions are not yet tracked since a baseline year, value and time-bound targets have not been defined yet. Tools, indicators and processes will have to be set up to track their effectiveness once these are formalised.

E1-MDR-T: 81 b ii: Description of defined level of ambition to be achieved and of any qualitative or quantitative indicators used to evaluate progress

Please refer to MDR-T: 81 b i.

E1-MDR-T: 81 b ii 80 d: Base year from which progress is measured

Please refer to MDR-T: 81 b i.

[E1-5] Energy consumption and mix

E1-5: 37: Total energy consumption related to own operations

434 409 MWh.

E1-5: 37 a: Total energy consumption from fossil sources

12 329 MWh.

E1-5: 37 c: Total energy consumption from renewable sources

422 080 MWh.

E1-5: 37 c i: Fuel consumption from renewable sources

407 883 MWh.

E1-5: 37 c ii: Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources

0 MWh.

E1-5: 37 c iii: Consumption of self-generated non-fuel renewable energy

0 MWh.

E1-5: AR 34 (2): Percentage of renewable sources in total energy consumption

97.16%.

E1-5: 38 a: Fuel consumption from coal and coal products

0 MWh.

E1-5: 38 b: Fuel consumption from crude oil and petroleum products

11 709 MWh.

E1-5: 38 c: Fuel consumption from natural gas

0 MWh.

E1-5: 38 d: Fuel consumption from other fossil sources

0 MWh.

E1-5: 38 e: Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources

4 335 MWh.

E1-5: AR 34 (3): Percentage of fossil sources in total energy consumption

2.84%.

E1-5: 39 (1): Non-renewable energy production

684 MWh.

E1-5: 39 (2): Renewable energy production

14 197 MWh.

E1-5: 40: Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)

0.0023 MWh/EUR.

E1-5: 41: Total energy consumption from activities in high climate impact sectors

434 409 MWh.

E1-5: 42: High climate impact sectors used to determine energy intensity

Agriculture, forestry and fishing.

E1-5: 43: Disclosure of reconciliation to relevant line item or notes in financial statements of net revenue from activities in high climate impact sectors

Revenues provided within financial statements (income statement).

[E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions

E1-6: 44: Gross GHG emissions per scope

Emissions scope	Emissions	Unit
Gross Scope 1 greenhouse gas emissions	235 046	MT CO ₂ e
Gross location-based Scope 2 greenhouse gas emissions	2 990	MT CO ₂ e
Gross market-based Scope 2 greenhouse gas emissions	N/A	MT CO ₂ e
Gross Scope 3 greenhouse gas emissions	26 399	MT CO ₂ e
Total GHG emissions location based	264 436	MT CO ₂ e

The absence of established RECs (Renewable Energy Certificates) or similar instruments in Cambodia prevents Socfin-KCD from reporting of market-based Scope 2 emissions.

Socfindo does not have specific contracts for electricity procurement. Consequently, its Scope 2 emissions remain identical under both the market-based and location-based methodologies.

E1-6: 50: Gross Scope 1 and Scope 2 emissions by financial and operational control

Emissions type	Emissions calculation method	Emissions	Unit
Gross Scope 1 and Scope 2 (location-based) emissions	Consolidated accounting group (financial control)	238 036	MT CO ₂ e
Gross Scope 1 and Scope 2 (market-based) emissions	Consolidated accounting group (financial control)	N/A	MT CO ₂ e
Gross Scope 1 and Scope 2 (location-based) emissions	Investees (operational control)	238 036	MT CO ₂ e
Gross Scope 1 and Scope 2 (market-based) emissions	Investees (operational control)	N/A	MT CO ₂ e

N/A elements: Not relevant to the present inventory.

E1-6: AR 41 (1): GHG Emissions Disaggregated by Country

Country	Scope 1 emissions (T CO ₂ e)	Scope 2 (location-based) emissions (T CO ₂ e)	Scope 2 (market-based) emissions (T CO ₂ e)	Scope 3 emissions (T CO ₂ e)
Cambodia	1 246	335		945
Indonesia	233 800	2 656		25 454

E1-6: AR 41 (3): GHG Emissions Disaggregated by Economic Activity

Economic activity	Scope 1 emissions (T CO ₂ e)	Scope 2 (location-based) emissions (T CO ₂ e)	Scope 2 (market-based) emissions (T CO ₂ e)	Scope 3 emissions (T CO ₂ e)
Rubber	2 755	1 760		2 043
Palm Oil*	232 291	1 230		24 356

* Data calculated using the RSPO PalmGHG calculator. PalmGHG calculator does include carbon sinks, most notably from conservation areas, palm kernel shells sold to replace fossil fuels, and a surplus of green energy provided to others to replace grid electricity. These carbon sinks were not included in the calculation of Gross Scope 1, 2 and 3 values.

E1-6: AR 41 (4): GHG Emissions Disaggregated by Subsidiary

Subsidiary	Scope 1 emissions (T CO ₂ e)	Scope 2 (location-based) emissions (T CO ₂ e)	Scope 2 (market-based) emission (T CO ₂ e)	Scope 3 emissions (T CO ₂ e)
Coviphama	8	0	N/A	248
Socfin-KCD	1 238	335	N/A	697
Socfindo	233 800	2 656	N/A	25 454

E1-6: AR 41 (5): GHG Emissions Disaggregated by GHG Category

GHG Category	Scope 1 emissions (T CO ₂ e)	Scope 2 (location-based) emissions (T CO ₂ e)	Scope 2 (market-based) emissions (T CO ₂ e)	Scope 3 emissions (T CO ₂ e)
CO ₂	98 872	2 990	N/A	26 399
CH ₄	91 251			
N ₂ O	44 923			
HFCs				
PFCs				
SF ₆				
NF ₃				

The disaggregation by GHG category is not available for scopes 2 and 3.

E1-6: AR 41 (6): Scope 1 GHG Emissions Breakdown

Scope 1 category	Emissions (T CO ₂ e)
Stationary combustion	
Mobile combustion	
Fugitive emissions	

The data is not available in this format.

E1-6: AR 46 d: Scope 3 GHG Emissions Breakdown (GHG Protocol)

Scope 3 category	Is category significant?	Explanation
3.1 Purchased goods and services		
3.2 Capital goods		
3.3 Fuel- and energy-related activities (not included in Scope 1 or 2)		
3.4 Upstream transportation and distribution		
3.5 Waste generated in operations		
3.6 Business travel		
3.7 Employee commuting		
3.8 Upstream leased assets		
3.9 Downstream transportation and distribution		
3.10 Processing of sold products		
3.11 Use of sold products		
3.12 End-of-life treatment of sold products		
3.13 Downstream leased assets		
3.14 Franchises		
3.15 Investments		

The breakdown of Scope 3 GHG emissions is not provided as such in the calculation tools.

E1-6: 48 a: Gross Scope 1 greenhouse gas emissions

235 046 MT CO₂e.

E1-6: 49 a, 52 a: Gross location-based Scope 2 greenhouse gas emissions

2 990 MT CO₂e.

E1-6: 49 b, 52 b: Gross market-based Scope 2 greenhouse gas emissions

The absence of established RECs (Renewable Energy Certificates) or similar instruments in Cambodia prevents Socfin-KCD from reporting of market-based Scope 2 emissions.

Socfindo does not have specific contracts for electricity procurement. Consequently, its Scope 2 emissions remain identical under both the market-based and location-based methodologies.

E1-6: 51: Gross Scope 3 greenhouse gas emissions

Scope 3 greenhouse gas emissions are available as a total, but could not be disaggregated by Scope 3 category for 2024 reporting. We will aim to add this disaggregation for 2025 reporting.

Total Scope 3 GHG emissions (T CO₂e) are: 26 399.

E1-6: 44, 52 a: Total GHG emissions location based

264 436 MT CO₂e.

E1-6: 44, 52 b: Total GHG emissions market based

The absence of established RECs (Renewable Energy Certificates) or similar instruments in Cambodia prevents Socfin-KCD from reporting of market-based Scope 2 emissions.

Socfindo does not have specific contracts for electricity procurement. Consequently, its Scope 2 emissions remain identical under both the market-based and location-based methodologies.

E1-6: AR 39 b: Disclosure of methodologies, significant assumptions and emissions factors used to calculate or measure GHG emissions

Methodologies and significant assumptions are disclosed under E1-MDR-M: 77 a.

PalmGHG, uses a methodology that is in line with ISO 14040/14044. Its calculations are based on multiple research articles. The sources may be found within this article: [bessou.paper.ICOPE2016.pdf](#).

For the calculation of emissions of rubber activities, each activity data input is associated with emission factors extracted from the EC Standard Values, the Ecoinvent database, Biograce, the ISCC System Document or Phyllis 2.

E1-6: AR 43 c: Biogenic emissions from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions (tCO₂eq)

0 MT CO₂e.

E1-6: AR 43 c (1): Biogenic CO₂ emissions from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions (tCO₂)

0 T.

E1-6: AR 43 c (2): Biogenic CH₄ emissions from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions (tCH₄)

0 T.

E1-6: AR 43 c (3): Biogenic N₂O emissions from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions (tN₂O)

0 T.

E1-6: AR 45 e: Biogenic emissions from the combustion or bio-degradation of biomass not included in Scope 2 GHG emissions (tCO₂eq)

0 MT CO₂e.

E1-6: AR 45 e (1): Biogenic CO₂ emissions from the combustion or bio-degradation of biomass not included in Scope 2 GHG emissions (tCO₂)

0 T.

E1-6: AR 45 e (2): Biogenic CH₄ emissions from the combustion or bio-degradation of biomass not included in Scope 2 GHG emissions (tCH₄)

0 T.

E1-6: AR 45 e (3): Biogenic N2O emissions from the combustion or bio-degradation of biomass not included in Scope 2 GHG emissions (tN2O)

0 T.

E1-6: AR 46 g (1): Percentage of GHG Scope 3 calculated using primary data

9.3%.

E1-6: AR 46 i (1): Disclosure of why Scope 3 GHG emissions category has been excluded

The PalmGHG tool developed by the Roundtable on Sustainable Palm Oil (RSPO) follows a Life Cycle Assessment (LCA) approach. Similarly, the GHG calculator used for rubber activities is based on the GHG Protocol methodology "Product Lifecycle Accounting and Reporting Standard". These approaches do not detail all the Scope 3 categories as per the *GHG Protocol Corporate Standard*.

E1-6: AR 46 i (2): List of Scope 3 GHG emissions categories included in inventory

To be added in 2025-2026.

E1-6: AR 46 h: Disclosure of reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions

Reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions are disclosed in E1-MDR-M: 77 a.

E1-6: 53 (1): GHG emissions intensity, location-based (total GHG emissions per net revenue)

0.0014.

E1-6: 53 (2): GHG emissions intensity, market-based (total GHG emissions per net revenue)

N/A.

E1-6: 55: Disclosure of reconciliation to financial statements of net revenue used for calculation of GHG emissions intensity

Same revenue used; no reconciliation needed.

E1-6: AR 55 (1): Net revenue

186 432 826 EUR.

E1-6: AR 55 (2): Net revenue used to calculate GHG intensity

186 432 826 EUR.

E1-6: AR 55 (3): Net revenue other than used to calculate GHG intensity

0 EUR.

[E1-7] GHG removals and GHG mitigation projects financed through carbon credits

E1-7: 58: Removals and carbon credits are used

No.

E1-7: 58 (1): Disclosure of calculation assumptions, methodologies and frameworks applied by the undertaking

Not relevant because no projects are financed via carbon credits.

E1-7: 58 a (1): The total amount of GHG removals and storage disaggregated by the undertaking's own operations and its upstream and downstream value chain, and broken down by removal activity

Value chain stage	Removal activity	Total GHG removals and storage (T CO ₂ e)
Own operations	/	0
Upstream	/	0
Downstream	/	0

E1-7: 58 a (2): Total GHG removals and storage

0 MT CO₂e.

E1-7: 58 b: Disclosure of calculation assumptions, methodologies and frameworks applied (GHG removals and storage)

Not relevant because no projects are financed via carbon credits.

[Entity-specific] R&D, yield and climate change monitoring

Research on plant material

The Group invests in plant breeding to develop high-yielding, disease-resistant clones, reducing surface needed and chemical dependency and ensuring long-term productivity.

Oil palm: The intensification of oil palm production to obtain increased yields has been based on improved varieties (50%), better management (21%) and improved fertilisation (29%). The selection of plant material in oil palm cultivation aims to obtain high-yielding seeds that are resistant to diseases. The Group's choice of planting material type needs is based on the means of production, the climatic conditions in our plantations and the existence or not of endemic diseases. Socfindo has a long history of agronomic and plant research and development with its SSPL (Socfindo Seed Production and Laboratories).

Rubber: The selection of plant material in rubber trees cultivation aims to obtain high-yielding clones that are resistant to leaf diseases, wind damage and tapping panel dryness issues. The choice of planting material for each plantation depends on local climatic conditions, the presence of endemic diseases and an optimal distribution of the 8 to 10 clones selected for the site.

Monitoring of wind behaviour

Wind monitoring is conducted to assess storm damage risks, particularly in rubber trees plantations where strong winds can break branches and reduce tappable trees.

Monitoring of rainfall patterns and water deficit

Rainfall data collection helps forecast seasonal water stress and adjust irrigation schedules accordingly. This is critical for both oil palm and rubber productivity.

Oil palm: Seasonal water deficit is probably the most important climatic factor affecting oil palm yield. When evapotranspiration exceeds rainfall, soil water content decreases and may reach a point at which the oil palm cannot extract water from the soil quickly enough for transpiration and gas exchange to continue at the potential rate. The oil palm will then start to suffer from water stress, and the "plant water potential" will decrease. This will have direct effects on dry matter production and it also affects future yield, through effects on bunch number.

Rubber: Frequent rainfall episodes reduce tapping days and thus yield and there is knowledge available about water stress thanks to studies on the adaptation to drier conditions in marginal areas, showing that drought can delay growth, prolonging the immature period.

Monitoring of sunshine

Sunlight availability directly impacts photosynthesis and yield. Monitoring sunlight variations aids in identifying optimal planting densities and crop management strategies.

Monitoring of temperatures

Temperature data are tracked to anticipate potential heat stress impacts. High temperatures reduce rubber latex flow, while extreme cold can slow oil palm growth.

Oil palm: High temperatures are favourable with as less as possible fluctuations. Temperatures below 18°C do not affect vegetative growth but reduce yield. Extremely high temperatures (> 38°C) are unfavourable due to stomata closure and high energy loss through respiration.

ESRS E2 – Pollution

[E2-MDR-M] Metrics in relation to material sustainability matters

E2-MDR-M: 75: Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity

A list of the metrics that are used, to be found in detail in the specific E2 sections:

- Pollution of air, water and soil,
- Emissions to air by pollutant,
- Emissions to water by pollutant,
- Emissions to soil by pollutant,
- Total amount of substances of concern that are generated or used during production or that are procured, breakdown by main hazard classes of substances of concern,
- Total amount of substances of concern that are generated or used during production or that are procured.

E2-MDR-M: 77 a: Disclosure of methodologies and significant assumptions behind metric

Please refer to section E2-4.

E2-MDR-M: 77 b: Type of external body other than assurance provider that provides validation

While the exact metrics are not validated by an external body, the systems in place to measure the metrics are usually verified by environmental government agencies, or in the case of oil palm sites, by RSPO auditors.

[E2-1] Policies related to pollution

E2-MDR-P: 65 a: Description of key contents of policy

The Group's Responsible Management Policy addresses the topic of pollution as follows:

- To reduce and prevent pollution impacting soil, air, and water as part of the Group's commitment to sustainable and responsible operations.
- To ensure that operational practices, from plantation management to processing activities, meet environmental performance standards.
- To contribute to local and global environmental preservation efforts while ensuring the company's long-term economic sustainability.
- To mitigate risks associated with pollution, such as legal liabilities, fines, reputational damage, and community health concerns, while leveraging opportunities for improved stakeholder trust and sustainable resource utilisation.

Key measures for pollution control:

- Water: Prevention of water pollution and management of wastewater treatment.
- Soil: Maintaining healthy soils, optimising fertiliser use, utilising agricultural waste as a soil amendment wherever possible, and preventing soil erosion and degradation.
- Air: Preventing air pollution, reducing greenhouse gas emissions, and minimising energy consumption through renewable energy adoption and efficient operations.
- Integrated practices: Prohibition of the use of fire in land management (except in phytosanitary emergencies) to prevent air, soil, and water pollution.

Potential impacts and risks relating to pollution are under ongoing monitoring. The Group is aware that pollution might impact both the environment and surrounding communities, so strict measures are in place to ensure this does not happen. These also ensure that any potential risks related to pollution, such as regulatory non-compliance or reputational risks, are avoided. Similarly, there are currently no active opportunities relating to pollution prevention since measures are already in place.

E2-MDR-P: 65 b: Description of scope of policy or of its exclusions

Scope: The policy applies to all operations of the Socfin Group and its subsidiaries, including all the rubber factories, palm oil mills, and plantations that the Group owns, manages, or invests in, regardless of the level of its share. Comprehensive pollution management is expected from third-party suppliers and contractors, with specific support provided to smallholder suppliers for gradual policy alignment.

Phase-in: The policy acknowledges the complexity of supply chains, particularly in smallholder contexts, where implementation may be phased in with a prioritisation of risk mitigation actions based on assessment of social and environmental risks.

E2-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

Board-level accountability: The Board of Directors, represented by senior executives, holds ultimate responsibility for the policy's implementation.

Operational oversight: Day-to-day accountability is assigned to senior Managers within the Group's operations, ensuring adherence to specific targets related to pollution prevention in soil, air, and water management. The sustainability team at HQ collaborates with on-site Managers to implement initiatives and monitor compliance across regions.

E2-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

International frameworks: The policy aligns with and incorporates principles from key global standards, including:

- Roundtable on Sustainable Palm Oil (RSPO) and Global Platform for Sustainable Natural Rubber (GPSNR): Certification frameworks emphasising environmental responsibility.
- High Conservation Value (HCV) areas: Protection of biodiversity-rich areas, ensuring minimal ecological disruption.

E2-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy
Stakeholder Groups Considered:

Local communities: Pollution prevention measures prioritise the protection of water resources critical to community livelihoods and subsistence farming. Commitments to FPIC ensure communities' rights to reject projects that could harm their environment or health.

Employees: Employees benefit from enhanced health and safety measures, including monitoring of air quality at processing facilities and plantations.

Regulators and NGOs: Engagement with government authorities and NGOs ensures alignment with local laws and strengthens the Group's ability to contribute to multi-stakeholder pollution mitigation initiatives.

Engagement mechanisms: Ongoing dialogue with local communities and NGOs to address water-related concerns. Implementation of grievance mechanisms for stakeholders to report issues related to water management.

E2-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

Socfinasia's subsidiaries ensure that environmental policies covering soil, air, and water pollution are widely accessible to both internal and external stakeholders through various communication channels and engagement mechanisms.

Key methods include:

- Employee awareness and training:
 - Socfindo provides all employees with a pocketbook containing company policies and a code of conduct.
 - Annual policy dissemination sessions ensure that environmental commitments are clearly communicated and understood.
- Supplier and contractor engagement:
 - Policies are integrated into contracts and explained before work begins, ensuring compliance from vendors, suppliers, and contractors.
- Community engagement and compliance:

- Socfin-KCD presented its environmental policy to local communities and authorities during a December 2024 tripartite committee meeting.
- Stakeholders were informed about ISO 14001:2015 certification efforts and mechanisms for reporting environmental concerns.

Overall, Socfinasia's subsidiaries use structured policy dissemination, supplier integration, and regulatory engagement to ensure that stakeholders understand and comply with environmental commitments.

E2-1: 15 a: Disclosure of whether and how policy addresses mitigating negative impacts related to pollution of air, water and soil

- Air pollution:
 - The Group commits to preventing air pollution.
 - The Group commits to minimising greenhouse gas emissions by reducing fossil fuel consumption and increasing the use of renewable energy sources.
- Water pollution:
 - The Group commits to preventing water pollution.
 - Preventive measures include wastewater treatment systems that ensure water discharged from operations meets regulatory standards.
- Soil pollution:
 - The Group commits to maintaining healthy soils.
 - Sustainable agricultural practices are implemented, such as using agricultural waste as soil amendments and optimising fertiliser use.
- Integrated practices:
 - Prohibition of the use of fire in land management (except in phytosanitary emergencies), which may have effects on air, soil, and water pollution.
- Smallholder support:
 - Although there is no supply from smallholders at Socfinasia, local oil palm and rubber smallholders are trained in sustainable farming practices to minimise chemical runoff and soil degradation and avoid slash-and-burn land preparation.
 - Gradual implementation of pollution mitigation measures is prioritised based on environmental risk assessments for suppliers.

E2-1: 15 b: Disclosure of whether and how policy addresses substituting and minimising use of substances of concern and phasing out substances of very high concern

Optimal use of organic fertilisers from the factory process by-products limits the need for chemicals.

The sites succeed in reducing the use of phytosanitary products thanks to their "Integrated Pest Management" procedures.

The objective is to keep pests below a harmful level rather than systematically eradicate pests, and to create, improve and safeguard the habitats of their natural enemies (such as birdhouses and perches for birds of prey, so they can rest and easily fly around in search of rodents).

Socfinasia is committed to reducing the use of chemicals, including pesticides and inorganic fertilisers, to an absolute minimum. This minimal usage will decrease employee exposure and the risk of accidents or occupational illness.

In 2015, the use of aldicarb (class 1A) was stopped within the Group. As per our commitments, the use of paraquat has stopped on all plantations since 2020.

In line with our commitments, the use of dangerous chemicals is reduced to a strict minimum and only when taking into account all necessary precautions.

E2-1: 15 c: Disclosure of whether and how policy addresses avoiding incidents and emergency situations, and if and when they occur, controlling and limiting their impact on people and environment

Prevention measures and incident management:

1. Compliance with legal and international standards, such as RSPO, ISPO and GPSNR, ensures robust planning to prevent environmental accidents – including pollution to water, air and soil. These standards further ensure that any environmental incidents are investigated, and corrective actions are implemented to prevent reoccurrence.
2. The prohibition of fire use in plantation development significantly reduces the risk of air pollution from uncontrolled fires.
3. Local grievance mechanisms provide communities with avenues to report concerns and incidents early for mitigation.

[E2-2] Actions and resources related to pollution

E2-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

Socfinasia's subsidiaries have implemented various pollution mitigation actions focused on air, water, and soil quality management, aligning with environmental policies, regulatory requirements, and sustainability commitments.

1. Air pollution management:

- Regular air quality monitoring & emission reduction:
 - Quarterly air monitoring to ensure compliance with environmental standards.
 - Preventive maintenance of equipment and compliance with emission standards.
 - Installation of biomass boilers to optimise combustion and minimise air pollution.
 - Implementation of a zero-burning policy in replanting to prevent air pollution.

2. Water pollution prevention & sustainable water management:

- Water quality monitoring & effluent treatment:
 - Regular testing of surface water, wastewater, and groundwater to meet national and international standards.
 - Use of effluent treatment lagoons to ensure that the water discharged into the environment complies with regulatory limits.
- Erosion & sediment control measures:
 - Creation of sediment traps and planting of cover crops to minimise runoff and soil erosion.
 - Reforestation of riparian zones to protect water bodies from contamination.

3. Soil quality & sustainable land management:

- Soil fertility management & agrochemical reduction:
 - Implementation of a fertiliser application plan based on soil and foliar tests.
 - Use of organic materials (oil palm pruned leaves, empty fruit bunches and compost made from EFB and POME) for soil enrichment.
 - Implementation of a no-burning policy in replanting to preserve soil integrity.
- Compliance with sustainable agriculture standards:
 - Strict compliance with RSPO and ISPO guidelines and national soil protection policies.

4. Waste management & pollution reduction:

- Hazardous waste disposal & recycling:
 - Treatment and disposal of process wastewater before release into the environment.
 - Waste collection, treatment, and disposal through certified dealers.

5. Regulatory compliance & sustainability certification:

- Alignment with national & international environmental standards:
 - Compliance with RSPO, ISPO, PROPER (Indonesian public disclosure programme to improve corporate environmental governance), PEFC (Programme for the Endorsement

of Forest Certification), EUDR, and EPA environmental policies through regular audits and monitoring.

- Engagement with regulatory bodies for compliance on waste, water, and air pollution management.
- Implementation of emergency procedures for pollution control to meet safety regulations.

E2-MDR-A: 68 b: Description of scope of key action

Pollution management initiatives cover all palm oil and rubber operations of Socfinasia, including processing palm oil mills, rubber factories and plantations.

Local communities, regulatory agencies, and environmental authorities are the key potentially affected stakeholder groups.

E2-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

Key action name	Time horizon to complete this action
Domestic wastewater treatment	Short-term
Policy implementation assessment	Short-term

E2-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

None of the actions are remedial.

E2-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (CapEx and OpEx)

Key financial allocations include:

- Operational Expenditures (OpEx):
 - Soil and water pollution prevention initiatives, including domestic waste treatment.
 - Air pollution control measures and solid waste capture to prevent eutrophication.
- Capital Expenditures (CapEx):
 - Preparation for ISO 14001 certification audit to strengthen environmental management systems (Socfin Cambodia).
 - Assessment of the Responsible Management Policy by Earthworm Foundation, focusing on environmental performance (Socfin Cambodia).

Socfinasia's subsidiaries focus financial resources on pollution prevention, environmental monitoring, and compliance with international sustainability standards, reinforcing their commitment to responsible environmental management.

E2-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

Please refer to paragraphs 69 b (1) and (2), and 69 c (1) and (2) below.

E2-MDR-A: 69 b (1): Current financial resources allocated to action plan (CapEx)

58 499 EUR.

E2-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

76 701 EUR.

E2-MDR-A: 69 c (1): Future financial resources allocated to action plan (CapEx)

22 075 EUR.

E2-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

82 287 EUR.

E2-2: AR 13: Action related to pollution extends to upstream/downstream value chain engagements

Socfinasia's subsidiaries take a community-centred approach, focusing on river pollution prevention and stakeholder collaboration.

Companies conduct community engagement on pollution prevention, notably to educate surrounding communities about river pollution control and involve them in patrol activities to monitor and prevent environmental harm.

[E2-3] Targets related to pollution

E2-MDR-T: 81 a (2): Description of reasons why there are no plans to set measurable outcome-oriented targets

The Group has implemented a robust pollution management framework through its Responsible Management Policy, which includes specific measures for preventing and controlling pollution of soil, air, and water. These measures focus on compliance with international and local standards, emphasising process-oriented management rather than outcome-oriented targets.

However, the Group is committed to continue improving its data collection systems and monitoring capabilities to enable the setting of measurable pollution-related targets in the future.

E2-MDR-T: 81 b: Whether the undertaking tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity

Yes.

E2-MDR-T: 81 b i: Description of processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity

The Company tracks the effectiveness of its policies and actions related to water, air, and soil pollution through several channels:

Environmental licenses: All companies require an environmental license to operate. Environmental licenses are provided by the government, subject to an inspection, which includes adherence to environmental laws on pollution.

RSPO and ISPO audits: All oil palm operations are subject to yearly RSPO and ISPO audits by independent auditing bodies. These audits verify the adherence of each company to the RSPO and ISPO standards, which include controlling water, air, and soil pollution.

Internal GPSNR verifications: The Group internally verifies its rubber operations in adherence to the GPSNR framework, which includes controlling water, air, and soil pollution.

Earthworm Foundation monitoring: The Group's partner Earthworm Foundation (EF) visits operations to monitor the implementation of the Group's Responsible Management Policy. Actions are implemented following the recommendations provided by EF. These actions are further followed up during consequent visits. On-site visits are done on a priority basis.

E2-MDR-T: 81 b ii: Description of defined level of ambition to be achieved and of any qualitative or quantitative indicators used to evaluate progress

The Group's Responsible Management Policy outlines a clear ambition to minimise and prevent pollution of air, water, and soil, as part of its broader commitment to environmental stewardship. The ambition is grounded in adherence to national laws and international standards. Progress is evaluated by each operation using a combination of quantitative indicators (e.g., water quality tests, air quality tests and soil analysis) and qualitative indicators (e.g., compliance with international standards). These indicators

support transparent reporting and continuous improvement, aligning with both corporate sustainability goals and stakeholder expectations.

E2-MDR-T: 81 b ii 80 d: Base year from which progress is measured

To be determined.

[E2-4] Pollution of air, water and soil – general

E2-4: 28 a: The amounts of each pollutant emitted to air, water and soil

The data indicated are the average of the analysis done during the year.

Air pollution (analysis of smoke emitted by factories' chimneys)				
mg/m ³	SO ₂	NO ₂	PM10 (dust)	PM10 (ambient air)
Socfin-KCD	0.01	0.01	3.70	N/A
Coviphama	N/A	N/A	N/A	N/A
Socfindo	33.07	158.35	N/A	39.37

Water pollution								
mg/l	Palm oil mill liquid effluents (inside lagoon)		Palm oil mill liquid effluents (outflow from lagoon)		Rubber factory liquid effluents (inside lagoon)		Rubber factory liquid effluents (outflow from lagoon)	
	Total phosphorus	Total nitrogen	Total phosphorus	Total nitrogen	Total phosphorus	Total nitrogen	Total phosphorus	Total nitrogen
Socfin-KCD	N/A	N/A	N/A	N/A	13.18	N/A	14.13	N/A
Coviphama	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Socfindo	N/A	N/A	N/A	18.47	N/A	N/A	N/A	5.97

Soil pollution		
mg/l	Copper	Chloride
Socfin-KCD	N/A	N/A
Coviphama	N/A	N/A
Socfindo	N/A	N/A

N/A means that no analysis has been done regarding those elements.

E2-4: 30 a: Description of changes over time (pollution of air, water and soil)

N/A.

E2-4: 30 b: Description of measurement methodologies (pollution of air, water and soil)

Socfinasia's subsidiaries use a combination of internal and external laboratories, certified testing methods, and international standards to monitor air, water, and soil pollution.

Key measurement methodologies include:

- Water quality monitoring:
 - Regular water sampling and laboratory analysis at multiple locations, including factory effluents, upstream/downstream surface water, and lagoons.
- Air quality monitoring:
 - Periodic air emission monitoring at factory sites, measuring Particulate Matter (PM), SO₂, NO₂, CO, and Non-Methane Volatile Organic Compounds (NMVOCs).
- Soil quality testing:
 - Laboratory analysis for soil organic carbon, Cation Exchange Capacity (CEC), potassium, and phosphorus.

Socfinasia subsidiaries ensure environmental pollution is monitored through structured testing programmes, external laboratory verification, and compliance with national regulatory requirements.

E2-4: 30 c: Description of process(es) to collect data for pollution-related accounting and reporting

Regarding the analysis of air, soil and water: The data is collected by subsidiaries through the HSE reporting according to a specific list of KPIs. The HSE reporting is sent to the Sustainability Department of the Group for review and validation. Analyses are done internally but also through laboratories accredited by the government. The results are available in reports at the Sustainability Department of each plantation.

[E2-5] Substances of concern and substances of very high concern

E2-5: 34 (1.1): Total amount of substances of concern - breakdown by main hazard classes;

E2-5: 34 (1.2): Total amount of substances of very high concern - breakdown by main hazard classes;

E2-5: 34 (2): Total amount of substances of concern that are generated or used during production or that are procured, breakdown by main hazard classes of substances of concern

No substances of very high concern are used or produced in any way in the Group's activities. The table below therefore summarises the amounts of substances of concern that were used in 2024 across Socfinasia's operations.

The breakdown is done by substance (unit: kg A.I.), but for each substance the hazard classes are detailed.

Classification	Active ingredient	CAS_Number	Hazard classes	SOCFINASIA	Socfin-KCD	Covipham a	Socfindo
Herbicide	2,4-D	94-75-7	Aqua chro 3 Skin sen 1	10 834			10 834
Fungicide	Azoxystrobin	131860-33-8	Aqua chro 1	101			101
Insecticide	Carbaryl	63-25-2	Carc. 2	60			60
Fungicide	Carbendazim	10605-21-7	Aqua chro 1 Repr. 1b Muta 1b	-			
Insecticide	Carbosulfan	55285-14-8	Skin sen 1 Aqua chro 1	134			134
Fungicide	Chlorothalonil	1897-45-6	Carc. 2 Skin sen 1 Aqua chro 1	185			185
Rodenticide	Coumatétralyl	5836-29-3	Aqua chro 3 STOT RE 1	1			1
Insecticide	Cypermethrin	52315-07-8	Aqua chro 1	1 825	2	0	1 823
Insecticide	Deltamethrin	52918-63-5	Aqua chro 1	0			0
Herbicide	Diuron	330-54-1	Carc. 2 STOT RE 2 Aqua chro 1	21 545			21 545
Growth Regulator	Ethéphon	16672-87-0	Aqua chro 3	834	432	229	173
Herbicide	Fluroxypyr	69377-81-7	Aqua chro 3	504			504
Fungicide	Folpet	133-07-3	Carc. 2 Skin sens 1	16	16		
Herbicide	Glyphosate	1071-83-6	Aqua chro 2	48 435	2 159	648	45 628
Fungicide	Hexaconazole	79983-71-4	Skin sens 1 Aqua chro 2	89	3	1	86
Insecticide	Lambda-cyhalothrin	91465-08-6	Aqua chro 1	285			285
Fungicide	Mancozeb	8018-01-7	Skin sen 1	417	274	42	101
Herbicide	Metsulfuron-methyl	74223-64-6	Aqua chro 1	709	16		693
SOCFINASIA:				85 973	2 901	920	82 152

ESRS E3 - Water and marine resources

[E3-MDR-M] Metrics in relation to material sustainability matters

E3-MDR-M: 75: Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity

A list of the metrics that are used, to be found in detail in the specific E3 sections:

- Total water consumption,
- Share of the measure obtained from direct measurement, from sampling and extrapolation, or from best estimates,
- Water intensity ratio.

E3-MDR-M: 77 a: Disclosure of methodologies and significant assumptions behind metric

Water use is measured using water meters installed at the entry of the palm oil milling or rubber processing process. Meters are monitored multiple times a day.

E3-MDR-M: 77 b: Type of external body other than assurance provider that provides validation

While the exact metrics are not validated by an external body, the systems in place to measure the metrics are verified by RSPO audits for palm oil mills and ISO 9001 audits for rubber factories.

[E3-1] Policies related to water and marine resources

E3-MDR-P: 65 a: Description of key contents of policy

Note: The Group's operations, focusing on oil palms and rubber trees plantations and processing, do not have significant impacts on marine resources. Therefore, the disclosure emphasises water resource management relevant to the Company's operations.

The Group's Responsible Management Policy addresses the topic of water resources as follows:

- To ensure the sustainable use, conservation, and protection of water resources in all operations and along the value chain.
- To prevent water pollution.
- To ensure that wastewater from operations is treated before discharge.
- To minimise the water quantity used through best-in-class performance for water use intensity in our operations.

Potential impacts and risks relating to water resources are under ongoing monitoring. The Group is aware that water is an important resource, and measures are in place to minimise its consumption and manage water withdrawals in a responsible and efficient way. These also ensure that any potential risks related to water resources, such as regulatory non-compliance or reputational risks, are avoided. Similarly, there are currently no active opportunities relating to water resources since measures are already in place.

E3-MDR-P: 65 b: Description of scope of policy or of its exclusions

Scope: The policy applies to all operations of the Socfin Group and those of its subsidiaries, including all the factories, palm oil mills, and plantations that the Group owns, manages, or in which it invests, regardless of the level of its share. Covers water use, wastewater discharges, and protection of water resources within its operations and for stakeholders affected by its operations.

Phase-in: The policy acknowledges the complexity of supply chains, particularly in smallholder contexts (where relevant), where implementation may be phased in with a prioritisation of the risk mitigation actions based on assessment of social and environmental risks.

Exclusions: The policy does not address marine resource management, as the Group's operations are land-based and have no direct or indirect impact on marine environments.

E3-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

Board-level accountability: The Board of Directors, represented by senior executives, holds ultimate responsibility for overseeing the policy.

Operational oversight: Day-to-day accountability is assigned to senior managers within the Group's operations, ensuring adherence to specific targets related to pollution prevention in soil, air, and water management. The sustainability team at HQ collaborates with on-site managers to implement initiatives and monitor compliance across regions.

E3-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

International frameworks:

- The policy aligns with and incorporates principles from key global standards, including:
 - UN Guiding Principles on Business and Human Rights: Ensuring that pollution control respects human rights, especially in vulnerable communities.
 - Roundtable on Sustainable Palm Oil (RSPO) and Global Platform for Sustainable Natural Rubber (GPSNR): Certification frameworks emphasising environmental responsibility.
 - High Conservation Value (HCV) areas: Protection of biodiversity-rich areas, ensuring minimal ecological disruption.

E3-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy

Local communities:

- Water conservation measures ensure sustainable access to downstream water resources for drinking, farming, and domestic use.
- Commitments to FPIC ensure communities' rights to reject projects that could harm their environment or health.

Smallholder suppliers:

- Training programmes for suppliers to implement water-efficient practices and prevent chemical runoff into local water bodies.

Employees:

- Awareness and training programmes on water conservation and pollution prevention practices.

Government and regulators:

- Active collaboration with regulatory bodies to ensure compliance with water use and effluent discharge standards.

Engagement mechanisms:

- Ongoing dialogue with local communities and NGOs to address water-related concerns; implementation of grievance mechanisms for stakeholders to report issues related to water management.

E3-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

Socfinasia subsidiaries make their water management policies available to employees, suppliers, and local communities through structured engagement and regulatory compliance.

Key dissemination methods include:

- Integration of policy communication:
 - With water conservation programmes, community engagement and environmental monitoring.

- Ensures stakeholders are informed and involved in responsible water resource management.
- Policy communication and employee training:
 - The environmental policy is shared with employees, suppliers, and contractors via email, printed copies, and briefings.
 - Policies are displayed in managers' offices and at key locations for easy access.
- Community engagement and awareness:
 - A tripartite committee (company, local communities, and authorities) meets to discuss environmental commitments and the ISO 14001:2015 certification initiative (Socfin-KCD).
 - Conducting river and groundwater management awareness programmes for stakeholders, ensuring they understand water conservation efforts and compliance requirements.
- Environmental monitoring and compliance:
 - Regular water quality checks for rivers and groundwater are conducted to assess pollution levels.
 - Collaboration with stakeholders on patrol activities to prevent activities that could harm water bodies.

E3-1: 12 a: Disclosure of whether and how policy addresses water management

The Group's Responsible Management Policy explicitly addresses water management as a core element of its sustainability strategy. The policy is designed to ensure the efficient use, protection, and conservation of water resources across its operations, focusing on both direct and indirect impacts along the value chain. Marine resources are not addressed as they are not relevant to the Group's land-based operations.

E3-1: 12 a i: Disclosure of whether and how policy addresses the use and sourcing of water and marine resources in own operations

The Group's Responsible Management Policy emphasises efficient water use and sourcing across its operations by committing to minimise water quantity use through best-in class performance for water use intensity. These measures ensure responsible water consumption, align with sustainability goals, and reduce the environmental impact of its operations.

E3-1: 12 a ii: Disclosure of whether and how policy addresses water treatment

The Group's Responsible Management Policy emphasises efficient water treatment across its operations by committing to treat all its wastewater to be aligned with national standards. These measures ensure responsible wastewater discharge, align with sustainability goals, and reduce the environmental impact of its operations.

E3-1: 12 a iii: Disclosure of whether and how policy addresses prevention and abatement of water pollution

The Group's Responsible Management Policy emphasises to the prevention and reduction of water pollution across its operations by committing to prevent water pollution as a result of its activities. These measures ensure responsible wastewater discharge, align with sustainability goals, and reduce the environmental impact of its operations.

E3-1: 12 b: Disclosure of whether and how policy addresses product and service design in view of addressing water-related issues and preservation of marine resources

The Group's Responsible Management Policy incorporate measures to ensure that product and service design minimises water-related impacts across its operations and supply chain, with a focus on preserving water quality, reducing water use, and maintaining ecosystem health.

Minimising water usage in processing:

- The Group's policies mandate the adoption of best-in-class water use performance at palm oil mills and rubber factories to reduce freshwater dependency.

Wastewater management in production:

- Wastewater generated during processing is treated to meet or exceed regulatory discharge standards before being released back into the environment. This minimises pollution and safeguards local water bodies.
- Treated wastewater is sometimes reused for irrigation or as part of nutrient recycling, aligning with circular economy principles.

E3-1: 12 c: Disclosure of whether and how policy addresses commitment to reduce material water consumption in areas at water risk

None of the operations of Socfinasia are within areas at water risk. However, the Group's Responsible Management Policy explicitly address the reduction of material water consumption by committing to protect water use quantity through best-in-class performance for water use intensity in its operations.

E3-1: 14: Policies or practices related to sustainable oceans and seas have been adopted

No.

E3-1: AR 18 a: The policy contributes to good ecological and chemical quality of surface water bodies and good chemical quality and quantity of groundwater bodies, in order to protect human health, water supply, natural ecosystems and biodiversity, the good environmental status of marine waters and the protection of the resource base upon which marine related activities depend

The Group's Responsible Management Policy actively contributes to maintaining the good ecological and chemical quality of surface and groundwater bodies through the following measures:

- **Protection of surface and groundwater quality and quantity:**
 - The Group ensures that all wastewater from its processing facilities is treated before discharge to meet or exceed local and international standards for water quality.
 - Chemical runoff is minimised by adopting best management practices such as applying riparian buffer zones and optimising fertiliser use, reducing the risk of contamination to surface and groundwater bodies.
 - Best-in-class water use intensity practices limit over-extraction of water sources, ensuring sustainable availability for local ecosystems and community water supply.
 - Soil management practices, such as erosion prevention and the prohibition of harmful agrochemicals, further safeguard groundwater from leaching pollutants.

- **Support for ecosystem and biodiversity health:**
 - The company's measures to protect High Conservation Value (HCV) areas and maintain riparian zones help preserve natural ecosystems and biodiversity reliant on clean water sources.
- **Community health and water supply:**
 - The Group's commitment to protecting shared water resources ensures the sustainability of community water supplies for drinking, irrigation, and domestic use, aligning with broader goals of safeguarding human health.
- **Exclusion of marine activities:**
 - While marine waters are not impacted by the Group's land-based operations, the company's strict pollution prevention measures indirectly support broader environmental objectives by minimising downstream water contamination risks.

E3-1: AR 18 b: The policy minimise material impacts and risks and implement mitigation measures that aim to maintain the value and functionality of priority services and to increase resource efficiency on own operations

The Group's Responsible Management Policy outlines several measures to minimise material impacts and risks related to water resources and to implement mitigation actions aimed at maintaining the value and functionality of priority water services while increasing resource efficiency:

Mitigation of material impacts:

- **Water pollution control:**
 - The Group implements advanced wastewater treatment systems to ensure all discharged water meets ecological and regulatory standards, preventing contamination of local water sources.
 - Adoption of sustainable fertiliser practices minimises chemical runoff, protecting the value and functionality of surface and groundwater resources.
- **Conservation of water quantity:**
 - By adopting best-in-class performance for water use intensity, the Group reduces freshwater withdrawals, ensuring sustainable availability for its operations and surrounding ecosystems.

Risk management:

- **Operational risks:**
 - Sustainable water sourcing practices mitigate risks of resource depletion, ensuring operational continuity.
 - Community and ecosystem risks: Measures to protect riparian zones and High Conservation Value (HCV) areas help preserve ecosystem services and biodiversity that rely on clean water.
 - Collaboration with local stakeholders ensures shared water resources are managed sustainably to prevent conflicts and depletion.

Increasing resource efficiency:

- The company actively monitors water use intensity (e.g., cubic meters per tonne of processed product) and implements efficiency measures to reduce water consumption across its operations.

E3-1: AR 18 c: The policy avoid impacts on affected communities

The Group's Responsible Management Policy prioritises the avoidance of negative impacts on communities affected by its operations, specifically in the context of water resource management. The key measures include:

Protection of shared water resources and ecosystem services:

- Sustainable sourcing:
 - The Group ensures responsible water extraction practices to avoid overuse of local water sources, ensuring that sufficient water remains available for community needs such as drinking, domestic use, and irrigation.
- Wastewater treatment:
 - Wastewater treatment systems are employed to meet national requirements and prevent contamination of water sources relied upon by surrounding communities.
- Protecting ecosystem services:
 - By preserving High Conservation Value (HCV) areas and maintaining riparian buffer zones, the Group helps sustain ecosystem services, such as clean water supply and liveable water for aquatic biodiversity, that are critical to community livelihoods.

Community engagement and collaboration:

- Transparent dialogue:
 - The Group maintains transparent dialogue with affected communities, ensuring that their concerns about water use and quality are addressed proactively.
- Grievance mechanisms:
 - Local-level grievance procedures are in place to allow communities to report and resolve water-related issues in a timely and transparent manner.

Through these measures, the Group actively works to avoid adverse impacts on communities, ensuring sustainable coexistence and contributing to local development while safeguarding shared water resources.

E3-MDR-P: 62 (1): Disclosure of reasons for not having adopted policies

The Group's operations, focusing on oil palms and rubber trees plantations and processing, do not have material impacts on marine resources. Therefore, no policies have been adopted concerning this topic, and instead, only focus on water resources that are relevant for the Group's activities.

[E3-2] Actions and resources related to water and marine resources

E3-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

Socfinasia subsidiaries have implemented water conservation, pollution control, and compliance measures across plantations, processing mills, and local communities to enhance water quality, optimise consumption, and ensure regulatory compliance.

Key actions include:

- Water conservation and efficiency:
 - Installation of water capture systems in latex collection buildings to reduce borehole and river water consumption.
 - Monitoring and reducing industrial water use to minimise environmental impact (Socfindo).
- Environmental compliance and pollution prevention:
 - External assessment of Responsible Management Policy by Earthworm Foundation to monitor pollution control efforts.
 - Preparation for ISO 14001 certification to improve water management and environmental sustainability (Socfin-KCD).

Through water conservation initiatives, compliance assessments, and pollution monitoring, Socfinasia subsidiaries ensure efficient water use and environmental sustainability in their operations.

E3-MDR-A: 68 b: Description of scope of key action

Water management initiatives cover all palm oil and rubber operations of Socfinasia, including processing palm oil mills and rubber factories, plantations and housing estates.

Local communities, regulatory agencies, and environmental authorities are the key affected stakeholder groups.

E3-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

Key action name	Time horizon to complete this action
Install the water capture in the latex collection building	Short-term
Policy implementation assessment	Short-term

E3-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

None of the actions are remedial.

E3-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (CapEx and OpEx)

Socfinasia subsidiaries allocate financial resources to water reuse, pollution prevention, and certification readiness.

Key financial allocations include:

- Operational Expenditures (OpEx):
 - Water reuse in industrial processes to reduce freshwater consumption.
- Capital Expenditures (CapEx):
 - External assessment of Responsible Management Policy (RMP) by Earthworm Foundation, ensuring effective water management.
 - Preparation for ISO 14001 certification audit to improve environmental management systems.

Socfinasia subsidiaries focus on optimising water efficiency through reuse strategies and ensuring compliance with international environmental standards, demonstrating their commitment to sustainable water management.

E3-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

Please refer to paragraphs 69 b (1) and (2), and 69 c (1) and (2) below.

E3-MDR-A: 69 b (1): Current financial resources allocated to action plan (CapEx)

0 EUR.

E3-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

27 583 EUR.

E3-MDR-A: 69 c (1): Future financial resources allocated to action plan (CapEx)

0 EUR.

E3-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

30 341 EUR.

E3-2: 19: Disclosure of actions and resources in relation to areas at water risk

None of the operations of Socfinasia are within areas at water risk. Nevertheless, the Group recognises the importance of addressing water use in its operations, where water availability and quality are critical for both operational needs and community well-being. The company has implemented a range of actions and allocated significant resources to mitigate water-related risks.

Actions taken:

- Water use efficiency:
 - The Group protects water quantity use through best-in-class performance for water use intensity in its operations.
 - Water consumption is monitored daily at Socfinasia's factories.
- Pollution prevention:
 - Wastewater treatment: Treatment systems ensure that water discharged from palm oil mills and processing facilities meets local and international environmental standards.
 - Agrochemical management: Integrated Pest Management (IPM) and the reduction of chemical fertilisers and pesticides minimise contamination risks to local water bodies.

- Buffer zones: The Group maintains and restores natural vegetation along rivers and water bodies within its concessions to protect water quality and regulate flow.
- Community engagement:
 - Community engagement and collaboration: The Group maintains transparent dialogue with affected communities, ensuring that their concerns about water use and quality are addressed proactively.
 - Grievance mechanisms: Local-level grievance procedures are in place to allow communities to report and resolve water-related issues in a timely and transparent manner.

Monitoring and review:

- Key Performance Indicators (KPIs):
 - Water use intensity (e.g., cubic meters per tonne of production).
 - Compliance with water discharge quality standards.

Results and impacts:

- Efficient water use:
 - Enhanced water efficiency and reduced freshwater dependency.
- Enhanced water quality:
 - Strict pollution controls and riparian protection measures have led to better water quality outcomes for both operational needs and local ecosystems.
- Community benefits:
 - Shared water resource initiatives have improved community relations and ensured equitable access to water.

[E3-3] Targets related to water and marine resources

E3-ESRS 2: 72: Whether targets have been set and if not, reasons for not having adopted targets

Outcome-oriented targets relating to water have not been adopted because the main focus of water-related reporting is to maintain an ongoing monitoring. Annual targets therefore exist, but these are updated each year for control purposes, to ensure that e.g., water consumption levels are never above a given threshold. This ongoing monitoring being the baseline, there is currently no need for outcome-oriented targets.

E3-3: 25: Adopted and presented water and marine resources-related target is mandatory (based on legislation)

Voluntary.

E3-MDR-T: 81 a (2): Description of reasons why there are no plans to set measurable outcome-oriented targets

1. Existing water management framework

- Comprehensive policy in place:
 - The Group has implemented a robust water management framework as part of its Responsible Management Policy, which emphasises sustainable water use, pollution prevention, and protection of water resources.
 - The framework focuses on process-oriented actions, such as efficient irrigation systems, wastewater treatment, and riparian zone protection, rather than outcome-specific targets.
- Alignment with third-party standards:
 - The Group adheres to international certification frameworks, such as RSPO and GPSNR, which require sustainable water management but do not mandate standalone, measurable targets.

2. Reasons for no current plans

- Not identified as priority material topic:
 - The Company prioritises targets for priority material topics, such as biodiversity and ecosystem services.
- Regulatory compliance:
 - The Group ensures full compliance with all local and international water regulations, which adequately mitigate risks and ensure sustainable water use.

E3-MDR-T: 81 b: Whether the undertaking tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity

Yes.

E3-MDR-T: 81 b i: Description of processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity

The Company tracks the effectiveness of its policies and actions related to water management through several channels:

- All oil palms operations are subject to yearly RSPO audits by independent auditing bodies. The audits verify the adherence of each company to the RPSO standards, which includes monitoring water use efficiency, wastewater discharge measurements, water quality and protecting water catchments from the potential negative impacts caused by its operations.
- Socfinasia internally verifies its rubber operations in adherence to the GPSNR framework, which includes monitoring water use efficiency, wastewater discharge measurements, water quality and protecting water catchments from the potential negative impacts caused by its operations.
- All Socfinasia companies have conducted an HCV assessment, which has outlined actions to protect all ecosystem services, including water catchments.
- The Group's partner, the Earthworm Foundation (EF), visits its operations to monitor the implementation of its policy. Actions are implemented following the recommendations provided by EF. These actions are further followed up during consequent visits. On-site visits are done on a priority basis.

E3-MDR-T: 81 b ii: Description of defined level of ambition to be achieved and of any qualitative or quantitative indicators used to evaluate progress

The Group's Responsible Management Policy outlines a clear ambition to sustainably manage its water resources, as part of its broader commitment to environmental stewardship. The ambition is grounded in adherence to national laws and international standards. Progress is evaluated by each operation using a combination of quantitative indicators (e.g., water quality tests, water use intensity measurement) and qualitative indicators (e.g., compliance with national laws and international standards). These indicators support transparent reporting and continuous improvement, aligning with both corporate sustainability goals and stakeholder expectations.

E3-MDR-T: 81 b ii 80 d: Base year from which progress is measured

2025.

[E3-4] Water consumption

E3-4: 28 a: Total water consumption

1 019 996 cubic meters (m³).

E3-4: 28 e (1): Disclosure of contextual information regarding water consumption

Water is a valuable asset, and we see to minimise water consumption, maintain water purity, and safeguard water sources.

Water consumption is equally monitored at the factory level, where appropriate action is taken to keep water consumption at its lowest level. Water use per ton of processed FFB is stable and in line with industry standards (Asia: 0.95 m³/T of processed FFB). The manufacturing processes (steaming) offer only limited possibilities for water consumption reduction per ton of FFB.

Water consumption per ton of dry rubber is also stable and consistent with the target set: below 20 m³/T. Water is used for cleaning the cup lumps; a step that is required to meet the clients' quality standards.

Irrigation needs in the nurseries are closely monitored and based on rainfall data; only the water millimetres needed by the plants are applied. Drip irrigation is preferred as it is more efficient and reduces erosion risks.

For the moment only water consumption from the industrial part is disclosed, consumption at nursery and village levels are negligible but will need to be included in the next reporting period.

E3-4: 28 e (2): Share of the measure obtained from direct measurement, from sampling and extrapolation, or from best estimates

Parameter	Percentage of the measurement from direct measurement (%)	Percentage of the measurement from sampling and extrapolation (%)	Percentage of the measurement from best estimates (%)
Total water consumption	100	0	0
Total water consumption in areas at water risk	0	0	0
Total water consumption in areas of high-water stress	0	0	0
Total water recycled	0	0	0
Total water reused	0	0	0
Total water stored	0	0	0
Changes in storage	N/A	0	0

E3-4: 29: Water intensity ratio

5 471 m³ per million EUR net revenue.

E3-4: AR 30 (1): Water consumption breakdown by sectors

Sector	Water consumption	Unit
Rubber	296 781	Cubic meters (m ³)
Palm	753 338	Cubic meters (m ³)

E3-4: AR 30 (2): Water consumption breakdown by segments

Segment	Water consumption	Unit
Asia	1 050 119	Cubic meters (m ³)

[E3-5] Anticipated financial effects from material water and marine resources-related risks and opportunities

E3-5: 33 a (2): Disclosure of qualitative information of anticipated financial effects of material risks and opportunities arising from water and marine resources-related impacts

The financial materiality assessment did not bring forward risks and opportunities specifically arising from water-related *impacts*. The water-related risks and opportunities that were considered as making sense in the Group's context are related to what might happen in case of water scarcity resulting from natural events outside of the undertaking's control (e.g., rising mean temperatures and changes in precipitation patterns).

In this context, only one water-related risk can be considered material ("important" on the Group's materiality scale): that of rising temperatures and changes in precipitation patterns potentially causing water scarcity, which in turn would force rubber factories and palm oil mills to adapt processes. This would imply investment and operational costs at Group level. However, this risk is to be put into perspective as it will depend on the evolution of climatic conditions, which remains highly unpredictable.

E3-5: 33 b: Description of effects considered and related impacts (water and marine resources)

The financial effects of this risk would be felt in terms of investments required to adapt factories. They relate to the dependency on the availability of water from nearby rivers for palm oil mills, and especially rubber factories, to function. This could materialise in the medium to long term (3-6 years), although it remains difficult to predict how and where changes in temperatures might impact the different locations and, in turn in which way this will impact precipitation patterns and water availability.

ESRS E4 - Biodiversity and ecosystems

[E4-MDR-M] Metrics in relation to material sustainability matters

E4-MDR-M: 75: Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity

A list of the metrics that are used, to be found in detail in the specific E4 sections:

- HCV areas,
- Peatland planted areas,
- Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that the undertaking is negatively affecting,
- Area of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting.

E4-MDR-M: 77 a: Disclosure of methodologies and significant assumptions behind metric

HCV areas and peatland areas are identified by HCV trained assessors following the Common Guidance for the Identification of HCV developed by the HCV Resource Network: [Common Guidance for the Identification of HCV | HCV Network](#).

Biodiversity-sensitive areas in or near our operations were identified through the Key Biodiversity Areas website: [Map Search](#), and through the identification of nationally recognised nature conservation areas. The sizes of our own operations located in or near Biodiversity-sensitive areas are done through GPS tracking of our concessions.

E4-MDR-M: 77 b: Type of external body other than assurance provider that provides validation

Measurements of HCV and peatland areas are done by trained third-party HCV assessors through the Assessor Licensing Scheme. Further, methodologies are audited through RSPO for all oil palms plantations.

[E4-1] Transition plan on biodiversity and ecosystems in strategy and business model

E4-1: 13 a: Disclosure of resilience of current business model(s) and strategy to biodiversity and ecosystems-related physical, transition and systemic risks and opportunities

The relation between the Group's business model and risks relating to biodiversity and ecosystems is continuously monitored through research, as well as independent studies conducted on the different sites, and elements from the RSPO certification and GPSNR framework that relate to this topic. Environmental studies and RSPO/GPSNR principles particularly focus on the monitoring of HCV and protected areas. Ecoguards then keep watch on such areas and regularly report back to the sustainability team on site.

These are all elements that help ensure a healthy balance is maintained and that any potential issues relating to biodiversity and ecosystems, which could in turn potentially impact the Group's business model's resilience, can be raised in time. Nevertheless, as mentioned under E4.IRO-1, conducting a more in-depth risk and resilience analysis in upcoming years could prove useful to complement the current approach.

[E4-2] Policies related to biodiversity and ecosystems

E4-MDR-P: 65 a: Description of key contents of policy

The Group's Responsible Management Policy addresses the topic of pollution as follows:

The Group commits to promoting biodiversity and eliminate deforestation. More specifically, the Group commits to:

- Identify, maintain, and protect natural forests, using the High Carbon Stock (HCS) approach where applicable.
- Identify, maintain, and protect High Conservation Values, including (HCV) protecting wildlife and rare, threatened, endangered, and critically endangered species from poaching, hunting, and habitat loss in areas under management.
- Identify, maintain, and protect peatland areas.
- Support the restoration of such areas if they are degraded.
- Support the long-term protection of other ecosystems.
- Constantly improve agricultural practices with the aim of higher yields requiring a minimum of inputs and natural resources.

Potential impacts and risks relating to biodiversity and ecosystems are a priority. As such, the Group has implemented strict measures to ensure its operations have no negative impacts on biodiversity and ecosystems, and that they positively contribute to the preservation and protection of ecosystems. Measures also ensure that any potential risks related to biodiversity and ecosystems, such as regulatory non-compliance or reputational risks, are avoided. As measures are already in place, there are currently no active opportunities relating to biodiversity and ecosystems.

E4-MDR-P: 65 b: Description of scope of policy or of its exclusions

Scope: The policy applies to all operations of the Socfin Group and its subsidiaries, including all the rubber factories, palm oil mills, and plantations that the Group owns, Manages, or invests in, regardless of the level of its share. Applies to all third-party suppliers.

Phase-in: The policy acknowledges the complexity of supply chains, particularly in smallholder contexts, where implementation may be phased in with a prioritisation of risk mitigation actions based on an assessment of social and environmental risks.

Exclusions: Biodiversity impacts in areas outside the operational or supplier footprint, such as broader national landscapes not directly affected by the Group's operations, are excluded from the policy scope.

E4-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

Board-level accountability: The Board of Directors, including senior executives, holds ultimate responsibility for overseeing biodiversity and ecosystem service policies.

Operational oversight: Day-to-day accountability is assigned to senior managers within Socfinasia's operations, ensuring adherence to policies related to biodiversity and ecosystem services. The HQ

sustainability team collaborates with on-site managers to implement initiatives and monitor compliance across regions.

E4-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

The Group's Responsible Management Policy aligns with and commits to respecting internationally recognised frameworks, including:

- High Conservation Value (HCV) Network and High Carbon Stock Approach (HCSA): Methodologies for biodiversity protection and land-use planning.
- RSPO Principles and Criteria and GPSNR Policy Framework: These include specific requirements for biodiversity and ecosystem services.

E4-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy

Stakeholder groups considered:

- Local communities:
 - Dependence on ecosystems for cultural, subsistence, and agricultural needs is prioritised in planning biodiversity initiatives.
 - Free, Prior, and Informed Consent (FPIC) ensures that communities can voice concerns and approve projects that impact their resources.
- Smallholders and suppliers:
 - Supported with training and capacity-building initiatives to integrate biodiversity protection into their practices.
- NGOs and conservation experts:
 - Partnerships with conservation organisations to design and implement biodiversity initiatives that meet international best practices.
- Governments and regulators:
 - Alignment with local biodiversity laws and active collaboration to address shared environmental concerns.

Engagement mechanisms: Transparent dialogue and participatory mapping exercises with communities and stakeholders to identify High Conservation Value (HCV) areas. Grievance mechanisms to address and resolve biodiversity-related concerns raised by stakeholders.

E4-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

Socfinasia's subsidiaries (Socfin-KCD, Coviphama and Socfindo) integrate biodiversity policy communication within their environmental management systems and stakeholder engagement programmes.

Key dissemination methods include:

- Environmental Management System (EMS) and ISO 14001 compliance:
 - Socfin-KCD implemented an EMS for its rubber factory in 2024, aligned with ISO 14001:2015, ensuring biodiversity and environmental standards compliance.
 - The EMS includes monitoring of emissions, wastewater treatment, and proactive mitigation of environmental impacts.

- A Tripartite Committee meeting in 2024 provided local communities with a mechanism to suggest improvements or report environmental grievances.
- Community participation in biodiversity protection:
 - Socfindo's HCV management policy is shared with stakeholders, and local communities play an active role in HCV patrol teams.
 - Stakeholders serve as biodiversity ambassadors, disseminating information within their communities about HCV protection measures.

Socfinasia subsidiaries integrate biodiversity policy communication into their environmental management systems and stakeholder engagement efforts, ensuring compliance and active community participation.

E4-2: 23 a: Disclosure on whether and how biodiversity and ecosystems-related policies relate to matters reported in E4 AR4

Contribution to direct impact drivers on biodiversity loss: The Group's Responsible Management Policy addresses the following direct drivers of biodiversity loss:

1. Climate change (i):
 - ✓ The Group's policy includes measures to reduce greenhouse gas emissions by minimising fossil fuel consumption and adopting renewable energy sources.
 - ✓ Forest conservation efforts, such as protecting High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests, and the prohibition of deforestation, contribute to carbon sequestration and mitigation of climate change impacts.
2. Deforestation and land-use change (ii):
 - ✓ The policy prohibits deforestation and peatland conversion for plantation development, helping to preserve natural habitats and prevent biodiversity loss.
 - ✓ New developments are subject to HCV and HCS assessments, ensuring that land-use changes do not negatively impact critical ecosystems.
3. Freshwater-use change (ii):
 - ✓ Measures to protect riparian zones and preventing water pollution avoid disruptions to aquatic ecosystems and freshwater biodiversity.
4. Direct exploitation (iii):
 - ✓ The Group prohibits unsustainable practices such as poaching, hunting, and habitat destruction within its concessions, protecting wildlife and reducing pressure on biodiversity.
5. Invasive alien species (iv):
 - ✓ While not directly mentioned, The Group's commitment to the RSPO standards and GPSNR policy framework ensure its commitment to protecting the natural environment from all invasive alien species it may introduce in its operations.
6. Pollution (v):
 - ✓ Comprehensive pollution prevention measures, including wastewater treatment, prevention of water and air pollution, and maintaining healthy soils, mitigate risks of contamination to soil, water, and surrounding ecosystems.
7. Others (vi):
 - ✓ Restoration initiatives for degraded peatlands and ecosystems within the operations concessions aim to reverse historical biodiversity loss and enhance ecosystem resilience.

- ✓ The prohibition of fires, except in well documented cases where specific threats of phytosanitary or other risks prevent the company from doing so, ensures further measures are taken to reduce potential negative impacts on the biodiversity and ecosystem services.

Impacts on the state of species:

1. Protection of species populations:
 - ✓ The Group commits to identify, maintain and protect HCV areas, including protecting wildlife and rare, threatened, endangered and critically endangered from poaching, hunting and habitat loss in areas within its management.
2. Global extinction risks:
 - ✓ The company aligns its practices with global conservation priorities, contributing to the protection of species listed under international frameworks such as the IUCN Red List.

Impacts on the extent and condition of ecosystems:

1. Land degradation, desertification, and soil sealing:
 - ✓ The policy mandates sustainable agricultural practices, such as minimising soil deterioration and erosion, optimising fertiliser use, and maintaining healthy soils.
 - ✓ Conservation of forested areas and restoration of degraded land help maintain ecosystem extent and functionality.
2. Habitat restoration:
 - ✓ The Group commits to actively restore degraded peatlands and forests within its concessions to improve the condition of ecosystems and support biodiversity recovery.

Impacts and dependencies on ecosystem services:

1. Impacts on ecosystem services:
 - ✓ Unsustainable practices could degrade services such as natural pest and pathogen control, water regulation, and soil fertility. The policy mitigates these impacts through conservation measures, ecosystem restoration, and pollution prevention.
2. Dependencies on ecosystem services:
 - ✓ The Group's operations rely on natural pest and pathogen control, water availability, and healthy soils for productive plantations. The policy emphasises protecting these ecosystem services to ensure operational resilience and long-term sustainability.

E4-2: 23 b: Explanation of whether and how biodiversity and ecosystems-related policy relates to material biodiversity and ecosystems-related impacts

Please refer to E4-2: 23 a.

E4-2: 23 c: Explanation of whether and how biodiversity and ecosystems-related policy relates to material dependencies and material physical and transition risks and opportunities

The Group's operations heavily depend on ecosystem services that are directly influenced by biodiversity and healthy ecosystems. The policy ensures the preservation and enhancement of these critical dependencies:

- Pest and pathogen control:

- Preserving forests and natural habitats ensures a natural control of pests and pathogens critical for oil palm survival.
- Water regulation:
 - Healthy forests and riparian zones regulate water availability and quality for plantation irrigation and processing operations. Measures to protect these ecosystems ensure a stable water supply.
- Soil fertility:
 - Biodiverse ecosystems contribute to nutrient cycling and soil health. The policy promotes sustainable agricultural practices, such as reducing chemical inputs and preventing soil erosion, to maintain fertile soils.
- Carbon sequestration:
 - Forests and peatlands serve as carbon sinks, mitigating the company's carbon footprint. The no deforestation and zero peatland development targets ensure these ecosystems continue to store carbon effectively.

At present, no material physical and transition risks and opportunities have been identified.

E4-2: 23 d: Explanation of whether and how biodiversity and ecosystems-related policy supports traceability of products, components and raw materials with significant actual or potential impacts on biodiversity and ecosystems along value chain

The Group commits to achieving 100% traceability of raw materials, including oil palm Fresh Fruit Bunches (FFB) and natural rubber, by 2025. This commitment ensures that the sourcing of these materials does not contribute to deforestation, biodiversity loss, or ecosystem degradation.

Mechanisms to support traceability:

- Supplier identification and monitoring: All suppliers, including smallholders (where relevant) and third-party contractors, are required to adhere to the Group's no deforestation and biodiversity protection targets.
- The Group uses mapping tools, such as geospatial analysis to identify sourcing locations and monitor compliance.
- Chain-of-custody systems: The Group employs chain-of-custody documentation to track raw materials from their origin to final processing.
- Risk assessments: Environmental and social risk assessments are conducted to evaluate potential biodiversity impacts along the supply chain. High-risk suppliers are prioritised for audits and capacity-building initiatives.

Tools and technologies:

- Satellite monitoring: Satellite imagery is used to monitor land use and detect deforestation or ecosystem disturbances at sourcing locations.
- Participatory mapping: Collaborating with local communities and stakeholders, Socfinasia maps supply areas to identify and protect critical biodiversity zones.
- Certification standards: The company adheres to standards such as the Roundtable on Sustainable Palm Oil (RSPO) and the Global Platform for Sustainable Natural Rubber (GPSNR), which include traceability and biodiversity safeguards.

Addressing impacts along the value chain:

1. Upstream Impacts: Smallholders and other suppliers are supported through training to adopt sustainable practices, such as minimising chemical use and avoiding deforestation, to reduce biodiversity impacts at the source.
- Downstream impacts: By ensuring traceability, the Group can ensure biodiversity protection measures are upheld when passing on its products to downstream actors.

Socfinasia currently does not acquire any raw materials from smallholders. As such, its production is 100% traceable. Transparent traceability systems build confidence among customers, regulators, and NGOs that Socfinasia's supply chain aligns with biodiversity conservation goals.

E4-2: 23 e: Explanation of whether and how biodiversity and ecosystems-related policy addresses production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity

The Group's Responsible Management Policy explicitly integrates measures to ensure that production, sourcing, and consumption activities are aligned with the management of ecosystems to maintain or enhance conditions for biodiversity.

The measures in question relate to the protection of biodiversity through sustainable management practices (forest preservation, prevention of habitat destruction, HCV and HCS assessments and protection, prevention of pollution, etc.); to sustainable sourcing practices; and to monitoring and continuous improvement. All these practices are embedded in the Group's commitment to adhere to RSPO and GPSNR standards and are annually audited and assessed by third parties.

E4-2: 23 f: Explanation of whether and how biodiversity and ecosystems-related policy addresses social consequences of biodiversity and ecosystems-related impacts

The Group's Responsible Management Policy directly addresses the social consequences of biodiversity and ecosystem impacts by integrating measures that safeguard community livelihoods, promote equitable resource use, and enhance the well-being of stakeholders who are dependent on ecosystems.

Many local communities near Socfinasia's operations rely on biodiversity and ecosystems for subsistence agriculture, water, food, and cultural practices. The policy's commitment to no deforestation, peatland conservation, and ecosystem restoration ensures continued availability of these ecosystem services. These commitments are in turn complemented by ensuring water security and food security for communities, as well as protecting ecosystems that hold cultural, spiritual, or historical importance for local communities and indigenous people.

Besides, by stating the importance of conserving ecosystems like forests and peatlands, the policy indirectly addresses the need to preserve communities' climate resilience, as biodiversity loss and ecosystem degradation exacerbate vulnerabilities to climate change.

Furthermore, unsustainable practices can lead to conflicts over access to shared natural resources such as water and arable land. By implementing sustainable management and transparent stakeholder engagement processes, the policy minimises these risks. It also puts an emphasis on the FPIC process, which ensures that communities have a say in projects affecting their resources and livelihoods, mitigating potential disputes over biodiversity-related impacts.

Finally, the Group actively involves local communities in the development, implementation, and monitoring of biodiversity-related measures, ensuring their perspectives and needs are integrated into decision-making.

E4-2: AR 12: Disclosure of how policy refers to production, sourcing or consumption of raw materials

The Group's Responsible Management Policy explicitly integrates measures to ensure that production, sourcing, and consumption activities are aligned with the management of ecosystems to maintain or enhance conditions for biodiversity.

Indeed, the policy applies to all operations of the Socfin Group, and those of its subsidiaries, including all the rubber factories, palm oil mills and plantations that the Group owns, manages or in which it invests, regardless of the level of its share.

It also applies to all third-party suppliers.

E4-2: AR 12 a: Disclosure of how policy refers to policies limiting procurement from suppliers that cannot demonstrate that they are not contributing to significant conversion of protected areas or key biodiversity areas

The Responsible Management Policy addresses procurement practices to ensure that suppliers comply with sustainability standards, particularly regarding the protection of key biodiversity areas and prevention of ecosystem conversion.

The policy mandates that all suppliers, including smallholders and third-party contractors, adhere to the Group's commitments. Additionally, all suppliers must adhere to national laws, which includes prohibition of planting within nationally protected key biodiversity areas. Suppliers must also ensure that their activities do not lead to the conversion of High Conservation Value (HCV) or High Carbon Stock (HCS) areas, protected forests, or other critical biodiversity areas.

Moreover, the Group requires full traceability of raw materials (e.g., Fresh Fruit Bunches and rubber latex) to their source by 2025. This target has already been achieved by Socfinasia. This ensures the Group can demonstrate their compliance with biodiversity and ecosystem protection standards.

Socfinasia currently does not procure raw materials from third parties, including smallholders. If any of Socfinasia's operations wanted to start procuring third party raw materials, then these third parties would need to comply with the Group's Responsible Management Policy.

E4-2: AR 12 b: Disclosure of how policy refers to recognised standards or third-party certifications overseen by regulators

The Group's biodiversity and ecosystems-related policy aligns with several recognised standards and third-party certifications that are overseen or supported by regulatory bodies and industry frameworks. These standards provide guidance, benchmarks, and verification mechanisms to ensure compliance with biodiversity and ecosystem conservation commitments.

The Group's policy is fully aligned with the RSPO Principles and Criteria, which require sustainable production of palm oil, including the protection of biodiversity and High Conservation Value (HCV) areas. For rubber operations, the Group aligns with GPSNR policy framework, which emphasise biodiversity conservation, ecosystem restoration, and sustainable rubber sourcing practices. Furthermore, the policy requires the identification and protection of High Conservation Value (HCV) areas within and around its

operations and supply chain. These areas include critical habitats, ecosystems, and areas essential for local communities' livelihoods. Last but not least, the Group adopts the HCS approach to distinguish forest areas that should be protected from degraded lands that may be suitable for development. This ensures the preservation of carbon-rich and biodiversity-sensitive ecosystems. The HCS approach Steering Group oversees the framework, ensuring alignment with global sustainability goals and regulatory standards.

E4-2: AR 16: Disclosure of how the policy enables to a), b), c) and d)

Avoiding negative impacts on biodiversity and ecosystems in operations and the value chain

The Group's policy incorporates preventive measures to avoid negative impacts on biodiversity and ecosystems across its own operations and the value chain:

1. Promote biodiversity and forest preservation:
 - Identify, maintain and protect natural forests, using the High Carbon Stock (HCS) approach where applicable;
 - Identify, maintain and protect high conservation values, including protecting wildlife and rare, threatened, endangered and critically endangered species from poaching, hunting and habitat loss in areas under our management;
 - Identify, maintain and protect peatland areas;
 - This includes supporting restoration of such areas if they are degraded;
 - Support the long-term protection of other ecosystems.
2. No new development can be carried out until mappings and studies identifying the HCS, HCV and peatland areas have been completed by qualified experts, and made public. This includes using the HCSA Steering Group and/or HCV Network's ALS quality assurance systems whenever relevant
3. Upstream supplier controls:
 - Traceability mechanisms and supplier audits ensure that raw materials are sourced only from areas free of deforestation and ecosystem conversion.

Reducing and minimising unavoidable negative impacts:

For impacts that cannot be completely avoided, the Group's policy focuses on minimising harm through the following measures:

1. Pollution prevention:
 - Implementing best management practices to prevent soil and water pollution that could harm biodiversity.
 - Fire prohibition.
 - Prohibition on the use of fire for developing new plantations, preparing land, or waste management, except in well documented cases where specific threats of phytosanitary or other risks prevent us from doing so.
2. Sustainable land management:
 - Implements soil erosion control, reduced fertiliser usage, and organic amendments to maintain healthy soils.
3. Monitoring systems:
 - Satellite imagery and on-ground inspections detect early signs of ecosystem stress, enabling timely corrective actions.

Restoring and rehabilitating degraded ecosystems:

The Group's policy emphasises restoration and rehabilitation of degraded forests and ecosystems affected by its activities after the cut-off date of March 2017.

Mitigating contributions to material biodiversity loss drivers:

The Group's policy directly mitigates key drivers of biodiversity loss through:

1. Land-use change prevention:
 - Strict land-use planning and adherence to HCV/HCS assessments prevent habitat destruction and deforestation.
2. Pollution control:
 - Wastewater treatment and chemical management policies prevent contamination of soil, water, and surrounding ecosystems.
3. Climate change mitigation:
 - By conserving forests and peatlands, the Group reduces greenhouse gas emissions and mitigates climate-related biodiversity impacts.
4. Invasive species control:
 - Ensures that plantation practices do not introduce or encourage the spread of invasive species harmful to native ecosystems.

Enabling mechanisms:

1. Traceability and compliance:
 - Full traceability of raw materials ensures that sourcing practices align with biodiversity and ecosystem protection goals.
2. Engagement with standards:
 - Alignment with RSPO and GPSNR standards ensures adherence to best practices for ecosystem management.
3. Stakeholder collaboration:
 - Works with local communities, governments, and conservation organisations to enhance the effectiveness of biodiversity initiatives.
4. Monitoring and reporting:
 - Regular biodiversity assessments and public reporting enable transparency and accountability, driving continuous improvement.

E4-2: AR 17 a: Third-party standard of conduct used in policy is objective and achievable based on scientific approach to identifying issues and realistic in assessing how these issues can be addressed under variety of practical circumstances

Yes.

E4-2: AR 17 b: Third-party standard of conduct used in policy is developed or maintained through process of ongoing consultation with relevant stakeholders with balanced input from all relevant stakeholder groups with no group holding undue authority or veto power over content

Yes.

E4-2: AR 17 c: Third-party standard of conduct used in policy encourages step-wise approach and continuous improvement in standard and its application of better management practices and requires establishment of meaningful targets and specific milestones to indicate progress against principles and criteria over time

Yes.

E4-2: AR 17 d: Third-party standard of conduct used in policy is verifiable through independent certifying or verifying bodies, which have defined and rigorous assessment procedures that avoid conflicts of interest and are compliant with ISO guidance on accreditation and verification procedures or Article 5(2) of Regulation (EC) No 765/2008

Yes.

E4-2: AR 17 e: Third-party standard of conduct used in policy conforms to ISEAL Code of Good Practice

Yes.

E4-2: 24 a: Biodiversity and ecosystem protection policy covering operational sites owned, leased, managed in or near protected area or biodiversity-sensitive area outside protected areas has been adopted

Yes.

E4-2: 24 b: Sustainable land or agriculture practices or policies have been adopted

Yes.

E4-2: 24 d: Policies to address deforestation have been adopted

Yes.

[E4-3] Actions and resources related to biodiversity and ecosystems

E4-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

Socfinasia subsidiaries focus on biodiversity conservation, HCV protection, and environmental compliance through active monitoring and reforestation initiatives.

Key actions include:

1. HCV monitoring and protected area preservation:
 - Marking and maintaining protected areas, communal lands, and conservation zones to prevent encroachment.
 - Monitoring visits to assess conservation area integrity.
2. Ecosystem restoration and reforestation:
 - Vegetation enrichment in HCV areas to prevent landslides and reduce river sedimentation.
3. Environmental compliance and biodiversity protection:
 - Regular biodiversity assessments to ensure ecosystem resilience and conservation.

E4-MDR-A: 68 b: Description of scope of key action

Biodiversity and ecosystem initiatives cover all palm oil and rubber operations within Socfinasia. These initiatives extend across:

1. Operational scope:
 - Natural environments within company concessions, including High Conservation Value (HCV) areas, riparian zones, and protected forests.
 - Ecosystems outside concessions that may be directly impacted by company operations, such as adjacent forests, waterways, and community-managed lands.
 - Agronomic practices such as soil management, pest control, fertilisation, and climate resilience strategies.
2. Geographical scope:
 - All Socfinasia subsidiaries operating in Southeast Asia, covering oil palms and rubber trees plantations.
3. Stakeholder engagement:
 - Employees, conservation specialists, community members, and environmental regulators working together to mitigate biodiversity risks and enhance ecosystem resilience.

E4-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

Key action name	Time horizon to complete this action
Enrichment of vegetation in HCV areas to prevent landslides that cause river sedimentation	Medium-term
HCV monitoring, protected areas/communal land preservation	Short-term
Policy implementation assessment	Short-term
Precision fertilisation & soil analysis	Ongoing
Pest control & cover crops	Ongoing

E4-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

None of the actions are remedial.

E4-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (CapEx and OpEx)

Socfinasia subsidiaries invest in reforestation, land preservation, and HCV monitoring to protect biodiversity-sensitive areas.

Key financial allocations include:

1. Operational Expenditures (OpEx):
 - Monitoring and protection of HCV areas and communal lands to prevent habitat destruction.
 - Implementation of reforestation programmes along riverbanks to reduce soil erosion and improve water quality.
2. General funding approach:
 - Biodiversity conservation activities are self-funded with no reliance on external financial instruments.

Socfinasia subsidiaries emphasise HCV protection, reforestation, and conservation efforts through internally funded monitoring and restoration initiatives.

E4-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

Please refer to paragraphs 69 b (1) and (2) and 69 c (1) and (2) below.

E4-MDR-A: AR 23: Current and future financial resources allocated to action plan, breakdown by time horizon and resources

Time horizon	Currency	Capital Expenditure (CapEx)	Operating Expenditure (OpEx)
Current reporting period	Euro (EUR)	0	131 615
Long-term	Euro (EUR)	0	124 829
Medium-term	Euro (EUR)	0	0
Short-term	Euro (EUR)	0	0

E4-MDR-A: 69 b (1): Current financial resources allocated to action plan (CapEx)

0 EUR.

E4-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

131 615 EUR.

E4-MDR-A: 69 c (1): Future financial resources allocated to action plan (CapEx)

0 EUR.

E4-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

124 829 EUR.

E4-3: 28 a: Disclosure on how the mitigation hierarchy has been applied with regard to biodiversity and ecosystem actions

Avoidance:

Objective: Prevent biodiversity loss and minimise impacts on critical ecosystems by avoiding activities that could harm natural habitats.

Actions taken:

1. No new developments are undertaken in High Conservation Value (HCV) areas, High Carbon Stock (HCS) forests, or peatlands.
2. Land-use planning integrates HCV and HCS assessments conducted by qualified experts to identify and protect critical habitats.
3. Free, Prior, and Informed Consent (FPIC) processes ensure that indigenous communities and stakeholders can veto developments that may negatively impact ecosystems.

Minimisation:

Objective: Reduce the operational impacts of existing activities on biodiversity and ecosystems.

Actions taken:

1. Implementation of sustainable agricultural practices to prevent soil and water pollution.
2. Regular biodiversity monitoring using satellite imagery and field surveys to track impacts and adapt practices as necessary.
3. Training programmes for employees and smallholder suppliers on sustainable land management and biodiversity protection.

Restoration/rehabilitation:

Objective: Restore degraded habitats and rehabilitate ecosystems impacted by past activities.

Actions taken:

1. Restoration of degraded areas (after the cut-off date of March 2017) within operational boundaries.

Compensation or offsets:

Objective: The Socfin Group commits to promote biodiversity and eliminate deforestation. No new development can be carried out until mappings and studies identifying HCS, HCV, and peatland areas have been completed by qualified experts and made public. This includes using the HCSA Steering Group and/or HCV Network's ALS quality assurance systems whenever relevant.

Actions taken:

1. Following the Group's commitments, no compensation or offsets will be carried out, as this would require its operations to degrade biodiversity.
2. Under the RSPO guidelines, retroactive compensation projects have been set up by the Group to compensate for the loss of HCV areas within its concessions resulting from its activities between 2005 and March 2017 (implementation of the Group's Responsible Management Policy).

E4-3: 28 b: Biodiversity offsets were used in action plan

No.

E4-3: 28 b i: Disclosure of aim of biodiversity offset and key performance indicators used

The Group has not undertaken any biodiversity offset projects.

E4-3: 28 b ii: Financing effects (direct and indirect costs) of biodiversity offsets

0 EUR.

E4-3: 28 b iii: Description of biodiversity offsets

The Group has not undertaken any biodiversity offset projects.

E4-3: 28 c: Description of whether and how local and indigenous knowledge and nature-based solutions have been incorporated into biodiversity and ecosystems-related action

Socfinasia's subsidiaries integrate local knowledge into HCV management and ecosystem conservation efforts.

Key approaches include:

1. Participatory HCV studies and cultural heritage protection:
 - All operations conducted participatory HCV assessments, incorporating traditional knowledge to identify endemic species and cultural sites.
 - This helped preserve HCV 6 areas (culturally significant locations) in collaboration with local communities.
2. Active community engagement in conservation:
 - Socfindo involves local communities in HCV patrol teams, ensuring continuous monitoring of conservation areas.

[E4-4] Targets related to biodiversity and ecosystems

E4-MDR-T: 80 a: Description of the relationship of the target(s) to the policy objectives

Target 1: Zero deforestation caused by the Company's activities

The “no deforestation” target outlined in the Group’s Responsible Management Policy is integrally aligned with the overarching policy objectives related to biodiversity and ecosystem services. Here’s how the target connects to the policy objectives:

1. Conservation of biodiversity:

- Policy objective: Protect biodiversity by conserving High Conservation Value (HCV) and High Carbon Stock (HCS) areas, and promoting sustainable land-use practices.
- Target alignment: The “no deforestation” target ensures that natural forests, which are critical habitats for diverse species, are preserved. This directly contributes to the policy’s goal of protecting rare, threatened, and endangered species.

2. Climate change mitigation:

- Policy objective: Reduce greenhouse gas emissions and mitigate climate change impacts.
- Target alignment: Forests serve as carbon sinks, and the “no deforestation” target avoids emissions associated with forest clearing, aligning with climate mitigation efforts embedded within the policy.

3. Sustainable development:

- Policy objective: Promote long-term sustainable development by balancing economic growth with environmental conservation.
- Target alignment: The target reinforces the sustainable development objective by ensuring that expansion of oil palms and rubber trees plantations does not come at the expense of critical forest ecosystems.

4. Compliance with international standards:

- Policy objective: Align with global frameworks such as the RSPO and GPSNR.
- Target alignment: The “no deforestation” target operationalises these standards by prohibiting activities that would compromise forest conservation.

5. Stakeholder engagement and trust:

- Policy objective: Build trust with local communities, NGOs, and other stakeholders by demonstrating a commitment to environmental stewardship.
- Target alignment: The “no deforestation” target is a tangible and measurable commitment that reinforces stakeholder confidence in the Group’s sustainability practices.

Target 2: Zero new developments on peatland

The zero new developments of peatlands target is closely tied to the Group’s Responsible Management Policy objectives, particularly those focused on biodiversity conservation, ecosystem service protection, and climate change mitigation. Below is an explanation of the relationship between this target and the policy objectives:

1. Conservation of biodiversity:

- Policy objective: Protect and enhance biodiversity by conserving critical ecosystems such as wetlands, forests, and High Conservation Value (HCV) areas.
- Target alignment: Peatlands are biodiversity hotspots, supporting unique flora and fauna. The zero-peatland development target ensures that these habitats are preserved, preventing the loss of species dependent on peat ecosystems.

2. Climate change mitigation:

- Policy objective: Reduce greenhouse gas emissions and contribute to climate resilience.
- Target alignment: Peatland drainage and development are major sources of carbon emissions. By prohibiting new developments, the Group prevents these emissions, contributing significantly to its climate change mitigation objectives.

3. Sustainable development:

- Policy objective: Ensure long-term sustainability by balancing economic growth with environmental preservation.
- Target alignment: By avoiding the exploitation of peatlands, the Group mitigates long-term risks associated with land subsidence, flooding, and declining land productivity, promoting sustainable development practices.

4. Compliance with international standards:

- Policy objective: Comply with international standards such as the RSPO and GPSNR standards.
- Target alignment: The target operationalises these standards by prohibiting activities that would compromise forest conservation.

5. Stakeholder engagement and trust:

- Policy objective: Build and maintain trust with communities, regulators, and environmental organisations through responsible land management.
- Target alignment: This target demonstrates the Group's commitment to protecting high-risk and ecologically sensitive areas, reinforcing stakeholder confidence in its sustainability efforts.

E4-MDR-T: 80 b (1): List of Measurable target(s)

1. No deforestation target

- Defined target level:
 - The target is to achieve zero deforestation across all Group operations, including plantations, mills, and supply chains.
- Measurement units:
 - Hectares of new planting (oil palm or rubber tree) on forest areas as defined by HCV and HCS assessments.

2. Zero new developments of peatland target

- Defined target level:
 - The target is to achieve zero new plantation developments on peatlands of any depth, including shallow and deep peat, across all operations.
- Measurement units:
 - Hectares of new planting (oil palm or rubber tree) on peatlands as defined by HCV and HCS assessments.

E4-MDR-T: 80 b (2): Nature of target(s)

Target name	Nature of target
No deforestation target	Absolute
Zero new developments of peatlands target	Absolute

E4-MDR-T: 80 c: Description of scope of target(s)**1. No deforestation target:**

- Scope:
 - The target applies to all operations of the Socfin Group and its subsidiaries that the Group owns, manages, or invests in, regardless of the level of its share.
 - Applies to all third-party suppliers.
- Phase-in:
 - The policy acknowledges the complexity of supply chains, particularly in smallholder contexts, where implementation may be phased in with a prioritisation of risk mitigation actions based on assessment of social and environmental risks.

Currently, Socfinasia is sourcing 100% of its raw materials from its own plantations, and therefore no third parties are supplying to its palm oil mills or rubber factories. However, the target is still expressed to include third parties, to ensure that if they were to be added to the supply chain, the company is to meet the target of no deforestation.

2. Zero new developments of peatlands target

- Scope:
 - The target applies to all operations of the Socfin Group and its subsidiaries that the Group owns, manages, or invests in, regardless of the level of its share.
 - Applies to all third-party suppliers.
- Phase-in:
 - The policy acknowledges the complexity of supply chains, particularly in smallholder contexts, where implementation may be phased in with a prioritisation of risk mitigation actions based on assessment of social and environmental risks.

Currently, Socfinasia is sourcing 100% of its raw materials from its own plantations, and therefore no third parties are supplying to its palm oil mills or rubber factories. However, the target is still expressed to include third parties, to ensure that if they were to be added to the supply chain, the company is to meet the target of no peat development.

E4-MDR-T: 80 d (1): Baseline value of target(s)

Target name	Baseline value	Unit
No deforestation target	0	Hectare
Zero new developments of peatlands target	0	Hectare

E4-MDR-T: 80 d (2): Baseline year of target(s)

Target name	Baseline year
No deforestation target	2017
Zero new developments of peatlands target	2017

E4-MDR-T: 80 e (1): Period to which target(s) applies

Target name	Target year
No deforestation target	2017
Zero new developments of peatlands target	2017

E4-MDR-T: 80 e (2): Indication of milestones or interim targets

1. No deforestation target: No milestones or interim targets.
2. Zero new developments of peatland target: No milestones or interim targets.

E4-MDR-T: 80 f: Description of methodologies and significant assumptions used to define target(s)**1. No deforestation target**

- Methodologies:
 - High Conservation Value (HCV) approach: Identification and protection of areas with significant ecological, cultural, or community value, including forests.
 - High Carbon Stock (HCS) approach: Assessment of forest areas based on carbon storage potential, distinguishing natural forests from degraded lands suitable for development.
- Significant assumptions:
 - Baseline forest cover data is accurate and validated through independent assessments.
 - Identified HCV and HCS areas are preserved indefinitely without degradation or conversion.
- Selected scenario:
 - The target aligns with global commitments to reduce deforestation as part of climate change mitigation and biodiversity conservation efforts, such as the Sustainable Development Goals (SDGs) and the European Green Deal.
- Alignment with national, EU, or international policy goals:
 - SDGs,
 - European Green Deal,
 - RSPO,
 - GPSNR.
- Consideration of local context:
 - The target incorporates local biodiversity assessments and stakeholder engagement to balance conservation priorities with community needs.

2. Zero new developments of peatlands target

- Methodologies:
 - High Conservation Value (HCV) approach: Identification and protection of areas with significant ecological, cultural, or community value, including peatlands.
 - High Carbon Stock (HCS) approach: Assessment of peatland areas.
- Significant assumptions:
 - Peatlands are accurately mapped, and areas identified as peatland are strictly excluded from new developments.
 - Effective enforcement of the policy ensures zero developments occur on peatlands, even indirectly through third-party suppliers.
- Selected scenario:
 - The target reflects global commitments to avoid the degradation of high-carbon ecosystems as part of climate change mitigation and biodiversity conservation efforts, such as the Sustainable Development Goals (SDGs) and the European Green Deal.
- Alignment with national, EU, or international policy goals:
 - SDGs,
 - European Green Deal,
 - RSPO,
 - GPSNR.
- Consideration of local context:
 - The target is sensitive to the socio-economic implications of peatland protection for local communities, ensuring no negative impacts on livelihoods through proactive stakeholder engagement and alternative development options.

E4-MDR-T: 80 g: Whether the undertaking's targets related to environmental matters are based on conclusive scientific evidence

Target name	Target is based on scientific evidence
No deforestation target	Yes
Zero new developments of peatlands target	Yes

E4-MDR-T: 80 h: Disclosure of whether and how stakeholders have been involved in target setting

1. No deforestation target

- Local communities and indigenous groups:
 - Participatory mapping exercises are conducted to identify and delineate High Conservation Value (HCV) and High Carbon Stock (HCS) areas. Local stakeholders provide input to ensure areas critical for biodiversity and ecosystem services, as well as those with cultural or livelihood significance, are adequately protected.
 - Communities are consulted through the Free, Prior, and Informed Consent (FPIC) process to ensure their rights and interests are considered in forest conservation planning.
- NGOs and conservation experts:
 - Collaboration with expert assessors conducting HCSa and HCV assessments ensures scientific and technical guidance in setting the no deforestation target.

- Partnerships with NGOs provide insights on best practices for deforestation monitoring and enforcement.
- Regulators and industry stakeholders:
 - The target aligns with regulatory requirements and industry frameworks, such as the RSPO Principles and Criteria, GPSNR Policy Framework, and the EU Green Deal.

2. Zero new developments of peatland target

- Local communities:
 - Participatory mapping exercises are conducted (through the HCV and HCS assessments) to identify and delineate peatland areas.
 - FPIC processes are used to ensure that stakeholders consent to development plans that avoid peatlands.
- NGOs and conservation experts:
 - Collaboration with expert assessors conducting HCSa and HCV assessments, as well as RSPO and GPSNR, ensures scientific and technical guidance on managing peatlands.
- Regulators and industry stakeholders:
 - The target aligns with regulatory requirements and industry frameworks, such as the RSPO Principles and Criteria, GPSNR Policy Framework, and the EU Green Deal.

E4-MDR-T: 80 i: Description of any changes in target(s) and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data

1. No deforestation target: No changes.
2. Zero new developments of peatland target: No changes.

E4-MDR-T: 80 j: Description of performance against disclosed target(s)

1. No deforestation target:

- Monitoring and review:
 - The no deforestation target is monitored through satellite imagery (monthly tracking of forest cover within the Group's concessions); HCV and HCS assessments (third-party verifications); and ground surveys by on-ground teams. Progress is reviewed annually as part of sustainability reporting.
- Metrics used:
 - The total area (ha) of HCV and HCS forests cleared for oil palm and rubber tree.
- Performance trends:
 - The Group reports consistent adherence to its no deforestation commitment, with no recorded deforestation in areas under its direct control since the baseline year (2017).
 - Supply chain compliance: 100% traceability in the supply chain achieved.
 - Significant changes: None.

2. Zero new developments of peatland target:

- Monitoring and review:
 - HCV and HCS assessments (third-party verifications) to ensure that areas, including peatland, remain protected. Progress is reviewed annually as part of sustainability reporting.
- Metrics used:
 - Total peatland area (ha) within operational zones developed for oil palm or rubber tree.
- Performance trends:
 - Progress: Since the baseline year (2017), the Group has reported no new developments on peatlands, reflecting consistent compliance with the target.
 - Significant changes: None.

E4-4: 32 a: Ecological threshold and allocation of impacts to undertaking were applied when setting target (biodiversity and ecosystems)

No.

E4-4: 32 b: Target is informed by relevant aspect of EU Biodiversity Strategy for 2030

No.

E4-4: 32 c: Disclosure of how the targets relate to the biodiversity and ecosystem impacts, dependencies, risks and opportunities identified in relation to own operations and upstream and downstream value chain

The “No Deforestation” target directly mitigates impacts caused by land-use change and forest conversion, and ensures the preservation of biodiversity by maintaining intact habitats for wildlife, including rare, threatened, and endangered species. In that sense, the target is directly related to potential negative impacts, but also to actual positive impacts on biodiversity and ecosystems. In turn, the “Zero New Developments on Peatland” target prevents the loss of carbon-rich ecosystems, thus reducing soil subsidence and greenhouse gas emissions.

Preserving forests and natural habitats ensures a natural control of pests and pathogens that are critical for oil palm survival, thereby tying back to the Group’s operations’ dependency on healthy and balanced ecosystems. Similarly, maintaining riparian zones and preventing deforestation helps regulate water availability and quality, which are essential both for plantation operations and local communities. Generally speaking, avoiding land degradation through sustainable practices maintains soil productivity and supports long-term agricultural viability.

Furthermore, both targets contribute to climate change mitigation by preserving carbon sinks in forests and peatlands, reducing emissions from land-use activities. The conservation of HCS forests and peatlands supports carbon storage, which is vital for mitigating climate impacts. Preserving forests and peatlands also reduces vulnerability to potential extreme weather events caused by climate change, such as floods and droughts.

The targets align with global and regional regulations, such as EUDR, reducing the risk of non-compliance and associated penalties. Demonstrating strong commitments to biodiversity conservation builds trust with stakeholders and protects the Group’s reputation as a sustainable operator. Finally, regarding the value chain, the targets require suppliers to comply with no deforestation and peatland conservation

commitments, which ensures sustainable sourcing practices. And last but not least, sustainable production ensures that the final products meet consumer expectations for environmental responsibility, thereby enhancing brand value and competitiveness.

E4-4: 32 d: Disclosure of the geographical scope of the targets

The Group's biodiversity and ecosystem-related targets, including the no deforestation target and the zero new developments on peatland target, apply across all operations of the Socfin Group and those of its subsidiaries. This includes all the factories, palm oil mills and plantations that the Group owns, manages or in which it invests, regardless of the level of its share. This encompasses Socfinasia palm oil and rubber operations in Cambodia and Indonesia.

E4-4: 32 e: Biodiversity offsets were used in setting target

No.

E4-4: 32 f: Layer in mitigation hierarchy to which target can be allocated (biodiversity and ecosystems)

Target name	Layer in mitigation hierarchy
No deforestation target	Avoidance
Zero new developments on peatlands target	Avoidance

[E4-5] Impact metrics related to biodiversity and ecosystems change

E4-5: 35 (1): Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting

3.

E4-5: 35 (2): Area of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting

16 731 ha.

E4-5: 38: Disclosure of metrics considered relevant (land-use change, freshwater-use change and (or) sea-use change)

Please see response to a, b and c below.

E4-5: 38 a: Disclosure of conversion over time of land cover

No conversion of land cover within these areas over the last 5 years as a result of the companies' activities.

E4-5: 38 b: Disclosure of changes over time in management of ecosystem

No changes over time in the management of the ecosystem services.

E4-5: 38 c: Disclosure of changes in spatial configuration of landscape

No changes in the spatial configuration of the landscape as a result of the companies' activities.

E4-5: 39: Disclosure of how pathways of introduction and spread of invasive alien species and risks posed by invasive alien species are managed

To date, no risk of introduction or spread of invasive alien species has been identified.

E4-5: AR 32 (1): Number of invasive alien species

0.

E4-5: 41 a: Disclosure of ecosystem area coverage

Ecosystem area coverage within the Group's concessions is measured based on the extent of identified High Conservation Value (HCV) areas. These areas are mapped and quantified using geospatial tools, such as satellite imagery, GIS mapping, and ground surveys, to determine their total land coverage (ha) within operational boundaries.

HCV assessments classify conservation areas into 6 distinct categories, each representing a different aspect of biodiversity, ecosystem services, or cultural importance. These categories are used to define and map ecosystem extent across concessions:

- HCV 1: Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.

- HCV 2: Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.
- HCV 3: Rare, threatened, or endangered ecosystems or habitats, including ecological refugia.
- HCV 4: Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.
- HCV 5: Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc.). Identified through engagement with these communities or indigenous peoples.
- HCV 6: Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples. Identified through engagement with these local communities or indigenous peoples.

Measurement approach:

- The total area of HCV land within the Group's concessions is quantified in hectares and reported in internal sustainability reports and Environmental Impact Assessments (EIA).
- Ecosystem extent is mapped through HCV assessments, which provide spatial data on conservation areas.
- Reporting focuses on land coverage rather than ecosystem quality or species diversity, aligning with the requirement to disclose extent-based metrics.

[E4-6] Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities

E4-6: 45 a (2): Disclosure of qualitative information about anticipated financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies

The financial materiality assessment did not bring forward any *material* risks or opportunities related to dependencies/impacts on biodiversity and ecosystems (please refer to section E4.IRO-1), so there are currently no anticipated financial effects to disclose.

E4-6: 45 b: Description of effects considered, related impacts and dependencies (biodiversity and ecosystems)

The financial effects considered related to operational impact in terms of production loss (in case of risk), or cost reduction (in case of opportunities), when considering elements like the dependency on soil quality and the positive impact on pollination of having a zero-deforestation policy in place.

E4-6: 45 c: Disclosure of critical assumptions used in estimates of financial effects of material risks and opportunities arising from biodiversity- and ecosystem-related impacts and dependencies

There are no material financial effects relating to this topic.

[Entity-specific] Compensation projects and sustainable agricultural practices

RSPO compensation and remediation projects

There are no remediation/compensation requirements within Socfinasia's operations.

Relationship between production and sustainability

Higher productivity per hectare is achieved through research-backed agronomic practices, reducing land expansion pressures. This ensures optimal yields while preserving biodiversity and reducing deforestation risks.

Soil analysis and corrections before planting

Soil testing is carried out across 20% of palm acreage annually and at replanting time for rubber. Corrective measures such as aluminium toxicity treatment and pH adjustment are applied to maintain long-term soil fertility.

Follow-up of fertilisers and fertiliser tests

Fertilisation strategies are based on the 4R principle (Right source, Right rate, Right time, Right place). Leaf and soil analysis guide fertiliser applications, ensuring nutrients are applied efficiently and minimising runoff. Fertilisation policy on the Group's plantations, whether for rubber or oil palm, is the fruit of research and trials. It is continually reviewed and evolves in line with the results. It is included in the procedure manuals or distributed each year to the plantation agronomist. Recycling available biomass is a powerful way to restore, conserve or improve the physical-chemical properties of soils and thereby reduce mineral nutrient needs and losses.

Follow-up of pesticide amounts

Validation of pesticides used is done in accordance with local and European legislation (compliance with the strictest legislation). Changes in pesticides classifications are monitored, and a strict elimination of pesticides classified 1A and 1B by the WHO is done. Moreover, biological control methods are used to reduce chemical dependency. The Group also supports studies on predatory insects to enhance biological pest control.

Trainings on beneficial/non detrimental cover plants

Training programmes focus on selecting cover crops that enhance soil fertility and biodiversity. Beneficial plants suppress weed growth, fix nitrogen, and improve soil structure. Trial on the selective elimination of woody, invasive, troublesome upright and rhizomatous plants to create space for beneficial plants (lianas, grasses, ferns) to develop. These beneficial plants in turn stifle the regrowth of undesirable plants. Over time, beneficial plants will become more predominant in the field, reducing the need for ongoing pesticide treatments.

EFB application

Empty Fruit Bunches (EFB), rich in organic matter and nutrients, are applied in plantations to maintain soil structure and nutrient balance.

Sludge/Decanter Cake (DC) application

Decanter cake, a by-product of palm oil milling, is used as organic fertiliser in select plantations, improving soil organic matter content.

POME application

Palm Oil Mill Effluent (POME) is repurposed as fertiliser, enhancing soil fertility and reducing synthetic input needs.

Best Management Practices (BMP) projects

BMP projects include zero-burning land preparation, controlled water management, and targeted fertilisation to improve yields sustainably.

Oil palm: Partnership with world class experts to implement BMP projects in our plantations. The project aims to facilitate the effective use of production inputs, such as crop residues and mineral fertilisers, and to assist plantation staff in the identification and implementation of improved agronomic techniques through the use of “Best Management Practices”. Demonstration plots where BMPs are introduced were established in our plantation and will be monitored over a long period.

Rubber: BMP for rubber cultivation are implemented through the Socfin Rubber Field Handbook and its regular updates, as well as through webinars and SOPs which are shared with all plantations. A team of researchers is liaising with academics and experts from renowned institutes bridging knowledge gaps through fundamental research and assorted field trials.

Research on pollinating insects

Introducing nectar-producing plants has increased pollinator populations, improving fruit set rates in oil palm. Various research projects have been launched in partnership with CIRAD-PalmElit in order to study pollinator species behaviour for the better transportation of pollen and the oil palm fruit-set development.

ESRS E5 - Resource use and circular economy

[E5-MDR-M] Metrics in relation to material sustainability matters

E5-MDR-M: 75: Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity

A list of the metrics that are used, to be found in detail in the specific E5 sections:

- Waste disposed of in a municipal landfill,
- Waste collected by a registered dealer,
- Waste sold,
- Waste disposed of in the company landfill,
- Waste incinerated (without energy recovery),
- Waste incinerated (with energy recovery),
- Waste recycled (organic recycling, composting),
- Liquid waste disposed of in the lagoons.

E5-MDR-M: 77 a: Disclosure of methodologies and significant assumptions behind metric

The data regarding waste management is collected through the HSE reporting. This covers not only waste from the industrial process but also the waste from the villages located within our concessions.

The waste is calculated in tons, m³ and pieces. In some cases, estimations have been done after defining a sample, especially regarding village waste.

E5-MDR-M: 77 b: Type of external body other than assurance provider that provides validation

N/A.

[E5-1] Policies related to resource use and circular economy

E5-MDR-P: 62 (1): Disclosure of reasons for not having adopted policies

While there is no specific policy on resource use and circular economy, it should be reminded that the Responsible Management Policy covers elements like increasing green energy consumption and reducing fossil fuel consumption, preventing water and air pollution, wastewater treatment and protecting water quantity, and prohibiting the use of fire except for well documented cases where specific threats of phytosanitary or other risks exist. The policy also addresses the improvement of agricultural practices with the aim of higher yields requiring a minimum of inputs and natural resources, optimising the use of fertiliser, and using agricultural waste as a soil amendment wherever possible.

The Responsible Management Policy will be amended in 2026 to complement all these elements and better cover the resource use and circular economic topics.

[E5-2] Actions and resources related to resource use and circular economy

E5-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

To reduce its environmental footprint, the Socfin Group applies best management practices in all its subsidiaries to maintain the value of products and materials by reusing them. This notably covers:

Organic solid by-products from the production: Oil palm Empty Fresh Bunches (EFB) are applied on the soil as organic fertilisers in oil palm fields. Oil palm fibres and shells are used as biofuel for the boilers of the palm oil mills. Rubber wood from windfalls, or from felling operations during replanting, are left in the rubber trees plantation between rows. When replanting, old palm trees (trunks) and roots are left in windrows to decompose. This way, nutrients enter the soil, contributing to soil fertility and limiting agrochemical use.

Organic liquid waste: Waste water from the factory processes (both in palm oil mills and in rubber factories) is treated by passing through a series of ponds (lagoons) to ensure that the quality of water released in the environment complies with standards in place.

Other waste: In Bangun Bandar, Socfindo operates a long running UNFCCC certified co-composting project which creates organic compost from the mill EFB and the liquid Palm Oil Mill Effluent (POME) which is then recycled back and applied in the field.

Socfin-KCD and Coviphama started a zero-waste project which aims at improving the use of resources and preserving the environment and health of employees and local communities. Through this project an action plan has been developed for the period 2024 – 2026.

E5-MDR-A: 68 b: Description of scope of key action

Please refer to E5-MDR-A: 68 a.

E5-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

Key action name	Time horizon to complete this action
Best management practices for organic by-products	Long-term
Industrial wastewater treatment	Long-term
Waste management	Long-term
Zero waste project (Cambodia)	Medium-term

E5-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

These actions are not meant to provide remedy for harm caused but to improve the use of resources as well as to preserve the environment and the health of employees and local communities.

E5-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (CapEx and OpEx)

CapEx and OpEx are dedicated to these activities as needed.

E5-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

Please refer to paragraphs 69 b (1) and (2) and 69 c (1) and (2) below.

E5-MDR-A: 69 b (1): Current financial resources allocated to action plan (CapEx)

0 EUR.

E5-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

4 835 EUR.

E5-MDR-A: 69 c (1): Future financial resources allocated to action plan (CapEx)

48 128 EUR.

E5-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

1 775 EUR.

E5-2: 20 f: Description of Optimisation of waste management

We sort and recycle our waste. Each subsidiary follows waste management procedures developed in relation to the hierarchy below, giving priority to the higher levels:

- Prevention,
- Re-use,
- Organic material recycling,
- Energy waste recovery,
- Incineration without energy recovery (for sanitary purposes),
- Engineered landfill or lagoon,
- Non-engineered landfill, discharge in aquatic environment, biodegradation in the ground,
- Concentration (in a bin or on a pile).

Collection, transport, recycling, and disposal of both industrial and household waste are continuously monitored in accordance with the Environmental Management System (EMS). For waste collection and handling, HSE guidelines are followed to ensure that PPE (Personal Protective Equipment) is used, and that waste is stored in an appropriate manner.

Solid biodegradable waste is mainly reused on the plantation fields and in the factories, as explained under E5-MDR-A: 68 a above.

Concerning hazardous waste, the QHSE officers organise the chemical product stores following the First Expired-First Out (FEFO) principle, in order to prevent the accumulation of expired products as much as possible. Registered companies collect hazardous waste such as used oil, oil filters or used batteries.

The sites focus on respecting waste procedures and installing waste bins, but also on raising awareness on household waste management in the communities. These actions are also supported by some of our

tyre-manufacturing clients, who reduce their packing requirements (Bridgestone, Michelin) and contribute to prevention. We work on raising awareness with other tyre manufacturers on these alternatives.

E5-2: AR 11: Information about collective action on development of collaborations or initiatives increasing circularity of products and materials

An example of collaboration of circular economy is the one between the Group, as supplier, and our customers (tyre-makers). Indeed, for the transportation of dry natural rubber we use metal boxes as packaging, which tyre-makers then return to us empty. This reduces the use of single use packing material such as wooden pallets or cardboards.

[E5-3] Targets related to resource use and circular economy

E5-MDR-T: 81 a (2): Description of reasons why there are no plans to set measurable outcome-oriented targets

Although there are a number of specific actions aimed at reducing the use of resources on one hand, and recycling by-products or waste on the other, no target has been set yet.

We plan to set targets in 2026, based on the identification of a number of key indicators.

E5-MDR-T: 81 b: Whether the undertaking tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity

Yes.

E5-MDR-T: 81 b i: Description of processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity

Key resource use is tracked through specific factory indicators such as:

- Water consumption, total and per unit of product processed,
- Electricity used, total and per unit of product processed,
- Fuel used, total and per unit of product processed,
- Biomass consumption, total and per unit of product processed,
- Waste, by category.

In the case of oil palm, waste elements which are by-products of raw material are recycled either in the fields or used as biomass in the factories.

E5-MDR-T: 81 b ii: Description of defined level of ambition to be achieved and of any qualitative or quantitative indicators used to evaluate progress

Additional policy elements, together with KPIs and targets, will be put in place in 2026.

E5-MDR-T: 81 b ii 80 d: Base year from which progress is measured

For now, progress has been measured over the past 3 years. Targets will be the benchmark once they are put in place.

[E5-4] Resource inflows

E5-4: 30: Disclosure of information on material resource inflows

For palm oil, the main material resource is the raw material harvested in palm plantations: fresh fruit bunches. The raw material is processed in 9 palm oil mills located in Indonesia.

For rubber, the main material resource is the raw material harvested in the rubber plantations: natural rubber in the form of liquid latex or cup lumps. The raw material is processed in 3 rubber factories located in Indonesia (2) and Cambodia (1).

Palm oil mills and rubber factories need water and energy for their processes; rubber factories need packing material made of polythene sheets, cardboard, wooden pallets and metal boxes.

E5-4: 31 a: Overall total weight of products and technical and biological materials used during the reporting period

795 962 kg fresh fruit bunches for palm oil.

48 895 kg wet rubber for dry rubber.

E5-4: 31 b: Percentage of biological materials (and biofuels used for non-energy purposes)

100%.

Raw rubber coming from organisations that are members of GPSNR can be considered sustainably sourced although GPSNR is not a certification scheme. All of Socfinasia's estates producing rubber are under GPSNR membership and therefore respect the sustainability principles under its policy framework. There is no sourcing of raw rubber from external suppliers.

Fresh Fruit Bunches that are sourced through certified RSPO estates are sustainably sourced. All of Socfinasia's estates are RSPO certified. There is no sourcing of FFB from external suppliers.

E5-4: 31 c (1): The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging)

3 168 kg.

E5-4: 32: Description of methodologies used to calculate data and key assumptions used

The calculation for E5-4: 31 b was done by extracting traceability data on the source of the raw material.

The calculation for E5-4: 31 c was done by multiplying the number of metal containers used through the year by each subsidiary by their average weight.

E5-4: AR 25: Description of how double counting was avoided and of choices made

In E5-4: 31 b, double counting was avoided by using actual volumes of sourced material.

In E5-4: 31 c, double counting was avoided by multiplying individual metal boxes used for shipments by their weight.

[E5-5] Resource outflows

E5-5: 35: Description of the key products and materials that come out of the undertaking's production process

For oil palm, the key products and materials that come out of the undertaking's production process are:

- Final products: palm oil and palm kernel.
- Biomass by-products used to produce steam and electricity within the factories (fibre and shells).
- Biomass by-products used to apply in the fields as organic fertilisers (Empty Fruits Bunches (EFB) and compost).

For rubber, the key products and materials that come out of the undertaking's production process are:

- Final product: dry rubber.
- Materials: packing material made of plastic, wood or metal.

E5-5: 40 (1): Description of methodologies used to calculate data (resource outflows)

The only by-product outflow is from the oil palm process, while the products are the palm oil and the rubber.

Oil palm Fresh Fruit Bunches (FFB) enter the mill complex. Then, through various mill process steps, the fruits are detached from the bunches. After the whole process they end up as palm oil, fibre, shells and palm kernels. The remaining part of the bunches, called Empty Fresh Bunches (EFB) are temporarily stored within the factory complex. They are then weighed and finally exit to be applied as organic fertilisers in the oil palm fields.

In Bangun Bandar, Socfindo operates a long running UNFCCC certified co-composting project which creates organic compost from the mill EFB and the liquid Palm Oil Mill Effluent (POME) which is then recycled back and applied in the field.

Data is calculated through volumes added to stock.

E5-5: 37 a: Total Waste generated

912 804 kg.

344 344 m³.

1 871 P/C.

E5-5: 37 b: Waste diverted from disposal, breakdown by hazardous and non-hazardous waste and treatment type

	kg	m ³	P/C
Waste recovered (energy recovery)	0	0	0
Waste recovered (organic recycling / composting)	0	0	0
Waste recovered (material recycling)	0	0	0
Total	0	0	0

E5-5: 37 c: Waste directed to disposal, breakdown by hazardous and non-hazardous waste and treatment type

	kg	m ³	P/C
Waste disposed of in a company landfill	649 419	0	0
Waste incinerated (without energy recovery)	0	0	0
Liquid waste disposed of in the lagoons	/	344 344	/
Waste disposed of in a municipal landfill	0	0	0
Waste collected by a registered dealer	42 716	0	0
Waste sold	220 670	0	1 871
Total	912 805	344 344	1 871

E5-5: 37 d (1): Non-recycled waste

971 804 kg.

344 344 m³.

1 871 P/C.

E5-5: 37 d (2): Percentage of non-recycled waste

100% (kg).

100% (m³).

0% (P/C).

E5-5: 38: Disclosure of composition of waste

According to our activities, we have different types of waste:

- Solid biodegradable waste from the plantation itself,
- Solid biodegradable waste from the industry process,
- Wastewater from the industrial process (treatment done through a series of ponds, or “lagoons”),
- Industrial waste like old spare parts, plastic from the nursery, plastic containers for fertilisers (disposed at the waste collection centre of the plantation and collected by registered dealers),
- Waste from the concession villages (for the moment collected and disposed in a landfill located within the plantation, to be improved in upcoming years),
- Medical products from concession health outposts and clinics (own incinerators).

E5-5: 38 a: Disclosure of waste streams relevant to undertaking’s sector or activities

- Solid organic waste from the palm oil processes,
- Liquid organic waste from the palm oil and rubber process,
- Solid non-organic waste from both oil palms and rubber trees plantations and from rubber factories.

E5-5: 38 b: Disclosure of materials that are present in waste

Please refer to the disclosures above.

E5-5: 39 (1): Total amount of hazardous waste

At the moment, no split is done between hazardous and non-hazardous waste when waste is weighed. We aim to add this split in reporting year 2025.

E5-5: 40 (2): Description of methodologies used to calculate data (waste generated)

The waste generated in the agro-industrial part (plantations and industrial units) is closely monitored and registered to follow the quantity available in our waste centres.

The waste collected by registered dealers is weighed on the weight-bridge or calculated by cubic meters, depending on its type.

In turn, for the waste produced in the villages, most of the time, estimations are done following the measurement of samples.

Social disclosures

ESRS S1 - Own workforce

[S1-MDR-M] Metrics in relation to material sustainability matters

S1-MDR-M: 75: Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity

A list of the metrics that are used, to be found in detail in the specific S1 sections:

1. Metrics related to the workforce:

- Employee breakdown by category,
- Employee breakdown by gender,
- Staff turnover rate,
- Statistics related to maternity and paternity leave.

2. Metrics related to health and safety:

- Work-related accidents (injuries, fatalities, injury rate, lost days, lost days rate).

3. Metrics related to training:

- Training sessions, hours and number of workers attending.

4. Metrics related to medical:

- Infrastructure data (hospitals, clinics, health posts),
- Staff data (doctors, nurses, midwives),
- Ambulance,
- Consultations,
- Hospitalisations,
- Malaria statistics,
- Presence of family planning,
- Treatment of HIV and tuberculosis.

5. Metrics related to education:

- Infrastructure (day care centres, nursery schools, primary schools, secondary schools),
- Teachers and students' statistics,
- Ratio students/teacher.

6. Metrics related to workers' villages:

- Infrastructure (villages, houses, kitchens, latrines, showers),
- Water points,
- Sport fields,
- Shops,
- Clubs,

- Market places,
- Gathering places,
- Population statistics (workers, dependants, others).

S1-MDR-M: 77 a: Disclosure of methodologies and significant assumptions behind metric

All the metric data come from Socfinasia's subsidiaries' relevant departments (HR, HSE, Medical), sent to headquarters and verified and validated by the Group reporting officer.

S1-MDR-M: 77 b: Type of external body other than assurance provider that provides validation

N/A.

[S1-1] Policies related to own workforce

S1-MDR-P: 65 a: Description of key contents of policy

The Socfin Group Responsible Management Policy guides all of Socfinasia's activities. Through this policy, the Group commits to ensuring social well-being and protection for its employees, including human rights protection, workers' rights, health and safety, freedom of association, grievance mechanisms, non-discrimination, and harassment prevention.

More details on specific policies are provided in section S1-1.

S1-MDR-P: 65 b: Description of scope of policy or of its exclusions

The Group's Responsible Management Policy applies without exception to all operations, subsidiaries, and suppliers and in all countries where it operates.

S1-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

The Responsible Management Policy is approved by the Board of Directors.

S1-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

The principles of the Group's Responsible Management Policy and the strategy to implement these are intended to be in line with the UN Guiding Principles on Business and Human Rights, the RSPO Principles and Criteria, and the GPSNR Policy Framework.

S1-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy

The Responsible Management Policy was developed ensuring that the interests of employees, local communities, suppliers, investors, and environmental organisations were taken into account.

S1-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

The Responsible Management Policy is publicly available on the company's website (www.socfin.com). It has been communicated to all operations.

S1-1: 19: Policies to manage material impacts, risks and opportunities related to own workforce, including for specific groups within workforce or all own workforce

The Responsible Management Policy includes the following commitments applicable to its own workforce:

1. Zero tolerance approach to serious human rights abuses including intimidation, physical harm and/or threats;
2. Promotion of gender equity and strengthening of gender equality;
3. Respect of the rights of all workers;
4. Implementation of a grievance mechanism in line with Guiding Principle 31 of the UN Guiding Principles in Business and Human Rights.

S1-1: 20: Description of relevant human rights policy commitments relevant to own workforce

Further to the policy elements indicated in S1-1: 19, the Group commits to ensuring that the rights of any individual working in the operations falling within the scope of application of this policy are respected according to applicable local, national and international legislation, including the eight fundamental conventions of the International Labour Organisation (ILO).

The following key elements are applicable to our activities:

1. Child labour is prohibited, and appropriate measures are implemented to prevent it.
2. Forced or bonded labour and human trafficking are prohibited, and appropriate measures are implemented to prevent it.
3. Recruitment practices are transparent and fair, and direct recruitment is encouraged.
4. The health and safety of workers are protected from any risk that could generate permanent injury, illness or death.
5. Workers are provided with written employment contracts in a language that they understand, with details of working conditions, including as a minimum: the type of work, the salary and payment conditions, working hours, holidays and other leave, and other benefits of employment.
6. All workers are paid a wage that equals or exceeds the minimum legal wage defined by national standards and legal regulations.
7. When Decent Living Wages (DLW) applicable to our operations have been established and validated by RSPO or GPSNR, they will be implemented.
8. No worker works more than the legal maximum number of hours; overtime is worked on a voluntary basis, and workers have at least one day of rest every seven days.
9. Workers are protected from any form of discrimination constituting a violation of human rights.
10. Harassment and abuse are prohibited. Policies and procedures will be implemented to prevent and obtain redress for any act of harassment or abuse, notably sexual.
11. Workers at all levels have access to remedy for grievances, whether judiciary or through a credible grievance mechanism, without fear of recrimination or dismissal.
12. Where the Group provides housing, this meets the criteria of hygiene and physical safety, and the conditions of decent housing.
13. Freedom of association and the right to collective bargaining are respected. All workers, regardless of rank or job grade, have the right to form and join a trade union of their choice, and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, parallel means of free association and collective bargaining are made available to workers.

S1-1: 20 a: Disclosure of general approach in relation to respect for human rights including labour rights, of people in its own workforce

All of Socfinasia's companies that are RSPO certified are verified for human rights compliance. In addition, they implement strong policies, grievance mechanisms, and monitoring processes to ensure adherence to international labour standards such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

S1-1: 20 b: Disclosure of general approach in relation to engagement with people in its own workforce

Socfinasia and its subsidiaries emphasise structured engagement with employees through unions, safety committees, open communication, grievance handling, and fair labour practices. Key mechanisms include union and employees' representation, open communication channels, regular meetings and committees, trainings and meetings related to Health and Safety, agreements and platforms for collective bargaining, grievance mechanisms.

S1-1: 20 c: Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts

Socfinasia's companies provide and enable remedy for human rights impacts through their respective grievance mechanisms that ensure resolution for the complainant.

S1-1: 21: Disclosure of whether and how policies are aligned with relevant internationally recognised instruments

The principles of the Group's Responsible Management Policy and the strategy enabling them to be implemented are aligned with the UN Guiding Principles on Business and Human Rights, the RSPO Principles and Criteria, and the GPSNR Policy Framework.

S1-1: 22: Policies explicitly address trafficking in human beings, forced labour or compulsory labour and child labour

Yes.

S1-1: 23: Workplace accident prevention policy or management system is in place

Yes.

S1-1: 24 a: Specific policies aimed at elimination of discrimination are in place

Yes.

S1-1: 24 b: Grounds for discrimination are specifically covered in policy

Yes.

S1-1: 24 c: Disclosure of specific policy commitments related to inclusion and (or) positive action for people from groups at particular risk of vulnerability in own workforce

The Group's Responsible Management Policy includes specific commitments related to inclusion and positive actions for vulnerable groups within its workforce. These commitments aim to address the needs of individuals or groups at particular risk of vulnerability:

1. Through the commitment to gender equity, signals efforts to include and support women who may face discrimination in the workforce.
2. The policy also ensures that the rights of all workers, including migrant workers, temporary workers, and subcontractors, are recognised and respected. These groups are often at a heightened risk of exploitation or exclusion. It also explicitly prohibits forced or bonded labour, human trafficking, and child labour that target vulnerable populations.

3. The policy guarantees all workers the right to form and join trade unions and engage in collective bargaining, ensuring that marginalised or vulnerable groups have mechanisms to voice their concerns and advocate for their rights.
4. A grievance management system aligned with the UN Guiding Principles on Business and Human Rights provides a transparent and accessible avenue for vulnerable workers to report and resolve issues, including discrimination or exclusion.
5. The policy supports training programmes for employees aiming to build skills and increase opportunities for those in vulnerable positions

In addition to the Responsible Management Policy, Socfinasia's operations have developed their own policies when needed in order to adapt to their local context

S1-1: 24 d: Disclosure of whether and how policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected, as well as to advance diversity and inclusion

The grievance management systems in place, including at Group level, ensure that any reported case of discrimination is investigated and acted upon.

In addition, each company has developed its own procedures to prevent and mitigate discrimination.

These procedures cover:

- Gender committees,
- Recruitment,
- Training,
- Grievance mechanisms,
- Whistle-blowing hotline.

S1-1: AR 13: Clarifications regarding supplier codes of conduct

Please refer to disclosure G12: 15 a.

S1-1: AR 14: Disclosure on an illustration of the types of communication of its policies to those individuals, group of individuals or entities for whom they are relevant

The Group's Responsible Management Policy and code of conduct have been communicated to all employees and are publicly available on the company's website. Relevant subsidiary policies are published on the company's online dashboard. In addition, all sites implement their own processes tailored to their context and audiences to ensure that policies are known to the relevant individuals or groups.

More specifically, regarding the different subsidiaries:

- Socfindo has a communication procedure that includes both internal and external parties of the company. Dissemination activities use the local language, and communication media are provided for illiterate stakeholders.
- Socfin-KCD and Coviphama's contractors are required to adhere to their policies through contractual obligations. Employees are engaged via awareness meetings, while key staff with higher responsibilities receive targeted, specific training. To ensure accessibility and remove barriers, all policies are translated into Khmer, meetings are conducted in English, Khmer or

Bunong depending on the audience, and visual aids like posters and presentation materials are used to simplify information for various groups.

S1-1: AR 17 a: Policies and procedures which make qualifications, skills and experience the basis for the recruitment, placement, training and advancement are in place

Yes.

S1-1: AR 17 c: Staff training on non-discrimination policies and practices are in place

Yes.

S1-1: AR 17 f: Keeping an up-to-date record on recruitment, training and promotion that provide a transparent view of opportunities for employees and their progression

Yes.

S1-1: AR 17 g: Has put in place grievance procedures to address complaints, handle appeals and provide recourse for employees when discrimination is identified, and is alert to formal structures and informal cultural issues that can prevent employees from raising concerns and grievances

Yes.

S1-1: AR 17 h: Has programmes to promote access to skills development

Yes.

[S1-2] Processes for engaging with own workers and workers' representatives about impacts

S1-2: 27: Disclosure of whether and how perspectives of own workforce inform decisions or activities aimed at managing actual and potential impacts

Across the companies, there is a clear emphasis on engaging employees to ensure their perspectives are incorporated into decision-making processes related to managing impacts. Methods include direct and indirect engagement channels, such as materiality assessments, regular meetings (HSE, Gender Committees, unions), grievance mechanisms, surveys, and whistleblowing channels. Employees are provided with opportunities to share feedback in various forums, including training sessions, appraisals, and workplace meetings.

This feedback is reviewed by management, incorporated into policy changes, and communicated back to employees through reports or newsletters. Specific budgets are also allocated to support these engagement processes. Furthermore, resources are dedicated to ensure that worker input is taken seriously, and actions are taken to address concerns raised. Many companies also emphasise transparency and inclusivity by reporting back to employees on how their feedback influences strategic decisions, particularly in areas of health, safety, and sustainability.

S1-2: 27 a: Engagement occurs with own workforce or their representatives

Yes.

S1-2: 27 b: Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

The engagement process with the workforce generally follows a structured approach but varies in terms of frequency and methods across companies.

They occur either directly with workers or through elected staff representatives, and may be conducted through bipartite meetings (company and communities) or forums.

S1-2: 27 c: Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach

At Socfindo, the Estate Manager is appointed responsible for social engagement. In turn, at Socfin-KCD, ensuring engagement occurs with local communities is the responsibility of the Sustainability Manager, who has operational oversight and knowledge of Free, Prior, and Informed Consent (FPIC). The Sustainability Manager is supported by HQ and the Earthworm Foundation in implementing appropriate community engagement strategies.

S1-2: 27 d: Disclosure of Global Framework Agreement or other agreements related to respect of human rights of workers

Socfindo has a Collective Bargaining Agreement (CBA) in place. During the drafting or revision of the CBA, employees have the opportunity to provide feedback. This helps the company gain a more direct understanding of the workforce's perceptions and expectations.

There is no CBA in place at Socfin-KCD and Coviphama, however staff representatives are consulted for the development of internal regulations.

S1-2: 27 e: Disclosure of how effectiveness of engagement with its own workforce is assessed

Certification audits, such as RSPO, assess Socfinasia's practices with regard to engagement in its workforce. Audits from local administrations such as the Labour Department also ensure the adequacy of systems in place in Socfinasia's operations. Finally, internal processes such as the monitoring of grievances logged through the grievance mechanism and their resolution are an indicator of how well concerns are being addressed and whether engagement efforts are meeting employee needs.

S1-2: 28: Disclosure of steps taken to gain insight into perspectives of people in its own workforce that may be particularly vulnerable to impacts and (or) marginalised

Socfinasia's subsidiaries take structured steps to engage with vulnerable and marginalised employees. Socfindo regularly conducts Focus Group Discussions (FGDs) as part of its annual social impact assessments, ensuring notably that the perspectives of pregnant women, new mothers, and disabled employees are heard and integrated into workplace policies.

Socfin-KCD has implemented infrastructure improvements to support vulnerable workers, such as toilets for elderly, disabled, and pregnant employees, following recommendations from the Labour Ministry. Additionally, the implementation of a Gender Committee with clear responsibilities and authority is planned for 2026, as part of an action plan developed after an Earthworm Foundation assessment in 2024.

While Socfinasia's approach is still evolving, key efforts include direct consultations, infrastructure support for marginalised workers, and long-term commitments to strengthening gender inclusivity through planned policy improvements.

S1-2: AR 25 c: Disclosure of how people in its workforce are provided with information that is understandable and accessible through appropriate communication channels

Companies utilise a variety of communication channels to ensure that information is accessible and understandable to all employees. These channels include sensitisation programmes, pocket books, notice boards, memos, and meetings. Specific language preferences, such as local dialects, are also considered to ensure clarity and comprehension.

S1-2: AR 25 e: Disclosure of how undertaking seeks to respect human rights of all stakeholders engaged

To complement the Group's Responsible Management Policy, Socfinasia's subsidiaries have developed specific policies and strategies to ensure they respect the human rights of all stakeholders engaged.

These policies cover:

- Human rights,
- Freedom of association,
- Equal opportunity and non-discrimination,
- Child labour,
- Sexual harassment,
- Grievances.

[S1-3] Processes to remediate negative impacts and channels for own workforce to raise concerns

S1-3: 32 a: Disclosure of general approach to and processes for providing or contributing to remedy where undertaking has caused or contributed to a material negative impact on people in its own workforce

All of Socfinasia's subsidiaries have formal grievance mechanisms that allow employees to report concerns through grievance boxes, direct worker representative engagement, HR communication, and email/phone channels.

Each grievance is assessed and resolved by the relevant department as efficiently as possible, with employees being encouraged to discuss concerns directly with their supervisors or management. Additionally, Socfindo's approach integrates grievance handling into its social impact assessment programme, ensuring that any identified negative workforce impacts can lead to policy adjustments, additional socialisation, or Capital Expenditure (CapEx) investments where necessary.

While Socfinasia's approach is still evolving, the companies ensure that grievances are systematically tracked, reviewed, and addressed, reinforcing a commitment to responsive and responsible workforce management.

S1-3: 32 b: Disclosure of specific channels in place for its own workforce to raise concerns or needs directly with undertaking and have them addressed

The companies have established multiple channels through which employees can raise concerns or grievances. Socfindo allows employees to communicate through field assistants, technicians, union representatives, and a variety of other platforms, including hotlines and grievance mechanisms. Socfin-KCD offers similar options, such as grievance boxes, direct contact with staff representatives, and a third-party managed hotline for anonymous reports.

S1-3: AR 29: Third-party mechanisms are accessible to all own workforce

Yes.

S1-3: 32 c: Grievance or complaints handling mechanisms related to employee matters exist

Yes.

S1-3: 32 d: Disclosure of processes through which undertaking supports or requires availability of channels

Socfindo's channels, including union representatives, grievance boxes, and Gender Committees, are supported by designated personnel who handle and follow up on concerns. Socfin-KCD allocates resources to support its internal grievance mechanisms, ensuring staff time and additional budgets are available to address raised issues. This includes addressing specific concerns such as water quality improvements.

S1-3: 32 e: Disclosure of how issues raised and addressed are tracked and monitored and how effectiveness of channels is ensured

Socfindo tracks grievances through a social grievance handling procedure, ensuring transparency and accountability in their processes. Socfin-KCD similarly tracks grievances via a database and emphasises regular communication with employees to ensure that their concerns are addressed, and feedback is provided. Both companies aim for a collaborative approach to resolution.

S1-3: 33: Disclosure of whether and how it is assessed that its own workforce is aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

Socfindo has measures in place to protect complainants and ensure that grievances are handled lawfully, reinforcing trust. Socfin-KCD builds trust by addressing issues like water quality improvement and guarantees anonymity for whistle-blowers, ensuring employees feel safe and confident in using grievance channels.

S1-3: 33 (1): Policies regarding protection against retaliation for individuals that use channels to raise concerns or needs are in place

Yes.

[S1-4] Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

S1-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

Examples of actions within Socfinasia are:

- Socfin-KCD and Coviphama have had an assessment of the implementation of the Responsible Management Policy by Earthworm Foundation focusing on worker's rights. This is followed by an action plan to improve areas highlighted by the assessment.
- Improvement of water availability in Socfin-KCD (construction of water tanks) following workers' requests; Coviphama projects completed in 2023.

S1-MDR-A: 68 b: Description of scope of key action

Actions cover all employees.

S1-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

All actions listed under S1-MDR-A: 68a are short-term, many of them being short-term recurring actions.

S1-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

Socfin-KCD and Coviphama have had an assessment of the implementation of the Responsible Management Policy by Earthworm Foundation focusing on worker's rights. This is followed by an action plan to improve areas highlighted by the assessment.

Socfindo has an ongoing Social Impact Program that is used to annually review necessary action to be taken to improve workers' well-being and health.

S1-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (Capex and OpEx)

Depending on the subsidiaries it will be either only OpEx expenditure or a mix of OpEx and CapEx expenditure.

S1-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

The amounts disclosed are part of the subsidiary costs allocated to sustainability matters.

S1-MDR-A: 69 b (1): Current financial resources allocated to action plan (Capex)

38 502 EUR.

S1-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

13 782 EUR.

S1-MDR-A: 69 c (1): Future financial resources allocated to action plan (Capex)

96 256 EUR.

S1-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

10 660 EUR.

S1-4: 38 a: Description of action taken, planned or underway to prevent or mitigate negative impacts on own workforce

Socfinasia's subsidiaries integrate workforce protection and risk mitigation into their broader social impact and compliance programmes.

Key initiatives include:

- Corporate policies and grievance handling:
 - The internal grievance policy, Responsible Management Policy, and code of conduct provide a clear framework for addressing workplace issues.
- Continuous assessment and improvement:
 - The 2024 Earthworm Foundation assessment of the Responsible Management Policy at Socfin-KCD and Coviphama resulted in a structured action plan for workplace improvements.
- Social impact program:
 - Socfindo's approach integrates workforce well-being into its broader social impact program, ensuring that negative impacts are identified, monitored, and mitigated.

Overall, Socfinasia subsidiaries focus on structured policy implementation, grievance resolution, and continuous assessment to ensure a safe and supportive workplace for employees.

S1-4: 38 b: Disclosure on whether and how action has been taken to provide or enable remedy in relation to actual material impact

Socfinasia's subsidiaries report no major negative workforce impacts but have taken proactive steps to address employees' concerns and prevent future issues.

- Infrastructure and welfare improvements:
 - Socfin-KCD improved water quality based on workers' feedback, allocating funding for water tank construction and water testing (2023-2025).
- Policy and program integration:
 - Socfindo manages workforce impact mitigation within its broader Social Impact Program, ensuring workplace issues are addressed through structured assessments and improvements.

Overall, Socfinasia subsidiaries take preventive and proactive approaches, ensuring that workers' concerns are addressed through targeted interventions and continuous improvement efforts.

S1-4: 38 c: Description of additional initiatives or actions with primary purpose of delivering positive impacts for own workforce

Socfinasia's subsidiaries implement initiatives that focus on employee welfare, employee benefits, access to essential services, health, and career development. These initiatives create a supportive and stable work environment.

Key initiatives include:

- Workforce welfare and benefits:
 - Bonuses, salary increases, and performance-based rewards to ensure motivation and long-term engagement.
 - Free provisions such as rice, housing, water, and electricity to improve workers' living standards.
- Health and safety enhancements:
 - Health insurance, workplace safety awareness, and free medical consultations with medication to improve employee health and well-being.
- Education and career progression:
 - Access to primary education within company concessions supports workers' families.
 - Annual appraisals rewarding good performance with salary increases to drive employee retention and career growth.

S1-4: 38 d: Description of how effectiveness of actions and initiatives in delivering outcomes for own workforce is tracked and assessed

Socfinasia's subsidiaries track workforce initiative effectiveness through structured reporting, grievance tracking, and social impact monitoring.

Key tracking methods include:

- Employee feedback and grievance resolution:
 - Gathering feedback from staff representatives, village coordinators, and senior staff to assess workplace interventions.
 - Grievance tracking and resolution rates as key indicators of policy effectiveness.
- Monitoring and evaluation for evidence-based decision-making:
 - Regular workforce monitoring and evaluation ensures that actions align with workforce needs.
- Social impact program indicators:
 - Measuring effectiveness through predefined indicators to assess whether interventions are achieving their intended outcomes.

S1-4: 39: Description of process through which it identifies what action is needed and appropriate in response to particular actual or potential negative impact on own workforce

Meetings with union representatives, staff feedback, suggestion boxes, the grievance mechanism, and internal/external audits are all elements that help identify concerns among the workforce. These elements, combined with monitoring of processes to assess potential impacts, allow for timely responses and appropriate tracking, ensuring that any actions taken are evidence-based and align with labour laws.

S1-4: 40 a: Description of what action is planned or underway to mitigate material risks arising from impacts and dependencies on own workforce and how effectiveness is tracked

Risks are mitigated through training programmes, including digitalisation and occupational health and safety. This is complemented by the provision of various grievance channels to address worker concerns. A focus on employee retention through competitive salaries, healthcare, and housing, as well as tracking effectiveness through feedback and retention rates, also participate in the mitigation of such risks.

S1-4: 40 b: Description of what action is planned or underway to pursue material opportunities in relation to own workforce

Socfindo plans to improve workers' housing and health facilities, while Socfin-KCD has invested in community development projects, including water access and infrastructure improvements. Both companies are focused on enhancing the well-being of their workforce and the surrounding communities.

S1-4: 41: Disclosure of whether and how it is ensured that own practices do not cause or contribute to material negative impacts on own workforce

There are different processes initiated by Socfinasia to check that its activities do not cause or contribute to material negative impacts. These notably relate to Socfinasia's adherence to international sustainability platforms such as RSPO and GPSNR, and the partnership with EF. Through those, assessments are made and any gap identified is subject to an immediate corrective action plan.

S1-4: 43: Disclosure of resources are allocated to the management of material impacts

Socfinasia invests every year to manage material impacts of its workforce, for example, in 2024 we had the following investment related to training and HSE:

- Training: € 121 000.
- OHS (Occupational Health and Safety): € 26 000.
- Personal Protective Equipment (PPE): € 126 000.

[S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S1-MDR-T: 81 a (1): Disclosure of timeframe for setting of measurable outcome-oriented targets

While there are no measurable outcome-oriented targets under S1, a large number of KPIs are already being followed and have been for several years. It is intended to set a number of specific measurable outcome-oriented targets during the year 2026.

S1-MDR-T: 81 b: Whether the undertaking tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity

Yes.

S1-MDR-T: 81 b i: Description of processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity

There are several processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risks and opportunities under S1:

- Internally, with various committees following actions spread over different topics such as safety, social well-being, workers' rights, health and safety, meetings between management and workers' representatives.
- Externally, with audits from governmental authorities and from RSPO auditors.

S1-MDR-T: 81 b ii: Description of defined level of ambition to be achieved and of any qualitative or quantitative indicators used to evaluate progress

The targets to be set during the year 2026 will be linked to the Socfin Group Responsible Management Policy topics with the ambition to achieve a full compliance towards it; specific quantitative targets will be set for KPIs related to health and safety, gender issues, and grievance management.

S1-MDR-T: 81 b ii 80 d: Base year from which progress is measured

The progress will be measured with 2026 as a base year.

[S1-6] Characteristics of undertaking's employees

S1-6: 50 a: Characteristics of undertaking's employees - number of employees by gender

Gender	Number of employees (headcount)
Female	1 391
Male	8 641

S1-6: 50 a (1): Number of employees (headcount)

10 032.

S1-6: 50 a (2): Average number of employees (headcount)

10 482.

S1-6: 50 a (3): Characteristics of undertaking's employees - number of employees in countries with 50 or more employees representing at least 10% of total number of employees

Country	Number of employees (headcount)
Cambodia	1 294
Indonesia	8 738

S1-6: 50 a (4): Number of employees in countries with 50 or more employees representing at least 10% of total number of employees

10 032.

S1-6: 50 a (5): Average number of employees in countries with 50 or more employees representing at least 10% of total number of employees

10 482.

S1-6: 50 b (1): Characteristics of undertaking's employees - information on employees by contract type and gender

Reporting type	Employee contract type	Female employees	Male employees
Headcount	Daily workers	1	203
Headcount	Permanent employees	1 390	8 438

S1-6: 50 b + 51 (1): Number of employees (headcount or full-time equivalent)

10 032.

S1-6: 50 b + 51 (2): Average number of employees (headcount or full-time equivalent)

10 482.

S1-6: 50 c (1): Number of employees (headcount or full-time equivalent) who have left undertaking

1 100 (for permanent employees).

S1-6: 50 c (2): Percentage of employee turnover

11.11% (for permanent employees).

S1-6: 50 d: Description of methodologies and assumptions used to compile data (employees)

Every year, an HR reporting template is prepared by the Reporting Officer from the Sustainability Department at Group level according to the data needed, and validated by the Head of Sustainability. This template is sent to Socfinasia's subsidiaries, notably their Sustainability Managers, Human Resources Managers or other relevant roles.

All the files are reviewed by the Reporting Officer through comparison with previous year data, evolution of activities, comparison with other reporting elements and validated. Another review and validation are done by the Head of Sustainability at Group level.

S1-6: 50 d i: Employees numbers are reported in headcount or full-time equivalent

Headcount.

S1-6: 50 d ii: Employees numbers are reported at end of reporting period/average/other methodology

At end of reporting period.

S1-6: 50 e: Disclosure of contextual information necessary to understand data (employees)

On certain sites, we rely on contractual labour to meet seasonal labour needs. These employees are made available for the sites through specialised companies. Due to the seasonality of some of our operations some contract employees (mostly harvesters) follow the production peak and subsequently move towards other seasonal crops.

Even though job opportunities in Socfinasia's subsidiaries are received very positively, the turnover can be high. This can be explained by a short-term vision resulting in many of them leaving the company as soon as they have received a few months' salary.

S1-6: 50 f: Disclosure of cross-reference of information reported under paragraph 50 (a) to most representative number in financial statements

The data regarding the workforce can be different between the financial statements and the sustainability statement. In the sustainability statement, the denomination "employees" refers to permanent employees and daily workers, and the denomination "non-employees" to temporary workers and contractors. Moreover, the data regarding the number of employees is disclosed based on the cut-off date of 31.12.2024. In the financial statements, depending to the countries the data is based on the same cut-off date or calculated as an average. This difference will be solved for 2025 reporting.

[S1-7] Characteristics of non-employees in undertaking's own workforce

S1-7: 55 a (1): Number of non-employees in own workforce

1 237.

S1-7: 55 a (3): Number of non-employees in own workforce - people provided by undertakings primarily engaged in employment activities

1 237.

S1-7: 55 b: Description of methodologies and assumptions used to compile data (non-employees)

Data on non-employees is collected by using the same process as for employees. All the data is collected through the "HR reporting" process as explained in point S1-6: 50 d.

S1-7: 55 b i: Non-employee numbers are reported in headcount or full time equivalent

Headcount.

S1-7: 55 b ii: Non-employee numbers are reported at end of reporting period/average/other methodology

At end of reporting period.

S1-7: 55 c: Disclosure of contextual information necessary to understand data (non-employee workers)

Please refer to the explanation provided under S1-6: 50 e.

[S1-8] Collective bargaining coverage and social dialogue

S1-8: 60 a: Percentage of total employees covered by collective bargaining agreements

87.10%.

S1-8: 60 c: Percentage of own employees covered by collective bargaining agreements (outside EEA) by region

Reporting type	Region (outside EEA)	Percentage of own employees covered by collective bargaining agreements (%)
Headcount	Cambodia	0
Headcount	Indonesia	100

S1-8: 61: Working conditions and terms of employment for employees not covered by collective bargaining agreements are determined based on collective bargaining agreements that cover other employees or based on collective bargaining agreements from other undertakings

If employees are not covered by a CBA, their working conditions are based on the labour code.

S1-8: 62: Description of extent to which working conditions and terms of employment of non-employees in own workforce are determined or influenced by collective bargaining agreements

Workers who are not covered by a CBA are covered by similar frameworks, such as the code of labour.

S1-8: AR 70: Own workforce in region (non-EEA) covered by collective bargaining and social dialogue agreements by coverage rate and by region

Reporting type	Region (outside EEA)	Total number of employees	Number of employees covered by collective bargaining and social dialogue agreements
Headcount	Cambodia	1 441	0
Headcount	Indonesia	9 828	8 738

[S1-9] Diversity metrics

S1-9: 66 a (1): Gender distribution in number of employees (headcount) at top management level

Gender (Top management level)	Number of employees (headcount)
Female	5
Male	35

This is the sum of numbers of employees, by gender, at top management level across all Socfinasia subsidiaries.

S1-9: 66 a (2): Gender distribution in percentage of employees at top management level

Gender (Top management level)	Percentage of employees (%)
Female	13
Male	88

These numbers too represent all Socfinasia subsidiaries put together.

S1-9: 66 b: Distribution of employees (headcount) by age group

Age group	Number of employees (headcount)	Percentage (%)
30-50 years	6 963	69
< 30 years	1 803	18
> 50 years	1 266	13

S1-9: AR 71: Disclosure of own definition of top management used

Top management = Manager.

[S1-10] Adequate Wages

S1-10: 69: All employees are paid adequate wage, in line with applicable benchmarks

Yes.

S1-10: 70 (1): Countries where employees earn below the applicable adequate wage benchmark

Country	Number of employees below wage benchmark	Percentage below wage benchmark (%)	Wage benchmark type
Cambodia	0	0	Minimum daily wage for the sector
Indonesia	0	0	Minimum daily wage for the sector

S1-10: 70 (2): Percentage of employees paid below the applicable adequate wage benchmark

0%.

S1-10: 71: Percentage of non-employees paid below adequate wage by country

Country	Wage benchmark type	Number of non-employees below wage benchmark	Percentage below wage benchmark (%)
Cambodia	Sector minimum wage	0	0
Indonesia	Sector minimum wage	0	0

[S1-11] Social protection

S1-11: 74 a: All employees in own workforce are covered by social protection, through public programmes or through benefits offered, against loss of income due to sickness

Yes; please refer to the table below:

Covered: yes or no	Employees (permanent)	Daily workers
Socfin-KCD	Yes	N/A
Coviphama	Yes	N/A
Socfindo	Yes	Yes

S1-11: 74 b: All employees in own workforce are covered by social protection, through public programmes or through benefits offered, against loss of income due to unemployment starting from when own worker is working for undertaking

No; please refer to the table below:

Covered: yes or no	Employees (permanent)	Daily workers
Socfin-KCD	No	N/A
Coviphama	No	N/A
Socfindo	No	No

S1-11: 74 c: All employees in own workforce are covered by social protection, through public programmes or through benefits offered, against loss of income due to employment injury and acquired disability

Yes; please refer to the table below:

Covered: yes or no	Employees (permanent)	Daily workers
Socfin-KCD	Yes	N/A
Coviphama	Yes	N/A
Socfindo	Yes	Yes

S1-11: 74 d: All employees in own workforce are covered by social protection, through public programmes or through benefits offered, against loss of income due to parental leave

No; please refer to the table below:

Covered: yes or no	Employees (permanent)	Daily workers
Socfin-KCD	No	N/A
Coviphama	No	N/A
Socfindo	Yes	Yes

S1-11: 74 e: All employees in own workforce are covered by social protection, through public programmes or through benefits offered, against loss of income due to retirement

No; please refer to the table below:

Covered: yes or no	Employees (permanent)	Daily workers
Socfin-KCD	Yes	N/A
Coviphama	No	N/A
Socfindo	No	No

S1-11: 75, 76 (1): Disclose the countries where employees do not have social protection with regard to one or more of the types of events and for each of those countries the types of employees who do not have social protection with regard to each applicable major life event

Country	Type of employee	Sickness	Unemployment	Parental leave	Employment Injury and acquired disability	Retirement
Cambodia – Socfin-KCD	Permanent employees	Have	Don't have	Don't have	Have	Have
Cambodia - Coviphama	Permanent employees	Have	Don't have	Don't have	Have	Don't have
Indonesia	Permanent employees	Have	Don't have	Have	Have	Have
Indonesia	Daily workers	Have	Don't have	Have	Have	Have

S1-11: 75, 76 (2): Disclose the countries where non-employees do not have social protection with regard to one or more of the types of events and for each of those countries the types of employees who do not have social protection with regard to each applicable major life event

Country	Type of non-employee	Sickness	Unemployment	Parental leave	Employment Injury and acquired disability	Retirement
Cambodia – Socfin-KCD	Contractors	Have	Don't have	Don't have	Have	Have
Cambodia - Coviphama	Contractors	Have	Don't have	Don't have	Have	Don't have
Indonesia	Contractors	Have	Don't have	Have	Have	Don't have

S1-11: 75 (1): Disclosure of types of employees who are not covered by social protection, through public programmes or through benefits offered, against loss of income due to sickness

Regarding the social protection of our employees, they all are covered for employment injury, acquired disability and sickness. Socfinasia's Indonesian operations also cover parental leave.

Unemployment coverage is not taken into account in our operations.

[S1-13] Training and skills development metrics

Regarding the 2024 data for the training, we don't have any data split by gender. We collected the data of the trainings organised for all the employees.

S1-13: 83 a (1): Training and skills development indicators by gender

1 265 training sessions in 2024.

S1-13: 83 a (2): Percentage of employees that participated in regular performance and career development reviews - broken down by gender

15 410 persons trained; one person can receive different training sessions.

S1-13: 83 b (1): Average number of training hours by gender

Please refer to disclosure S1-13: 83 b (2) as the split is not available by gender.

S1-13: 83 b (2): Average number of training hours per person for employees

14.50 h/person/year.

[S1-14] Health and safety metrics

S1-14: 88 a: Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines

100%.

S1-14: 88 b (1): Number of fatalities in own workforce as result of work-related injuries and work-related ill health

0.

S1-14: 88 b (2): Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites

0.

S1-14: 88 c (1): Number of recordable work-related accidents for own workforce

102 of which 4 are classified as "severe".

S1-14: 88 c (2): Rate of recordable work-related accidents for own workforce

4.39 per 1 000 000 hours.

S1-14: 88 d: Number of cases of recordable work-related ill health of employees

This datapoint will be disclosed from 2025, in order to train local doctors to diagnose relevant ill-health cases.

S1-14: 88 e: Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees

2 861 days.

S1-14: 90: Percentage of own workforce who are covered by health and safety management system

100%.

S1-14: AR 81: Description of underlying standards for internal audit or external certification of health and safety management system

As an international player in responsible tropical agriculture, it is essential for us to demonstrate our compliance with globally recognised and shared quality standards.

RSPO (Roundtable for Sustainable Palm Oil): All our subsidiaries that have palm oil mills and oil palms plantations are RSPO certified. RSPO's stringent standards, declined with the Principles & Criteria (P&C), cover health & safety management. Our operations, once RSPO certified, undergo annual surveillance audits which demonstrate compliance with the set of standards.

GPSNR (Global Platform for Sustainable Natural Rubber): The GPSNR Policy Framework covers health & safety management at all our subsidiaries that have rubber factories and plantations. All the subsidiaries

concerned strictly follow these standards. We annually report to GPSNR information related to how we implement the Policy Framework through the GPSNR Reporting Requirements.

S1-14: AR 94: Number of cases of recordable work-related ill health detected among former own workforce

This datapoint will be disclosed from 2025, in order to train local doctors to diagnose relevant ill-health cases.

[S1-15] Work-life balance metrics

S1-15: 93 a: Percentage of employees entitled to take family-related leave

3.95% (for permanent employees).

S1-15: 93 b (1): Percentage of entitled employees that took family-related leave

100% (for permanent employees).

S1-15: 93 b (2): Percentage of entitled employees that took family-related leave by gender

(for permanent employees).

Gender	Total entitled employees	Percentage of entitled employees that took family-related leave (%)
Female	53	100
Male	335	100

[S1-16] Remuneration metrics (pay gap and total remuneration) - general

S1-16: 97 a (1): Gender pay gap

To be added in upcoming reporting.

S1-16: 97 b: Annual total remuneration ratio

To be added in upcoming reporting.

[S1-17] Incidents, complaints and severe human rights impacts - general

S1-17: 103 a: Number of incidents of discrimination

Data that meets the qualitative characteristics of information under preparation for upcoming reporting.

S1-17: 103 b (1): Number of complaints filed through channels for people in own workforce to raise concerns

Data that meets the qualitative characteristics of information under preparation for upcoming reporting.

S1-17: 103 b (2): Number of complaints filed to National Contact Points for OECD Multinational Enterprises

0.

S1-17: 103 c (1): Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed

0 EUR.

S1-17: 103 c (2): Information about reconciliation of fines, penalties, and compensation for damages as result of violations regarding work-related discrimination and harassment with most relevant amount presented in financial statements

Not applicable since no fines, penalties and compensation.

S1-17: 103 d: Disclosure of contextual information necessary to understand data and how data has been compiled (work-related grievances, incidents and complaints related to social and human rights matters)

The issue of grievances is taken seriously and the Group considers datapoints relating to this topic to be material. However, 2024 data would not meet the qualitative characteristics of information required by ESRs. Two years ago, the sustainability team at Group level began an in-depth analysis of the internal grievance mechanisms in place in all subsidiaries.

Site-level grievance policies were examined, and the files used by the different sites to track complaints and requests from workers were reviewed in detail and compared to one another. This brought to light several issues in the tracking of grievances, among which a lack of homogeneity across subsidiary practices that makes it difficult to have a proper overview and accurate numbers at Group level.

A process of homogenisation followed. The sustainability team poured a lot of thought into how the tracking could be homogenised in a way that is both easy for subsidiaries to use and possible for the Group to determine final numbers and trends. Several improvements have been made and tested already, but many remain to be done following discussions with the sites, and data remains unreliable. A new member joined the Group sustainability team at the beginning of 2025 specifically to coordinate this project, which should speed up the process in upcoming months. In parallel to this, an anonymous hotline system was

implemented on all sites and at headquarters, and the deep-dive investigation process with Earthworm Foundation is ongoing.

S1-17: 104 a (1): Number of severe human rights issues and incidents connected to own workforce

0.

S1-17: 104 a (2): Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises

0.

S1-17: 104 a (3): No severe human rights issues and incidents connected to own workforce have occurred

Yes (correct: no such incidents/issues have occurred).

S1-17: 104 b: Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce, and reconciliation of amounts with most relevant amount presented in financial statements

N/A in 2024 since no such incidents have occurred.

ESRS S2 – Workers in the value chain

[S2-1] Policies related to value chain workers

S2-MDR-P: 65 a: Description of key contents of policy

Value chain workers are workers upstream and downstream, that are essential to an undertaking's activities but do not work within the company's own operations. The category identified as being most material to the Socfin Group and its activities are third-party suppliers, especially smallholders. Smallholders play an important role in the Socfin Group's activities in Africa, but not in Asia. This is why Socfinasia's sustainability statement focuses less on this aspect than Socfinaf's, although the rights of workers in the value chain generally remain an important topic.

The Group's Responsible Management Policy asserts its commitment to local and rural development in Africa and Asia, including the inclusion of smallholders in its supply chains (where relevant) and the fair and transparent negotiation of prices with them. Moreover, the Responsible Management Policy states the importance of offering and supporting training for smallholders, as well as the applicability of all the Group's sustainability commitments, including human rights, to all its suppliers.

In addition, the Group developed a third-party due diligence policy in September 2024 to establish a framework for evaluating and monitoring the third parties with which the Group and its subsidiaries collaborate. This aims to minimise risks and ensure compliance with quality, compliance and ethical standards.

S2-MDR-P: 65 b: Description of scope of policy or of its exclusions

Socfin Group's Responsible Management Policy applies to all suppliers (third parties). Where relevant, this includes smallholder suppliers who deliver oil palm Fresh Fruit Bunches (FFB) or their wet Natural Rubber (NR).

The third-party due diligence policy applies to all third parties, including but not limited to suppliers.

S2-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

The Group's Responsible Policy is approved by the Board of Directors. The third-party due diligence policy is under the responsibility of the Compliance Officer.

S2-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

The principles of Socfin's Responsible Management Policy and the strategy enabling them to be implemented are intended to be in line with the UN Guiding Principles on Business and Human Rights, the RSPO Principles and Criteria, and the GPSNR Policy Framework.

S2-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy

The Socfin Group Responsible Management Policy was developed ensuring that the interests of stakeholders, including suppliers were taken into account.

S2-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

Policies related to value chain, and especially suppliers and smallholders, are generally communicated through public displays and meetings (individual or group), and clauses of the policies are included in the contracts of the suppliers when they have one. For example, the third-party due diligence mechanism is outlined in the cooperation contract between the subsidiary and the third party. Specific actions are then also conducted based on local needs.

S2-1: 17: Description of relevant human rights policy commitments relevant to value chain workers

Through Socfin Group's Responsible Management Policy, which is applicable to all operations under Socfinasia, the following human rights key elements relevant to third party suppliers are included: child labour, forced or bonded labour, prevention of the violation of human rights.

Third parties have access to a grievance mechanism in line with Guiding Principle 31 of the UN Guiding Principles on Business and Human Rights. The third-party due diligence policy ensures that third parties are evaluated against ethics and social responsibility, including commitment to Socfin's code of conduct.

S2-1: 17 a: Disclosure of general approach in relation to respect for human rights relevant to value chain workers

Not applicable to Socfinasia as there is no material sourcing from external suppliers (no smallholders and associated workers involved).

S2-1: 17 b: Disclosure of general approach in relation to engagement with value chain workers

Not applicable to Socfinasia as there is no material sourcing from external suppliers (no smallholders and associated workers involved).

S2-1: 17 c: Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts

Suppliers have access to a grievance mechanism in line with Guiding Principle 31 of the UN Guiding Principles on Business and Human Rights.

S2-1: 18 (1): Policies explicitly address trafficking in human beings, forced labour or compulsory labour and child labour

Yes.

S2-1: 18 (2): Undertaking has supplier code of conduct

Yes.

S2-1: 19 (1): Disclosure of whether and how policies are aligned with relevant internationally recognised instruments

The principles of the Group's Responsible Management Policy and the strategy enabling them to be implemented are intended to be in line with the UN Guiding Principles on Business and Human Rights, the RSPO Principles and Criteria, and the GPSNR Policy Framework.

S2-1: 19 (2): Disclosure of extent and indication of nature of cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers

None.

[S2-2] Processes for engaging with value chain workers about impacts

S2-2: 22: Disclosure of whether and how perspectives of value chain workers inform decisions or activities aimed at managing actual and potential impacts

Not applicable to Socfinasia as there is no material sourcing from external suppliers (no smallholders and associated workers involved).

S2-2: 22 a: Engagement occurs with value chain workers or their legitimate representatives directly, or with credible proxies

N/A.

S2-2: 22 b: Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

N/A.

S2-2: 22 c: Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach

N/A.

S2-2: 22 d: Disclosure of Global Framework Agreement or other agreements related to respect of human rights of workers

N/A.

S2-2: 22 e: Disclosure of how effectiveness of engagement with value chain workers is assessed

N/A.

S2-2: 23: Disclosure of steps taken to gain insight into perspectives of value chain workers that may be particularly vulnerable to impacts and (or) marginalised

N/A.

[S2-3] Processes to remediate negative impacts and channels for value chain workers to raise concerns

S2-3: 27 a: Disclosure of general approach to and processes for providing or contributing to remedy where undertaking has identified that it connected with a material negative impact on value chain workers

Although this is not directly applicable to Socfinasia as there is no material sourcing from external suppliers (no smallholders and associated workers involved), external grievance mechanisms and a whistle-blower hotline are available to any third party who would need to raise a concern.

S2-3: 27 b: Disclosure of specific channels in place for value chain workers to raise concerns or needs directly with undertaking and have them addressed

N/A.

S2-3: 27 c: Disclosure of processes through which undertaking supports or requires availability of channels

N/A.

S2-3: 27 d: Disclosure of how issues raised and addressed are tracked and monitored and how effectiveness of channels is ensured

N/A.

S2-3: 28 (1): Disclosure of whether and how it is assessed that value chain workers are aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

N/A.

S2-3: 28 (2): Policies regarding protection against retaliation for individuals that use channels to raise concerns or needs are in place

Yes.

S2-3: AR 24: Third-party mechanisms are accessible to all workers

Yes.

S2-3: AR 25 (1): Grievances are treated confidentially and with respect to rights of privacy and data protection

Yes.

S2-3: AR 25 (2): Channels to raise concerns or needs allow for value chain workers to use them anonymously

Yes.

[S2-4] Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

S2-4: 32 a: Description of action planned or underway to prevent, mitigate or remediate material negative impacts on value chain workers

N/A.

S2-4: 32 b: Description of whether and how action to provide or enable remedy in relation to an actual material impact

N/A.

S2-4: 32 c: Description of additional initiatives or processes with primary purpose of delivering positive impacts for value chain workers

N/A.

S2-4: 32 d: Description of how effectiveness of actions or initiatives in delivering outcomes for value chain workers is tracked and assessed

N/A.

S2-4: 33 a: Description of processes to identifying what action is needed and appropriate in response to particular actual or potential material negative impact on value chain workers

N/A.

S2-4: 33 b: Description of approach to taking action in relation to specific material negative impacts on value chain workers

N/A.

S2-4: 33 c: Description of approach to ensuring that processes to provide or enable remedy in event of material negative impacts on value chain workers are available and effective in their implementation and outcomes

N/A.

S2-4: 34 a: Description of what action is planned or underway to mitigate material risks arising from impacts and dependencies on value chain workers and how effectiveness is tracked

Guided by the Responsible Management Policy and EUDR requirements, the Group is implementing measures to mitigate, eliminate, and monitor risks such as deforestation and child labour in its value chain. None of the Socfinasia subsidiaries are currently working with smallholders, so specific actions are currently not in place.

S2-4: 34 b: Description of what action is planned or underway to pursue material opportunities in relation to value chain workers

This point is not applicable to Socfinasia at this stage, as partnerships with smallholders within the Socfin Group are concentrated in its African operations (please refer to Socfinaf's sustainability statement).

S2-4: 35: Disclosure of whether and how it is ensured that own practices do not cause or contribute to material negative impacts on value chain workers

N/A.

S2-4: 36: Disclosure of severe human rights issues and incidents connected to upstream and downstream value chain

None.

S2-4: 38: Disclosure of resources allocated to management of material impacts

N/A.

S2-4: AR 30: Disclosure of whether and how undertaking seeks to use leverage with relevant business relationships to manage material negative impacts affecting value chain workers

N/A.

S2-4: AR 31: Disclosure of how participation in industry or multi-stakeholder initiative and undertaking's own involvement is aiming to address material impacts

The Group's participation in RSPO and the certification of its industrial units against this standard benefits value chain workers by addressing a range of issues related to labour rights, safety, fair compensation, and working conditions.

In turn, the Group's participation in GPSNR for its rubber activities also helps address a similar array of issues impacting value chain workers. The platform's focus on sustainability, capacity building, advocating for fair pricing and promotion for market transparency provide long-term benefits for the supply chain.

Although Socfinasia's activities currently do not involve collaboration with smallholders, the fact that these measures are already in place represents a solid safeguard basis for value chain workers, should Socfinasia's companies work with smallholders at a later stage.

S2-4: AR 37: Initiatives or processes whose primary aim is to deliver positive impacts for value chain workers are designed also to support achievement of one or more of Sustainable Development Goals

Yes (in place where applicable within the Socfin Group).

[S2-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S2-MDR-T: 80 a: Description of the relationship of the target(s) to the policy objectives

The Group's 100% traceability target for its raw material supply by 2025 is directly aligned with the objectives outlined in its Responsible Management Policy. The policy commits to transparency, sustainability, and ethical sourcing across all operations and supply chains. The traceability initiative ensures that all the natural rubber and FFB supplied to Socfinasia's palm oil mills and rubber factories are fully traceable to their source plantations or smallholder farms, including polygon mapping and smallholders' identification.

This target supports the policy's broader objectives by:

1. Enhancing supply chain transparency: By achieving 100% traceability, the Group strengthens its ability to monitor, verify, and ensure compliance with its sustainability commitments, reducing environmental and social risks.
2. Mitigating deforestation and land use risks: The policy explicitly commits to zero deforestation. Full traceability enables the company to verify that suppliers are not linked to deforestation after 31 December 2020, in line with the EU Deforestation Regulation (EUDR).
3. Ensuring compliance with environmental and social standards: Traceability allows the Group to assess and monitor supplier compliance with local environmental regulations, social standards, and best agricultural practices.
4. Strengthening the Group's sustainable sourcing strategy: The policy mandates engagement with smallholders and suppliers to support their compliance with sustainability requirements. The traceability initiative enables better smallholder engagement, risk assessment, and targeted support to improve farming practices.
5. Enhancing market access and customer confidence: Achieving full traceability aligns with customer expectations and global sustainability frameworks, such as the Roundtable on Sustainable Palm Oil (RSPO) and the Global Platform for Sustainable Natural Rubber (GPSNR).

By integrating traceability as a core sustainability metric, the Group ensures that its policy commitments translate into tangible, measurable actions that drive long-term environmental and social benefits.

Currently, Socfinasia is sourcing 100% of its raw materials from its own plantations, and therefore no third parties are supplying to its mills or factories. However, the target is still expressed to include third parties, to ensure that if they were to be added to the supply chain, the company is to meet the target of 100% traceability.

S2-MDR-T: 80 b (1): List of Measurable target(s)

The Group has set an absolute target of achieving 100% traceability of its raw material supply by 2025. This means that all the natural rubber and FFB supplied to its rubber factories and oil palm mills must be fully traceable to the exact plantation or smallholder farm where it was grown.

Measurement unit: Percentage (%) of traceable raw materials (rubber and oil palm).

S2-MDR-T: 80 b (2): Nature of target(s)

Target name	Nature of target
100% raw material traceability	Absolute

S2-MDR-T: 80 c: Description of scope of target(s)

The 100% traceability target for raw material supply by 2025 applies to the Group's upstream supply chain, covering all rubber and FFB sourced from company-owned plantations, third-party suppliers, and smallholders.

Activities covered:

- Raw material sourcing: Ensures that all Fresh Fruit Bunches (FFB) from oil palm and natural rubber are traceable to their exact smallholder farm or plantation of origin.
- Supplier and smallholder identification: Collecting polygons of farm plots (geo-referenced mapping) and planter information to establish traceability.
- Data management: Implementing traceability databases and monitoring systems to verify compliance.

Value chain coverage:

- Upstream supply chain:
 - Company-owned plantations: 100% traceability of existing smallholders (activities in Africa) is already established, with GPS-mapped boundaries and plantation management records.
 - Third-party suppliers, including smallholder farms: Full traceability required, including geo-mapping and compliance verification.
- Downstream operations: While the primary focus is on upstream sourcing, traceability also benefits downstream operation, ensuring that only verified, sustainably sourced raw materials are provided to downstream actors.

Geographical scope:

- The geographical scope includes all countries of operation and countries where raw materials are being sourced from.

S2-MDR-T: 80 d (1): Baseline value of target(s)

Target name	Baseline value	Unit
100% raw material traceability	100	%

S2-MDR-T: 80 d (2): Baseline year of target(s)

Target name	Baseline year
100% raw material traceability	2017

S2-MDR-T: 80 e (1): Period to which target(s) applies

Target name	Target year
100% raw material traceability	2025

S2-MDR-T: 80 e (2): Indication of milestones or interim targets

No milestones or interim targets.

S2-MDR-T: 80 f: Description of methodologies and significant assumptions used to define target(s)

The Group's 100% traceability target for its raw material supply by 2025 was defined using scientific methodologies, industry best practices, regulatory alignment, and socio-economic considerations. The methodology ensures compliance with global sustainability goals and local operational realities.

Methodologies used to define the target:

Supply chain traceability standards:

- GIS-based plantation mapping (polygon mapping and GPS coordinates):
 - Each supplier farm or plantation is geo-referenced to ensure precise location tracking.
 - Mapping is conducted using on-the-ground GPS data collection and verified through GIS tools.
- Supplier identification and data collection:
 - Smallholders and suppliers must provide ownership details, land size, and production capacity for traceability records.
 - Digital traceability platforms are used to centralise supplier data and ensure compliance.

Compliance with certification and sustainability frameworks:

- Roundtable on Sustainable Palm Oil (RSPO):
 - RSPO traceability requirements provide benchmarks for farm-to-mill verification.
- Global Platform for Sustainable Natural Rubber (GPSNR):
 - Traceability aligns with GPSNR's framework for responsible sourcing and supplier monitoring.

Significant assumptions in setting the target:

- Feasibility of data collection from smallholders and suppliers: Data collection timelines depend on regional access, technological adoption, and engagement with independent smallholders.
- Accuracy of farm boundary data: Assumes all mapped farms have verified boundaries and no land-use overlaps with protected areas.
- Adoption of digital traceability system: The target assumes full implementation of digital traceability systems for real-time data tracking and reporting.

Selected scenario and alignment with policy goals:

Regulatory and market compliance:

- The target is aligned with the EU Deforestation Regulation (EUDR), ensuring that all sourced raw materials comply with the December 31, 2020 cut-off date for deforestation.
- Supports compliance with national environmental laws in sourcing countries, particularly those governing land-use rights, deforestation, and conservation.

Consideration of local social and economic factors:

- The target is designed to avoid excluding smallholders from the Group's supply chain where possible by providing capacity-building programmes to help them comply with traceability requirements.
- Recognises regional challenges such as limited digital infrastructure and works to bridge the gap through training and local partnerships.

S2-MDR-T: 80 g: Whether the undertaking's targets related to environmental matters are based on conclusive scientific evidence

Target name	Target is based on scientific evidence
100% raw material traceability	Yes

S2-MDR-T: 80 h: Disclosure of whether and how stakeholders have been involved in target setting

The Group's 100% traceability by 2025 target aligns with international industry standards such as RSPO and GPSNR, as well as regulatory requirements under the EU Deforestation Regulation (EUDR). These frameworks are developed through multi-stakeholder processes, involving NGOs, private companies, financial institutions, policymakers, and smallholders. By adopting this target, the Group ensures compliance with evolving market, regulatory, and stakeholder expectations, while strengthening transparency and sustainability across its supply chain.

S2-MDR-T: 80 i: Description of any changes in target(s) and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data

No changes were noted.

S2-MDR-T: 80 j: Description of performance against disclosed target(s)

1. Progress toward the target:

The Group is actively working toward achieving 100% traceability of its raw material supply by 2025, ensuring that all rubber and oil palm sourced is fully traceable to the plantation or farm of origin. The current status is:

- Traceability implementation is progressing in both company-owned plantations and third-party suppliers, with significant advancements in polygon mapping and supplier registration.
- For company-owned plantations, traceability is 100%, with farm boundaries geo-referenced.
- For third-party suppliers and smallholders, traceability coverage is steadily increasing, with a focus on mapping and compliance verification.

- 100% of Socfinasia's rubber production and 100% for its palm oil production were fully traceable in 2024.
- Socfinasia already made EUDR compliant rubber sales in 2024.

2. Monitoring and review:

The Group tracks progress toward the traceability target using:

- GIS mapping & polygon data collection: Ensures farms are accurately geo-referenced.
- Supplier registration & data verification: Ensures all suppliers provide farm information and comply with traceability requirements.
- Compliance monitoring: Periodic internal inspections verify sourcing transparency.
- Stakeholder engagement: Smallholder training and engagement programmes support compliance.

3. Metrics used to evaluate progress:

- Percentage of raw material supply that is fully traceable (measured in %).
- Number of supplier farms mapped and recorded in traceability databases.

4. Trends & significant changes:

- Progress is in line with initial plans, with increasing supplier participation and adoption of traceability measures.
- Challenges: Ensuring smallholder compliance remains a key focus, requiring capacity-building programmes to facilitate data collection.
- Technology integration: Enhanced use of satellite monitoring and traceability databases is improving verification capabilities.

S2-5: 42 a: Disclosure of whether and how value chain workers, their legitimate representatives or credible proxies were engaged directly in setting targets

The Group did not directly engage with its value chain workers when setting the 100% traceability target, but relied on multi-stakeholder engagements conducted by industry frameworks such as RSPO and GPSNR. These frameworks incorporate input from worker representatives, NGOs, private sector actors, and policymakers to ensure that sustainability targets reflect industry-wide best practices. Through these engagements, it was determined that achieving full traceability would be beneficial for the majority of stakeholders, including the Group's value chain workers, by promoting supply chain transparency, responsible sourcing, and regulatory compliance.

S2-5: 42 b: Disclosure of whether and how value chain workers, their legitimate representatives or credible proxies were engaged directly in tracking performance against targets

The Group directly interacts with its third-party raw material suppliers to communicate traceability targets, collect relevant supply chain data, and provide feedback on their performance. This engagement ensures that suppliers understand their compliance obligations under the Group's Responsible Management Policy.

1. Performance monitoring: Suppliers are required to submit traceability data, including farm polygons and sourcing information, which the Group evaluates against policy requirements.
2. Compliance feedback: Suppliers are notified if they meet or fail to meet compliance standards.

3. Continuous engagement: The Group ensures ongoing dialogue with suppliers through direct communication, monitoring, and training initiatives to improve traceability performance.

This approach ensures that value chain actors are actively engaged in tracking and improving compliance with the Group's 100% traceability target.

S2-5: 42 c: Disclosure of whether and how value chain workers, their legitimate representatives or credible proxies were engaged directly in identifying lessons or improvements as result of undertaking's performance

Socfinasia's operations currently do not have any third-party suppliers of raw materials. However, if they started receiving raw materials from third parties, then these suppliers would be directly notified of their status of compliance with the Group's standards. Those not in compliance would be provided with guidance on corrective actions and a time-bound implementation plan to move toward compliance, where possible.

ESRS S3 - Affected communities

[S3-1] Policies related to affected communities

S3-MDR-P: 65 a: Description of key contents of policy

The key contents of the Socfin Group Responsible Management policy related to the affected communities are the following:

“To respect the rights of local communities in all our operations and supply chains:

- We respect the right of indigenous populations and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to all operations affecting the land or resources on which they have legal, community or customary rights, using RSPO’s FPIC methodology;
- We maintain ongoing, effective, transparent, open and culturally appropriate channels of dialogue with indigenous people and local communities;
- We promote long-term collaboration to implement local community projects supporting decent living conditions: social life, health, education, food security, etc.;
- We respect land access rights and tenure by local and indigenous communities;
- We uphold traditional rights of access to our operations for hunting and gathering of animals and plants for the purpose of:
 - Subsistence;
 - Indigenous cultural religious traditions;
 - Customs and ceremonies;in line with legal requirements and Socfin’s commitment to protect rare, threatened, endangered, and critically endangered species;
- We implement a grievance mechanism in line with Guiding Principle 31 of the UN Guiding Principles on Business and Human Rights. This is used to bring ongoing disputes to a solution; the implementation of the agreed remedy measures is jointly monitored by the communities and Socfin and/or by mutually agreed third parties”.

S3-MDR-P: 65 b: Description of scope of policy or of its exclusions

This Responsible Management Policy is applicable, without exception, to:

- All operations of the Socfin Group, and those of its subsidiaries, including all the factories, palm oil mills and plantations that the Group owns, manages or in which it invests, regardless of the level of its share;
- All suppliers (third parties).

S3-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

The most senior level in the undertaking that is accountable for the implementation of the policy is the undertaking’s Board.

Section 7 on the implementation of the Responsible Management Policy namely includes the following statement: “The Socfin Group commits to make available the human and financial resources necessary for the proper implementation of this policy. To that aim, the Group will embed these commitments into its decision-making processes, systems, and performance metrics of its corporate management, relevant business units, joint ventures, and company affiliates and subsidiaries”.

S3-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

The third-party standards that are respected through the implementation of this policy are:

- RSPO Principles and Criteria 2024,
- GPSNR Policy Framework,
- HCV Resource Network,
- HCS Steering Group,
- UNDRIP (United Nations Declarations on the Rights of Indigenous People),
- UNGPBHR (United Nations Guiding Principles on Business and Human Rights),
- FPIC,
- ILO (International Labour Organisation).

S3-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy

The policy was designed in 2017 with the support of Earthworm Foundation which is a non-profit organisation supporting companies with social and environmental aspects of the supply chain. The policy was revised in 2022, again with the support of Earthworm Foundation, taking into account some additional elements from the GPSNR Policy Framework.

S3-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

The policies of our operations are made available to the communities. They are explained during meetings such as bipartite and tripartite meetings that regularly take place.

S3-1: 15: Disclosure of any particular policy provisions for preventing and addressing impacts on indigenous peoples

In the Responsible Management Policy, the Group in fact commits to respecting the rights of indigenous peoples by complying with the articles in the United Nations Declaration on the rights of indigenous population groups.

Section 4.2 of the policy includes the following elements:

- “We maintain ongoing, effective, transparent, open and culturally appropriate channels of dialogue with indigenous peoples (...)”,
- “We respect land access rights and tenure by local and indigenous communities”.

In turn, the Appendix reiterates the Group’s commitments:

- “The Group commits to identify and respect the customary and individual rights of local and indigenous communities through participatory mapping. The Group commits to ensure that the

laws and the best international practices in FPIC are implemented for all its operations. This includes the United Nations Declaration on the Rights of Indigenous Peoples”.

In Socfinasia’s case, one indigenous population group lives in the vicinity of Socfin-KCD and Coviphama in Cambodia: the Bunongs.

S3-1: 16: Description of relevant human rights policy commitments relevant to affected communities

Socfinasia’s subsidiaries have clear human rights policies that focus on indigenous rights, FPIC compliance, and responsible land-use practices. These human rights commitments are embedded in the Socfin Responsible Management Policy, ensuring consistency in community engagement and conflict resolution.

Key commitments include:

- Protection of indigenous rights:
 - Aligning with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) to protect the rights of the Bunong Indigenous People in Cambodia.
- FPIC compliance:
 - Securing FPIC before any activity that affects Indigenous Peoples’ and Local Communities’ (IP/LC) rights over their lands or resources.

S3-1: 16 a: Disclosure of general approach in relation to respect for human rights of communities, and indigenous peoples specifically

Socfinasia’s subsidiaries have adopted a comprehensive approach to respecting community and indigenous peoples’ rights, incorporating legal compliance, tenure security, FPIC commitments, continuous engagement, grievance resolution and impact mitigation.

Key approaches include:

- Commitment to indigenous rights & UNDRIP compliance,
- Free, Prior, and Informed Consent (FPIC) & community consultation,
- Protection of traditional and communal land rights,
- Cultural & religious rights protections,
- Human rights policy & social impact management,
- Training & security measures.

S3-1: 16 b: Disclosure of general approach in relation to engagement with affected communities

Engagement with affected communities is done through different methods. There are the regular platforms for discussions at regular intervals between subsidiaries and communities or between subsidiaries, communities and local authorities (bipartite and tripartite meetings).

There are ad hoc consultations between communities and subsidiaries when a specific issue needs to be discussed urgently. There are also the grievance channels for communities to expose grievance; this is less frequently used as the bipartite and tripartite meetings are the forum where most grievances will be presented, discussed, registered and for which corrective actions will be suggested. It is also during these meetings that CSR projects requested by the communities will be presented and prioritised for implementation by the subsidiaries.

S3-1: 16 c: Disclosure of general approach in relation to measures to provide and (or) enable remedy for human rights impacts

Socfinasia's subsidiaries provide structured grievance mechanisms and independent oversight to address human rights concerns.

Key approaches include:

- Grievance and whistleblowing mechanisms:
 - Accessible external grievance systems enable communities to report human rights concerns via dedicated complaint channels, whistle-blower policies, and direct engagement with company representatives.
- Independent human rights investigations and accountability:
 - Earthworm Foundation conducted in-depth grievance work in 2024 to investigate allegations related to affected community rights, ensuring appropriate remedies are put in place (Socfin-KCD and Coviphama).
- Policy-based human rights protections:
 - Official policies to address serious violations, including forced labour and human trafficking.
- Community consultation and FPIC compliance:
 - Free, Prior, and Informed Consent (FPIC) before starting new projects, ensuring community concerns are considered.
 - Conducting participatory mapping to respect land rights and traditional practices.

S3-1: 17 (1): Disclosure of whether and how policies are aligned with relevant internationally recognised instruments

The Socfin Group Responsible Management Policy covers affected communities and is aligned with the following internationally recognised instruments:

- FPIC process before any new development project, using RSPO's FPIC methodology.
- A grievance mechanism in line with Guiding Principle 31 of the UN Guiding Principles on Business and Human Rights. This is used to bring ongoing disputes to a solution. The implementation of the agreed remedy measures is jointly monitored by the communities and the Group and/or by mutually agreed third parties.
- Mappings and studies identifying the HCS, HCV and peatland areas have been completed by qualified experts, and made public. This includes using the HCSA Steering Group and/or HCV Network's ALS quality assurance systems whenever relevant.

S3-1: 17 (2): Disclosure of extent and indication of nature of cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities

At the Socfin Group's request, a deep dive investigation exercise was undertaken by Earthworm Foundation. In 2024 EF did an assessment of allegations affecting communities related to the establishment of the Socfin-KCD plantation in the years 2009-2012. EF evaluated that, during this period, allegations of a flawed compensation programme and of forced evictions (land clearing started without community consent) were founded and partially founded, respectively. These historical issues are being addressed by an appropriate action plan. It is important to note that the main actions addressing them

started about 10 years ago, through the mediation process, and resulted in agreements between Socfin-KCD and the communities signed in 2022. These agreements include an ongoing implementation of the agreed CSR support programmes.

For additional details, please refer to the links provided in the section “Entity-specific – Partnerships for sustainable development at a glance”.

S3-1: AR 11: Disclosure on an illustration of the types of communication of its policies to those individuals, group of individuals or entities for whom they are relevant

Socfindo communicates policies through direct engagement and the distribution of pocket books to stakeholders. Socfin-KCD and Coviphama use various methods including face-to-face meetings, printed materials, and posters to ensure clear communication, also translating materials into the local language to enhance accessibility.

[S3-2] Processes for engaging with affected communities about impacts

S3-2: 21: Disclosure of whether and how perspectives of affected communities inform decisions or activities aimed at managing actual and potential impacts

Socfindo, Socfin-KCD and Coviphama incorporate community perspectives into their decision-making processes through regular consultations. Socfindo holds annual meetings with local communities to address the impacts of its operations, while Socfin-KCD and Coviphama engage with communities via liaison officers and a Tripartite Committee to gather feedback and integrate it into company activities.

S3-2: 21 a: Engagement occurs with affected communities or their legitimate representatives directly, or with credible proxies

Yes.

S3-2: 21 b: Disclosure of stage at which engagement occurs, type of engagement and frequency of engagement

Socfindo engages in public consultations before starting impactful work and ensures regular outreach to monitor environmental and social impacts. Engagement is ongoing, at least monthly. Socfin-KCD and Coviphama engage with communities weekly on various topics, with bi-annual meetings through the tripartite committee.

S3-2: 21 c: Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach

At Socfindo, the Estate Manager is responsible for ensuring social engagement, while at Socfin-KCD and Coviphama, the Sustainability Manager oversees community engagement efforts and works with the Earthworm Foundation to implement strategies in line with Free, Prior, and Informed Consent (FPIC).

S3-2: 21 d: Disclosure of how the undertaking assesses the effectiveness of its engagement with affected communities

The effectiveness of community engagement is assessed through feedback and consultation processes. Socfindo conducts public consultations and analyses community input to select programmes that meet both community needs and the company's capabilities. Socfin-KCD and Coviphama track the resolution of grievances and suggestions for improvement, indicating whether concerns are effectively addressed and engagement efforts are successful.

S3-2: 22: Disclosure of steps taken to gain insight into perspectives of affected communities that may be particularly vulnerable to impacts and (or) marginalised

Socfindo engages vulnerable groups, such as pregnant women and persons with disabilities, through focus group discussions. Socfin-KCD and Coviphama, focusing on the Bunong indigenous people, ensure the respect of their rights, particularly through the Free, Prior, and Informed Consent (FPIC) principle.

S3-2: 23: Disclosure of whether and how the undertaking takes into account and ensures respect of particular rights of indigenous peoples in its stakeholder engagement approach

Our commitment regarding indigenous peoples' rights is translated into several elements when it comes to stakeholder engagement. It notably involves:

- Respecting their right to give or withhold their Free, Prior and Informed consent (FPIC) on all operations affecting the land or resources they are legally, communally or customary entitled to.
- Maintaining permanent, efficient, transparent, open and culturally appropriate communication channels with indigenous populations and local communities.
- Ensuring that the respect of their rights is communicated and taken into account when engagement occurs (notably their right to access and occupy land, and the traditional rights to access the plantations for hunting and harvesting plants for subsistence, for indigenous cultural religious traditions and for customs and ceremonies – in compliance with legal requirements and the Group's commitment to protect rare, threatened, vulnerable or critically endangered species).

When starting a new development project, environmental and social impact studies are always carried out. They comprise environmental and social impact plans, impact mitigation measures, a community development plan, and a stakeholder engagement plan. All form integral part of the occupancy agreement with the government and the communities.

[S3-3] Processes to remediate negative impacts and channels for affected communities to raise concerns

S3-3: 27 a: Disclosure of general approach to and processes for providing or contributing to remedy where undertaking has identified that it connected with a material negative impact on affected communities

When material negative impacts are identified, companies take steps to remedy these issues through structured grievance and compensation mechanisms. These processes allow affected communities to report concerns, with solutions discussed in engagement meetings. External complaints management systems and participatory mechanisms are used, such as the FPIC approach, to address grievances. Grievances are resolved through a collaborative process that involves both the company and the affected communities, ensuring that feedback is addressed in a transparent and timely manner.

S3-3: 27 b: Disclosure of specific channels in place for affected communities to raise concerns or needs directly with undertaking and have them addressed

Socfinasia's subsidiaries have a variety of grievance and communication channels in place to address concerns or needs raised by affected communities. These channels generally include face-to-face dialogues, phone calls, text messages, written correspondence, and community engagement meetings. They also offer dedicated grievance hotlines or whistleblowing platforms to ensure anonymity and ease of communication.

Community Liaison Officers play a central role in guiding community members through the grievance process, often offering assistance in local languages. In addition, grievance logs and tracking systems are used to ensure that complaints are addressed in a timely and transparent manner. The companies also strive to make these channels accessible by displaying contact information publicly, providing toll-free numbers, and offering 24/7 accessibility in some cases.

S3-3: 27 c: Disclosure of processes through which undertaking supports or requires availability of channels

Socfindo's channels, including union representatives, grievance boxes, and Gender Committees, are supported by designated personnel who handle and follow up on concerns. Socfin-KCD and Coviphama allocate resources to support their internal grievance mechanisms, ensuring staff time and additional budgets are available to address raised issues; this includes addressing specific concerns such as water quality improvements. The diversity of mechanisms ensures that community members can submit concerns in the way they feel most comfortable with, be it in writing, orally, by directly talking with a contact person or completely anonymously. Maintaining the availability of the different channels is key to ensuring the effectiveness of grievance processes.

S3-3: 27 d: Disclosure of how issues raised and addressed are tracked and monitored and how effectiveness of channels is ensured

The regular meetings of the CLOs with communities allow to follow up on grievances that have already been raised and are under resolution. This can also occur in a more formal context during bipartite and tripartite meetings, when relevant. Furthermore, sites usually have an external grievance tracking file to

record issues raised by community members. Bipartite and tripartite meetings are also summarised and any issues raised there are kept track of. Each site has its own follow-up procedure and deadlines to monitor issues, but the regularity of meetings and variety of ways for communities to share concerns overall ensure consistent monitoring.

As with internal grievances, it is the tracking of numbers and tendencies from a Group perspective that is more challenging, because of the heterogeneity of procedures across sites and the diversity of tracking mechanisms even on one plantation. However, the improvements that are underway at Group level regarding internal grievances (please refer to S1-17, para. 103(d)) also apply to external ones.

S3-3: 28 (1): Disclosure of whether and how it is assessed that affected communities are aware of and trust structures or processes as way to raise their concerns or needs and have them addressed

Awareness of engagement processes, especially grievance mechanisms, is prioritised across all companies. Awareness-building methods include the display of grievance mechanisms on notice boards, sensitisation sessions, public announcements, and direct communication through CLOs. Meetings are another common channel, where communities are regularly briefed on how to raise concerns or access grievance processes. In some cases, companies hold annual or quarterly review meetings to assess community understanding and gather feedback on these processes. Communication tools are further bolstered by distributing copies of policies, explaining grievance procedures during engagements, and conducting follow-up meetings to ensure clarity and transparency.

In turn, several methods are used to gauge the level of trust communities have in grievance and engagement processes. First, direct feedback is often solicited through surveys, interviews, and community consultations during engagement meetings. Some companies track the volume of complaints or requests as a measure of trust, with more complaints indicating confidence in the process. Second, the level of participation in engagement activities and grievance processes also serves as an indicator of awareness and trust, with high participation typically reflecting trust in the system in place. Third, satisfaction surveys and ongoing assessments (e.g., biannual monitoring or follow-up actions from grievances) help companies evaluate whether community concerns are being addressed adequately. And last but not least, transparency and follow-up actions are emphasised, where companies ensure that responses to grievances are communicated back to the community and that actions align with their expectations. A lack of complaints about the process itself is often seen as a sign of strong community trust.

S3-3: 28 (2): Policies regarding protection against retaliation for individuals that use channels to raise concerns or needs are in place

Yes.

S3-3: AR 19: Disclosure of whether and how affected communities are able to access channels at level of undertaking they are affected by

All the measures in place described in the disclosures above are available directly at the level of the company within Socfinasia they may be affected by. Communities therefore always have direct access to the company, be it through the regular meetings, the role of the CLOs and the explanations provided in local languages, or the written means of communication.

S3-3: AR 20: Third-party mechanisms are accessible to all affected communities

Yes.

S3-3: AR 21 (2): Affected communities are allowed to use anonymously channels to raise concerns or needs

Yes.

[S3-4] Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

S3-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

- Finalisation of the mediation agreements implementation at Socfin-KCD and Coviphama,
- Improvement of the community wellbeing and local development.

S3-MDR-A: 68 b: Description of scope of key action

Key actions apply to local communities neighbouring the subsidiaries.

S3-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

Short term.

S3-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

Finalisation of the mediation agreements implementation at Socfin-KCD and Coviphama.

S3-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (Capex and OpEx)

There is a mix of OpEx and CapEx.

S3-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

The amounts disclosed are part of the subsidiaries' costs allocated to sustainability matters

S3-MDR-A: AR 23: Current and future financial resources allocated to action plan, breakdown by time horizon and resources

All are short term.

S3-MDR-A: 69 b (1): Current financial resources allocated to action plan (Capex)

23 602 EUR.

S3-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

725 998 EUR.

S3-MDR-A: 69 c (1): Future financial resources allocated to action plan (Capex)

0 EUR.

S3-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

679 314 EUR.

S3-4: 32 a: Description of action taken, planned or underway to prevent, mitigate or remediate material negative impacts on affected communities

Each company has established measures to prevent, mitigate, or remediate the negative impacts their activities may have on local communities. Common actions include:

- Water quality monitoring, waste management plans, and the establishment of buffer zones to reduce environmental impacts.
- Proactive engagement of communities through regular consultations and implementing projects that benefit the community, such as access to clean water, road maintenance, and health infrastructure improvements.
- Supporting local economies by providing training, creating job opportunities, and contributing to community welfare initiatives.

These actions align with the principle of Free, Prior, and Informed Consent (FPIC) to ensure that communities are involved in decision-making processes.

S3-4: 32 b: Description of whether and how the undertaking has taken action to provide or enable remedy in relation to an actual material impact

Socfindo addresses material impacts through stakeholder meetings and grievance channels. Socfin-KCD and Coviphama follow the same procedure, ensuring that feedback is investigated and remedial actions are taken as necessary. Additionally, Socfin-KCD and Coviphama have had an investigation from EF in 2024 and are implementing an action plan resulting from the findings.

S3-4: 32 c: Description of additional initiatives or processes with primary purpose of delivering positive impacts for affected communities

Socfindo focuses on community health, road maintenance, and smallholder assistance. Socfin-KCD and Coviphama implement a wide range of community development initiatives, including financial support, water well construction, road repairs, and capacity-building for smallholders.

S3-4: 32 d: Description of how effectiveness of actions or initiatives in delivering outcomes for affected communities is tracked and assessed

Socfindo monitors effectiveness through community surveys, field visits, and weekly reports. Socfin-KCD and Coviphama track outcomes through regular meetings with the CLO, community feedback, and assessments, including a 2024 evaluation by the Earthworm Foundation.

S3-4: 33 a: Description of processes to identifying what action is needed and appropriate in response to particular actual or potential material negative impact on affected communities

Socfinasia's subsidiaries rely on continuous community engagement, impact monitoring, and structured grievance processes to determine necessary actions.

Key processes include:

- Community liaison and ongoing engagement:

- Regular follow-up meetings with affected communities to identify issues early.
- Feedback from community representatives is integrated into decision-making via the tripartite committee.
- Data-driven analysis and response development:
 - Collection of data from multiple sources, including complaint reports, internal and external audits, to analyse root causes and expected solutions.
 - Actions are developed in collaboration with communities, ensuring solutions are mutually agreed upon and monitored for effectiveness.

S3-4: 33 b: Description of approach to taking action in relation to specific material negative impacts on affected communities

Socfinasia's subsidiaries follow structured response frameworks to address material negative impacts on affected communities.

Key approaches include:

- Timely response and resolution:
 - Follow a defined response timeline, including a two-week resolution period for environmental grievances, ensuring efficient corrective action.
- Root cause analysis and action plans:
 - Identify the root cause of community impacts, then develop corrective and remedial actions with assigned responsibilities and target completion timeframes.

S3-4: 33 c: Description of approach to ensuring that processes to provide or enable remedy in event of material negative impacts on affected communities are available and effective in their implementation and outcomes

Sites have several mechanisms in place to ensure that communities can raise issues, and that the necessary measures are taken to provide remedy when necessary (please refer to S3-3, para. 27 (d)). Awareness-raising at local level regarding such measures is a key part of ensuring their availability and effectiveness. Moreover, the deep-dive investigations by Earthworm Foundation and following action plans put in place by the Group and the sites has played an important role in identifying any non-addressed issues and implementing long-lasting corrective measures. Finally, the hotline number implemented by the Group in partnership with a third expert party allows for an additional global mechanism to raise problems and ensure all-round compliance.

S3-4: 34 a: Description of what action is planned or underway to mitigate material risks arising from impacts and dependencies on affected communities and how effectiveness is tracked

Socfinasia's subsidiaries are focused on engaging with affected communities through participatory processes to identify and mitigate material risks.

Actions include:

- Continuous dialogue with communities,
- Proactively addressing concerns and monitoring risks, with an emphasis on media monitoring and grievance resolution,
- Enriching vegetation in HCV areas,
- Helping smallholders prepare for RSPO certification in Indonesia,

- Repairing infrastructure.

S3-4: 34 b: Description of what action is planned or underway to pursue material opportunities in relation to affected communities

Socfinasia is implementing several actions to pursue opportunities in relation to local communities, and generally promote sustainable development and support the communities in which its subsidiaries operate:

- Investments in infrastructure like roads, water systems, schools, and health facilities.
- Employment and smallholder support, including local hiring, job creation, and entrepreneurship development.

The Group's commitment to provide infrastructure and support for local communities contributes to nurturing the relationship with them.

S3-4: 35: Disclosure of whether and how it is ensured that own practices do not cause or contribute to material negative impacts on affected communities

Socfinasia and its subsidiaries demonstrate a strong commitment to ensuring that their operations do not cause negative impacts. This is notably illustrated by:

- Compliance with national and international standards, including environmental and social audits.
- Implementation of policies that safeguard environmental health, human rights, and community welfare.
- Engaging in proactive risk assessments (ESIA) and monitoring to ensure that material negative impacts are prevented or mitigated.
- Ongoing monitoring of water quality and biodiversity protection measures.
- Conflict resolution and grievance mechanisms to address concerns from affected communities.

Monitoring mechanisms include third-party audits, community engagement, environmental assessments, and the establishment of corrective actions, when necessary, thus ensuring that any negative impacts are promptly addressed.

S3-4: 36: Disclosure of severe human rights issues and incidents connected to affected communities

Please refer to point S3-1: 17 (2).

S3-4: 38: Disclosure of resources allocated to management of material impacts

Socfinasia's resources allocated to the management of impacts include:

- Management of resources with local sustainability teams including community liaison services,
- OpEx and CapEx projects dedicated to social projects such as water quality and availability, education, medical, roads, villages infrastructure,
- Support for smallholders (Indonesia),
- Livelihood projects,
- Evaluation of impacts through external assessment with Earthworm Foundation.

S3-4: AR 28: Disclosure of how participation in industry or multi-stakeholder initiative and undertaking's own involvement is aiming to address material impacts

Socfinasia's participation in the sustainability platforms RSPO and GPSNR confirm the engagement to address material impacts related to communities as both platforms cover this aspect. In parallel, the commitments made towards communities in the Group's Responsible Management Policy, as well as the assessment of its implementation both internally and externally with the support of Earthworm Foundation, demonstrate Socfinasia's involvement in addressing material impacts.

S3-4: AR 34 a: Disclosure of whether and how affected communities play role in decisions regarding design and implementation of programmes or investments

All sites emphasise the involvement of affected communities in the design and implementation of their projects and investments, with a strong focus on dialogue, consultation, and participation. Companies utilise a structured approach, including regular meetings such as bipartite or tripartite meetings, community representatives actively voicing their needs, and employing frameworks like Free, Prior, and Informed Consent (FPIC). Consultation with community representatives is conducted to register their priority needs and ensuring they guide the selection of projects. These processes are ongoing and recurring, allowing communities to continually influence decisions, select projects, and even monitor their execution. Ultimately, there is a shared commitment across sites to empower communities and ensure projects align with their priorities for mutual benefits.

S3-4: AR 34 b: Information about intended or achieved positive outcomes of programmes or investments for affected communities

Please refer to S3-4: AR 34a.

S3-4: AR 35: Initiatives or processes whose primary aim is to deliver positive impacts for affected communities are designed also to support achievement of one or more of Sustainable Development Goals

Yes.

S3-4: AR 43: Description of internal functions that are involved in managing impacts and types of action taken by internal functions to address negative and advance positive impacts

Across the different sites, managing community impacts involves multiple internal functions working collaboratively to address negative impacts and enhance positive ones. Key roles often include the Managing Director or Estate Manager for strategic oversight, the Community Liaison Officers for maintaining communication with communities, and the Sustainability Managers for ensuring adherence to environmental and social goals. Other roles such as the HSE (Health, Safety and Environment) Managers, and Finance Managers contribute by ensuring resources are allocated, environmental sustainability is prioritised, and risks are mitigated. The companies' actions range from implementing corrective action plans in response to grievances to engaging in ongoing dialogue to assess and address community needs. Companies also have dedicated roles, such as administrative and quality managers, responsible for ensuring compliance with national laws, environmental standards, and the effective execution of community projects. These functions work together to ensure that actions taken are transparent, accountable, and aimed at creating positive social and environmental outcomes for the communities.

[S3-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

E3-ESRS 2: 72: Whether targets have been set and if not, reasons for not having adopted targets

Outcome-oriented targets relating to communities have not been adopted because the focus is on ongoing monitoring of the actions taken on an annual basis. There is currently no need for outcome-oriented targets.

S3-MDR-T: 81 b: Whether the undertaking tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity

Yes.

S3-MDR-T: 81 b i: Description of processes through which effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity

Effectiveness of policies and actions related to affected communities is tracked through:

- Regular meetings between subsidiaries' management and communities' representatives with review of status of previous agreed actions and agreement of new actions resulting from expressed grievances or requests,
- Follow up of specific MoUs between subsidiaries and communities,
- Internal and external RSPO audits done every year,
- GPSNR annual reporting,
- Earthworm Foundation visits and follow-up.

S3-MDR-T: 81 b ii: Description of defined level of ambition to be achieved and of any qualitative or quantitative indicators used to evaluate progress

Full implementation of the Socfin Group Responsible Management Policy, with zero non-compliance towards the list of commitments made towards affected communities.

S3-MDR-T: 81 b ii 80 d: Base year from which progress is measured

2017.

ESRS S4 - Consumers and end-users

Most disclosures under S4 are not applicable to Socfinasia, since the topic was assessed as non-material. For further explanations, please refer to those provided under ESRS 2:

- S4-SBM-3,
- IRO-1 para. 53 b ii,
- IRO-2 point 58 (8).

[S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-3: 27 (1): Statement in case the undertaking has not adopted a general process to engage with consumers and/or end-users

Because of the far-removed relationship with consumers and end-users, and since the Group's products do not imply particular risks of harm for them, there is no formal process in place to engage with consumers and end-users. However, these can always contact the site in question or the Group in case of concerns.

As opposed to consumers and end-users, regular contact is maintained with Socfinaf's clients, notably tyre-makers. Please refer to the sections mentioned above for further explanations.

Governance disclosures

ESRS G1 - Business conduct

[G1-1] Business conduct policies and corporate culture

G1-MDR-P: 65 a: Description of key contents of policy

Section 6. *Transparency* of the Group's Responsible Management Policy addresses commitments relating to business conduct. Its states:

- "We commit to comply with all local and international laws and regulations applicable to our operations;
- We prohibit any form of corruption (see details in the Socfin anti-bribery & anti-corruption policy);
- We will publish a global action plan with precise objectives and timelines to ensure transparency and constant improvement. Progress, updates and adaptations of this action plan will be made and published annually and submitted to the Board of Directors;
- We will make the maps of our concessions public, our permits and the outcomes of HCS and HCV participatory mappings, if local legislation authorises it;
- In order to work constructively we will proactively consult and collaborate with all relevant stakeholders (internal and external). This includes NGOs, civil society organisations, local and national authorities, local communities, companies neighbouring our operation areas, customers, suppliers and industry organisations;
- We commit to obtain traceability for 100% of our raw material supply by 2025".

In addition, specific policies are in place to complement the overarching commitments of the RMP.

- Anti-bribery & anti-corruption policy:
 - o The Group does not accept bribery or corruption in any form in its business activities. Particular areas of attention are:
 - Bribery of government officials,
 - Misrepresentation of accounting records,
 - Use of agents known to be corrupt.
 - o The Group is committed to conducting its business in an ethical, transparent and sustainable manner that should be understood and applied by all.
- Whistleblowing policy:
 - o Any individual must feel comfortable and safe when raising issues of wrongdoing such as criminal activities, bullying, harassment, environmental damage, unsafe working conditions.
 - o Multiple reporting channels are made available including letter boxes, telephone hotline, website, Gender Committee, with a commitment of follow-up from the Group/its companies.
 - o Whistle-blowers are protected from retaliation and guaranteed confidentiality for issues raised in good faith.
- Socfin data protection policy (in line with GDPR):

- The Group collects personal data directly or indirectly for clearly defined and legitimate purposes and for a defined period of time.
- Personal data is adequately protected and only accessible to persons that have a legitimate reason to use it, unless legally required to disclose any of the information.
- Data is not shared outside Europe without the explicit & affirmative consent of the data owner.
- The data owner has the right to consult, correct and request removal of his/her data, unless the Group is legally required to store the data.
- Third party due diligence policy:
 - Due diligence is based on red flag check lists, questionnaires, audits, site visits, contracts with compliance clauses, risk management and documented processes.
 - The due diligence process is the responsibility of the initiating department, with the assistance of compliance and legal to ensure adequate documentation.
 - In the event of non-conformity with the assessment criteria, the third party must be informed immediately, and a deadline set to remedy the problems identified.
 - If non-conformities persist, measures such as suspension or termination of the contract may be taken.
- Purchasing policy:
 - All purchases must be carried out in accordance with the steps of: purchase request, request for quotation, order, receipt, invoicing and payment under the responsibility and control of different departments.
 - When a purchasing programme such as Sage or Hermès is available, it must be used for the entire purchasing process.
 - The validation of purchases is subject to an approval matrix provided as an appendix to the policy.

G1-MDR-P: 65 b: Description of scope of policy or of its exclusions

The policies are applicable to all the Group's operations and subsidiaries, and all its third parties.

G1-MDR-P: 65 c: Description of most senior level in organisation that is accountable for implementation of policy

Board-level accountability: The Board of Directors, including senior executives, holds ultimate responsibility for overseeing the Responsible Management Policy and the more specific, complementary policies.

Operational oversight: Day-to-day accountability is assigned to senior managers within Socfinasia's operations, ensuring adherence to elements of the policy related to business conduct. The HQ Compliance Officer collaborates with on-site managers to implement initiatives and monitor compliance.

G1-MDR-P: 65 d: Disclosure of third-party standards or initiatives that are respected through implementation of policy

Socfinasia's operations are audited according to RSPO and GPSNR. We uphold the Universal Declaration of Human Rights and implement Guiding Principle 31 of the UN Guiding Principles on Business and Human Rights, as well as the EU Whistle-blowing Directive.

G1-MDR-P: 65 e: Description of consideration given to interests of key stakeholders in setting policy

As explained in other *MDR-P: 65 e* parts of the report, the interests of key stakeholders were duly taken into account when setting the Responsible Management Policy. In the case of elements relating to business conduct, key stakeholders' interests notably include those of suppliers, clients, NGOs/civil society organisations, and governmental authorities.

G1-MDR-P: 65 f: Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it

The Responsible Management Policy is publicly available on its website and communicated to all interested parties through meetings and information sessions.

Socfin's code of conduct is available on the Group's website. All other policies (anti-bribery & anti-corruption policy, whistleblowing policy, data protection policy, third party due diligence policy, conflict of interest policy and purchase policy) are made available to the Group's employees through an internal SharePoint and local network accessible to all entities of the Group.

G1-1: 9: Description of how the undertaking establishes, develops, promotes and evaluates its corporate culture

The Group has put in place a code of conduct applicable to all, and has implemented various training programmes, including a comprehensive online training platform for senior and junior managers and employees in sensitive roles.

G1-1: 10 a: Description of the mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of its code of conduct or similar internal rules

The Group has multiple channels to report wrongdoings, including web-based and phone reporting channels operated by an external service provider to guarantee confidentiality and impartiality. These channels are available to both internal and external stakeholders.

G1-1: 10 c: Disclosure of safeguards for reporting irregularities including whistleblowing protection

The whistle-blowing policy guarantees protection against retaliation. Channels available for whistleblowing allow for anonymity and guarantees confidentiality.

G1-1: 10 e: Undertaking has procedures to investigate business conduct incidents promptly, independently and objectively

Yes.

G1-1: 10 g: Information about policy for training within organisation on business conduct

Training on business conduct is done through online training courses, plenary training sessions, short awareness sessions and billboards. Attendance is recorded through attendance sheets or directly through the system for online training.

G1-1: 10 h: Disclosure of the functions that are most at risk in respect of corruption and bribery

Functions that are most at risk of bribery and corruption are: purchasing, sales, finance, logistics (import & export), and senior plantation management.

G1-1: 11: Entity is subject to legal requirements with regard to protection of whistle-blowers

Yes.

G1-MDR-P: 62 (1): Disclosure of reasons for not having adopted policies

N/A.

G1-MDR-P: 62 (2): Disclosure of timeframe in which the undertaking aims to adopt policies

Other policies on specific topics such as sales, raw material procurement and IT security are being developed and expected to enter into force in the course of 2025.

[G1-2] Management of relationships with suppliers

G1-2: 14: Description of policy to prevent late payments, especially to SMEs

The Group has no policy specifically preventing late payments. However, the majority of the sites' suppliers require advance payments and others will generally require payment with 30 days of invoice date. There is no record of late payments save exceptional circumstances linked to transfer delays (often due to local central bank processes).

G1-2: 15 a: Description of approaches in regard to relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters

Socfinasia's subsidiaries implement supply chain due diligence, environmental compliance, and social risk mitigation measures to ensure sustainability in their operations.

Key approaches include:

- Environmental risk management and compliance:
 - Suppliers are required to prevent pollution, illegal land clearing, and unsustainable resource extraction.
 - Focus on preventing illegal timber harvesting, habitat destruction, and land encroachment in sensitive areas.
 - Compliance with national and international sustainability frameworks to mitigate biodiversity and ecosystem risks.
- Water and waste management compliance:
 - Effluent monitoring and treatment systems are required to ensure compliance with environmental regulations.
 - Suppliers are expected to follow strict waste disposal procedures to avoid contamination of water sources.
- Social responsibility and land use monitoring:
 - Population growth and migration pressures are key concerns for supplier relationships, with some suppliers engaging in unsustainable land use practices.
 - Subsistence agriculture and fire clearance methods used by some suppliers threaten protected habitats.

G1-2: 15 b: Disclosure of whether and how social and environmental criteria are taken into account for selection of supply-side contractual partners

In Socfinasia, social and environmental criteria are considered when selecting supply-side contractual partners. The approach varies but follows a structured evaluation process:

Indonesia – PT Socfin Indonesia (Socfindo):

- Social Criteria: Suppliers must comply with obligations to their workers, including:
 - Payment of the minimum wage,
 - Provision of Personal Protective Equipment (PPE),
 - Enrolment in BPJS (social security),
 - Availability of proper working tools.

- Environmental criteria:
 - Suppliers are assessed based on their PROPER certification issued by Indonesia's Ministry of Environment and Forestry (KLHK).
 - Suppliers must hold at least a blue grade in PROPER, indicating compliance with environmental management standards.

Cambodia – Socfin-KCD and Coviphama:

- Annual vendor evaluation:
 - The purchasing department conducts an annual evaluation of suppliers to assess their compliance.
 - In 2024, the evaluation form was updated to include criteria for occupational health and safety and environmental considerations.
- Green procurement training:
 - In 2024, purchasing staff received training from an expert on green procurement, strengthening Socfinasia's sustainable sourcing practices.

This structured selection process reflects Socfinasia's commitment to ethical sourcing, fair labour practices, and environmental responsibility.

[G1-3] Prevention and detection of corruption or bribery

G1-3: 18 a: Information about procedures in place to prevent, detect, and address allegations or incidents of corruption or bribery

Prevention and detection of bribery and corruption are done through various forms of training, availability of whistle-blowing channels and internal audits.

Senior and middle management must complete an online training that covers bribery and corruption in a detailed manner, including examples and testing.

G1-3: 18 b: Investigators or investigating committee are separate from chain of management involved in prevention and detection of corruption or bribery

Yes.

G1-3: 18 c: Information about process to report outcomes to administrative, management and supervisory bodies

Management is informed through monthly reports from Compliance, during periodic executive committee meetings and ad-hoc reports on alerts, investigations and outcomes in relation to non-compliant events and reports.

G1-3: 20: Information about how policies are communicated to those for whom they are relevant (prevention and detection of corruption or bribery)

Policies are communicated through meetings, plenary training sessions, online training, notice boards and emails.

G1-3: 21 a: Information about nature, scope and depth of anti-corruption or anti-bribery training programmes offered or required

Training on compliance includes a 4-module online training course covering all key areas of compliance including compliance basics, data protection, information security and preventing corruption. The latter module covers:

- What is corruption,
- Corruption around the world,
- Public officials and the private sector,
- Benefits and gratuities,
- Consultants and intermediaries.

G1-3: 21 b: Percentage of functions-at-risk covered by training programmes

85% completed in 2024, however training is ongoing, and the objective is to cover 100% of the functions at risk.

G1-3: 21 c: Information about members of administrative, supervisory and management bodies relating to anti-corruption or anti-bribery training

All senior management at holding and subsidiary level have completed an online training course on compliance, including on anti-bribery and corruption.

[G1-MDR-A] Actions and resources related to business conduct

G1-MDR-A: 68 a: The list of key actions taken in the reporting year and planned for the future

In 2024, policies, including anti-corruption, personal data protection, conflict of interest management, gifts & entertainment, whistleblowing, purchasing and code of conduct were formally approved by the Board of Directors. Information and training sessions started in 2024 as well.

In 2025, policies on sales, purchase of raw materials and IT security are to be finalised and implemented.

G1-MDR-A: 68 b: Description of scope of key action

The policies relate to all activities, from field to head office management and applicable in all countries of operation. They are applicable to all employees and entities working for or with the Group.

G1-MDR-A: 68 c: The time horizons under which the undertaking intends to complete each key action

Key action name	Time horizon to complete this action
Code of conduct	Short-term
Compliance training	Medium-term
Whistle-blowing	Short-term
Data protection	Short-term
Purchasing policy	Short-term
Conflict of interest	Short-term
Third party due diligence	Medium-term
Sales policy	Medium-term
Raw material purchasing	Medium-term
Compliance network	Medium-term

G1-MDR-A: 68 d: Description of key actions taken, and its results, to provide for and cooperate in or support provision of remedy for those harmed by actual material impacts

N/A.

G1-MDR-A: 68 e: Disclosure of quantitative and qualitative information regarding progress of actions or action plans disclosed in prior periods

Resources allocated at holding level relate to staffing, training, a whistle-blowing channel and mobility. In each subsidiary, a person has been appointed to act as compliance liaison with direct contact with HQ.

G1-MDR-A: 69 a: Disclosure of the type of current and future financial and other resources allocated to the action plan (CapEx and OpEx)

All resources linked to the implementation of the compliance department are for the account of the holding company and do not apply to the accounts of the reporting entity.

G1-MDR-A: 69 b: Explanation of how current financial resources relate to most relevant amounts presented in financial statements

Resources allocated at holding level relate to staffing, training, whistle-blowing channel and mobility.

G1-MDR-A: 69 b (1): Current financial resources allocated to action plan (CapEx)

0 EUR.

G1-MDR-A: 69 b (2): Current financial resources allocated to action plan (OpEx)

0 EUR.

G1-MDR-A: 69 c (1): Future financial resources allocated to action plan (CapEx)

0 EUR.

G1-MDR-A: 69 c (2): Future financial resources allocated to action plan (OpEx)

0 EUR.

[G1-4] Incidents of corruption or bribery

G1-4: 24 a (1): Number of convictions for violation of anti-corruption and anti- bribery laws

0.

G1-4: 24 a (2): Amount of fines for violation of anti-corruption and anti- bribery laws

0 EUR.

G1-4: 24 b (2): Disclose any actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery

No breaches related to bribery or corruption have been identified in 2024, however in case of unlawful incidents in this area, the Group will act in accordance with its anti-bribery and anti-corruption policy.

G1-4: 25 b: Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents

0.

[G1-5] Political influence and lobbying activities

G1-5: 30: Information about appointment of any members of administrative, management and supervisory bodies who held comparable position in public administration in two years preceding such appointment

No appointment of members of these bodies within 2 years in a comparable public position.

G1-5: AR 13: The entity is legally obliged to be a member of a chamber of commerce or other organisation that represents its interests

Yes.

[G1-6] Payment practices

G1-6: 33 a: Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated

Currently no quantitative data on this element. Please refer to the explanation provided under G1-2: 14.

G1-6: 33 b (1): Description of undertakings standard payment terms in number of days by main category of suppliers

Same as above.

G1-6: 33 b (2): Percentage of payments aligned with standard payment terms

Same as above.

G1-6: 33 c: Number of outstanding legal proceedings for late payments

In principle 0.

G1-6: 33 d: Disclosure of contextual information regarding payment practices

Please refer to the explanation provided under G1-2: 14.

Annex I – Glossary of terms

Acronyms and abbreviations

Same table for Socfinaf and Socfinasia CSRD reports.

Abbreviation	Meaning
A.I.	Active Ingredient
ACOP	Annual Communication of Progress (part of RSPO processes)
AR	Application Requirements
ASA	Annual Surveillance Audit
BMP	Best Management Practices
BSA	Biodiversity Sensitive Area
CBA	Collective bargaining agreement
CB	Certification Body
CEC	Cation Exchange Capacity
CFO	Chief Financial Officer
CLO	Community Liaison Officer
COD	Chemical Oxygen Demand
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPO	Crude Palm Oil
CS	Certified Sustainable
CSRD	Corporate Sustainability Reporting Directive
DC	Decanter Cake
DLW	Decent Living Wages
DMA	Double Materiality Assessment
EF	Earthworm Foundation
EFB	Empty fruit bunches
EFRAG	European Financial Reporting Advisory Group
EMS	Environmental Management System
ESG	Environmental, Social and Governance
ESIA	Environmental and Social Impact Assessment
ESRS	European Sustainability Reporting Standards
EU	European Union
EUDR	EU Deforestation Regulation
FEFO	First Expired-First Out
FFB	Fresh Fruit Bunches
FGD	Focus Group Discussion
FIRMS (NASA)	Fire Information for Resource Management System

FPIC	Free, Prior and Informed Consent
GFW	Global Forest Watch
GHG	Greenhouse Gas
GOV	Governance
GPSNR	Global Platform for Sustainable Natural Rubber
GRI	Global Reporting Initiative
ha	Hectare
HCS	High Carbon Stock
HCSA	High Carbon Stock Approach
HCV	High Conservation Value
HQ	Head Quarter
HR	Human Resources
HSE	Health, Safety and Environment
ILO	International Labour Organisation
IP	Identity Preserved
ISO	International Organization for Standardization
IPM	Integrated Pest Management
IRO	Impacts, Risk and Opportunity
ISPO	Indonesia Sustainable Palm Oil
IT	Information Technology
KLHK	Ministry of Environment and Forestry
KPI	Key Performance Indicators
LCA	Life Cycle Assessment
LUC	Land Use Change
MB	Mass Balance
MDR	Minimum Disclosure Requirements
MDR-A	Minimum Disclosure Requirements - Actions
MDR-M	Minimum Disclosure Requirements - Metrics
MoU	Memorandum of Understanding
N/A	Not Applicable
NGO	Non-Governmental Organization
NMVOCs	Non-Methane Volatile Organic Compounds
NPP	New Planting Procedure
NR	Natural rubber
OECD	Organisation for Economic Co-operation and Development
P&C	Principles & Criteria (of RSPO)
PEFC	Programme for the Endorsement of Forest Certification
PK	Palm Kernel
PKO	Palm Kernel Oil

PM	Particule Matters
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PROPER	Indonesian public disclosure programme to improve corporate environmental governance
QHSE	Quality, Health, Safety, and Environment
R&D	Research and Development
REC	Renewable Energy Certificate
RMP	Responsible Management Policy
RSPO	Roundtable on Sustainable Palm Oil
SBM	Strategy and Business Model
SCCS	Supply Chain Certification Standard
SDGs	Sustainable Development Goals
SG	Segregated
SIPH	Société Indochinoise de Plantations d'Hévéas (Indochinese Rubber Plantation Company)
SNI	Indonesian certification
SPOTT	Sustainability Policy Transparency Toolkit
SRI	Indonesian certification
SSPL	Socfindo Seed Production and Laboratories
UN	United Nations
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNFCCC	United Nations Framework Convention on Climate Change
UNGPBHR	United Nations Guiding Principles on Business and Human Rights
WHO	World Health Organization

Synonyms and definitions

The term “companies” is used throughout the sustainability statement as a synonym for “subsidiaries”, that is, all operational entities within Socfinasia.

The term “severe” regarding work-related accidents refers to hospitalization, loss of an eye, and/or amputation. Any other work-related accidents classified by local medical team as severe due to their expertise.

Annex II – Additional DMA information

ESRS 2-IRO-1: 53 b: Description of process to identify, assess, prioritise and monitor potential and actual impacts on people and environment, informed by due diligence process

Specifications regarding the Group's approach for the following topics:

"Productivity and yield": This topic was included into the list of topics that would be evaluated in the DMA not only because it is very important to some stakeholders but also because it has a solid relationship with sustainability. Indeed, it is directly linked to R&D, which cover subjects like maintaining production levels while using less surface; monitoring biodiversity systems that are vital for production; and monitoring climatic conditions and their evolution while testing palm and rubber tree varieties that can adapt to these. In that sense, "Productivity and yield" in fact covers the part of ESRS E1 relating to climate change adaptation.

"Water consumption": The name of this topic was kept general, but it in fact covered the notion of water withdrawals, which was reflected in the stakeholder questionnaire.

"Protection of ecosystems and ecosystem services": Within this topic, there was no need to specifically focus on ESRS E4's sub-sub-topics "land degradation", "desertification" and "soil sealing" because these are not so relevant in the Group's case. In fact, with the commitment made with the release of the Socfin Group Responsible Management Policy in 2017 and also because of its certifications the Group has to protect forests and ensure that land quality does not degrade. Moreover, the soil is not sealed since roads are all dirt roads.

"Local employees": Under this topic, the sub-topic "Protection and respect of the rights of employees (Labour Standards, Universal Declaration of Human Rights)" was meant to cover several ESRS S1 sub- or sub-sub-topics, such as: "secure employment, working time and adequate wages", "collective bargaining", "gender equality and equal pay", "measures against violence and harassment in the workplace", "diversity" and "child labour and forced labour". The fact that these sub-sub-topics were not evaluated on their own in no way means that the Group disregards them. On the contrary, the Group is aware of these very sensitive issues, which are notably addressed through its Code of conduct, subsidiaries' non-discrimination policies, and the investigations by the Group's partner Earthworm Foundation and the resulting action plans.

"Local employees": The sub-topic "Social well-being" was meant to cover the ESRS sub-topic "adequate housing".

"Sustainable value chains": The sub-topic "Protection and respect of the rights of employees in the value chain (Labour Standards, Universal Declaration of Human Rights)" was meant to cover the different sub- and sub-sub-topics of ESRS S2. Socfin Group's commitments in its Responsible Management Policy apply to all of the Group's operations, as well as to all suppliers.

"Community relations": First, the sub-topics "Rural development" and "Local infrastructure" were meant to cover the sub-topic "water and sanitation" under ESRS S3, since these notably include elements like water infrastructure, medical facilities and education facilities. Second, our sub-topic "Protection and respect of the rights of local communities (Labour Standards, Universal Declaration of Human Rights)" was

meant to cover ESRS S3's sub-topics "land-related impacts and security-related impacts", "communities civil and political rights" and "rights of indigenous peoples". These elements are all monitored through the Group's certifications and the partnership with Earthworm Foundation.

ESRS S4 Consumers and end-users: This topic fell outside the initial scope of relevance for the Group's DMA. Indeed, activities are situated quite at the beginning of our clients' upstream value chain, so the Group has no contact with consumers or end-users; only with clients.

Details on the methodology applied to process stakeholder questionnaire results:

1. The first step was, for each individual questionnaire received, to go from results at sub-topic level to results at topic level. Within a topic, the scores for *scale* of the different sub-topics were averaged, and the same was done for *scope*, and when relevant for *irremediability* and *likelihood*. Thus, scores for scale, scope, irremediability and likelihood were obtained for each topic, averaged from the corresponding sub-topic results. This was advised to simplify the consolidation of results afterward.
2. Then, for each topic and within each individual questionnaire, the average between scale, scope, irremediability and likelihood was calculated to obtain one final materiality score per topic.
3. For potential negative human rights impacts, a few additional tests were run to check whether likelihood had to be weighted differently than severity (that is, scale, scope and irremediability), since the ESRS specify that for such impacts severity takes precedence over likelihood. Seeing that weighting likelihood more lightly did not affect the final scores, the same weight as for the other impacts was kept.
4. Once materiality scores per topic were obtained for each individual questionnaire, the topic scores of all questionnaires within the same stakeholder category were brought together. This allowed to obtain a materiality score per topic for a whole stakeholder category (e.g., "employees") rather than for one individual respondent.
5. Then, the materiality score of each topic, for a given group of stakeholders, was weighted with the score of the stakeholder category in question.
6. In turn, for each topic, the average of the scores of all stakeholder categories was done, thus obtaining final impact materiality scores for each topic, based on the stakeholder consultation.
7. Based on these final scores a ranking of topics was established. The thirteen (13) topics were ranked from the highest scoring topic (13 points) to the lowest scoring topic (1 point).
8. Results were processed this way for headquarters, Safacam and Socfindo separately, and then consolidated at the end by adding, for each topic, the points obtained under the different entities.