Integrated Annual Report 2025

SIPEF

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Message from the chairman and managing director

In 2025, SIPEF continued to build steadily on the strong foundations of its operational excellence and long-term strategic vision. Against a global backdrop shaped by shifting trade flows, regulatory developments, and ongoing geopolitical uncertainty, the Group remained firmly focused on its vision: high-quality, sustainable, and fully traceable palm products and bananas in compliance with stringent sustainability standards.

The year was characterised by disciplined execution, tangible operational progress, and sustained investment in initiatives that underpin long-term value creation. This clear focus and consistency of purpose enabled SIPEF to confidently navigate a dynamic environment and reinforce its position as a responsible and resilient agricultural producer, committed to delivering sustainable returns for all stakeholders.

Financial performance in 2025 remained solid, with SIPEF delivering a net profit (Group share) of USD 125.4 million, an increase of 90.5% compared with the previous year.

Performance powered by purpose and discipline

Global demand for vegetable oils continues to be fuelled by demographic growth, urbanisation, and rising income levels in emerging markets. As populations expand and diets evolve, the need for affordable, dependable, and versatile food ingredients remains fundamental to global food security. At the same time, supply growth remains constrained by agronomic realities, sustainability requirements, and regulatory developments. The structural balance between steady demand growth and disciplined supply expansion continues to define the long-term outlook for the vegetable oil sector.

Within this global context, palm oil remains an essential component of the vegetable oil complex, given its high yield per hectare and resource efficiency relative to alternative oil crops. Against this macroeconomic backdrop, SIPEF's long-term strategy — focused on operational discipline, agronomic excellence, and responsible growth — positions the Group to respond effectively to market demand. SIPEF's purpose-driven approach and consistent investment in quality, efficiency, and environmental and social sustainability, underpins its ability to deliver both volume growth and operational resilience in a structurally tight market.

SIPEF's total crude palm oil (CPO) production reached 441 866 tonnes, an increase of 21.9% compared with 2024, supported by higher fresh fruit bunch (FFB) volumes and an increased average palm oil extraction rate (OER) of 23.8%, 4.6% higher compared to 2024. These outcomes reflect consistent agronomic management, continued improvements in factory performance, ongoing replanting programmes, favourable growing conditions, and the contribution of maturing hectares. Performance was broad-based across the different locations.

Key milestones along the Group's quality roadmap included the commissioning of two additional CPO washing facilities, designed to meet evolving customer expectations and technical specifications.

In Indonesia, favourable agronomic conditions were complemented by newly maturing hectares in South Sumatra which contributed to a significant uplift in production. Fresh fruit bunch volumes from SIPEF's own estates increased by 27.4%, while production from smallholder areas increased by 42.6%, underlining the strength of the Group's integrated operating model.

North Sumatra and Agro Muko recorded steady increases in FFB production, underpinned by disciplined estate management and ongoing replanting.

In Papua New Guinea, operations continued their recovery from the 2023 volcanic eruption, with both smallholders and Hargy Oil palms delivering double-digit growth in FFB production. Since the launch of the rehabilitation programme in 2024, production has returned to expected levels and continues to make a solid contribution to the Group's performance.

Market momentum boosts SIPEF's strong fundamentals

Commodity markets remained supportive throughout the year, underpinned by strong global fundamentals. Palm oil prices reflected this strength, with the CPO MDEX price averaging USD 990 per tonne in 2025, up from USD 906 per tonne in 2024. Kernel prices also rose, with crude palm kernel oil (CPKO) CIF Rotterdam reaching USD 1 866 per tonne.

While favourable pricing provided a supportive backdrop, performance was ultimately driven by fundamentals within the Group's control: robust execution, disciplined cost management, and investment in high-quality, sustainable, and traceable oil.

Financial performance in 2025 remained solid, with SIPEF delivering a net profit (Group share) of USD 125.4 million, an increase of 90.5% compared with the previous year. At the same time, the Group continued to reinvest in its operations, funding improvements in quality upgrades and sustainable growth, with total investments of USD 89.4 million.

SIPEF closed the year with a positive net financial position of USD 88.4 million, securing for itself the financial resilience to invest confidently across business cycles and strategic priorities.

Building customer trust through quality and compliance

More than ever, customer trust underpins long-term performance. In 2025, SIPEF continued to strengthen that trust by embedding quality across its value chain from harvesting and milling, to storage, testing, and shipment. Key milestones along the Group's quality roadmap included the commissioning of two additional CPO washing

The Group delivered a new public primary school at its Azaguié plantation under the Fairtrade programme, fostering long-term opportunity and shared value creation for surrounding communities.

facilities designed to meet evolving customer expectations and technical specifications. At the same time, SIPEF enhanced its testing approach and quality monitoring systems, improving consistency, reducing variability, and reinforcing its reputation for delivering to the highest standards.

The regulatory landscape also continued to evolve throughout the year. The delayed implementation of the European Union Deforestation Regulation (EUDR) created uncertainty around timing, documentation, and market readiness. Nevertheless, SIPEF maintained its focus on traceability and preparedness, recognising that regulatory readiness is inseparable from customer confidence. These efforts included the ongoing optimisation of SIPEF's satellite-based mapping application, GeoSIPEF, to ensure compliance that is timely, credible, and verifiable.

In December 2025, SIPEF achieved its first Halal certification for all palm oil mills in Indonesia, marking a significant milestone in meeting both market and stakeholder expectations. The certification provides independent recognition of SIPEF's rigorous approach to quality, food safety, and operational integrity across its milling operations. It also reinforces the Group's broader food-safety ambitions, as progress continues towards full certification under the Hazard Analysis and Critical Control Point (HACCP) standard, targeted for all mills by 2028.

Growing together for people, planet, and progress

SIPEF's Balanced Growth Strategy is founded on sustainability, which guided all activities in 2025. The Group advanced its work on sustainable landscapes, recognising that long-term performance relies on the resilience of the environments in which it operates. Efforts to protect and restore nature progressed, including ongoing projects within SIPEF Biodiversity Indonesia (SBI) — a 12 656-hectare conservation and ecosystem initiative in Bengkulu.

Employee and community well-being remained central to SIPEF's operational resilience and long-term performance. Safe and respectful working environments continued to underpin this focus, complemented by initiatives to broaden participation and strengthen organisational capability. Across all regions in Indonesia, 129 full-time female employees were trained and employed in ablation and harvesting roles — traditionally held by men — in maturing replanted oil palm areas.

Smallholder inclusion continued to progress, with SIPEF supporting the Roundtable on Sustainable Palm Oil (RSPO) certification of two independent cooperatives in Indonesia, representing

Across all regions in Indonesia, 129 full-time female employees were trained and employed in ablation and harvesting roles — traditionally held by men — in maturing replanted oil palm areas.

314 smallholders across 1 270 hectares. The Group further strengthened its sector engagement by joining the Palm Oil Collaboration Group (POCG) and the High Conservation Value Network (HCVN), fostering shared learning, collaboration, and innovation.

Innovation also continued to play a key role in SIPEF's approach to sustainability in 2025, driving greater resource efficiency and tangible reductions in emissions. In December, the Group commissioned its first bio-compressed natural gas (bio-CNG) facility at the Perlabian palm oil mill in North Sumatra. Developed in partnership with KIS Group, the plant converts methane from palm oil mill effluent (POME) into renewable gas, reducing CO_2 emissions by over 54 000 tonnes annually. The project exemplifies SIPEF's commitment to practical, circular solutions that enhance energy resilience and support long-term economic development.

Growing sustainability and community impact through banana operations

In Côte d'Ivoire, SIPEF's banana operations strengthened the Group's broader commitment to sustainable tropical agriculture. Production reached 52 159 tonnes in 2025, a 2.2% increase on 2024, reflecting steady operational performance.

Beyond production, SIPEF remained actively engaged with local communities. Through its

The Group commissioned its first bio-compressed natural gas (bio-CNG) facility at the Perlabian palm oil mill in North Sumatra. The plant converts methane from palm oil mill effluent (POME) into renewable gas, reducing CO_2 emissions by over 54 000 tonnes annually.

subsidiary, Plantations J. Eglin, the Group delivered a new public primary school at its Azaguié plantation under the Fairtrade programme, fostering long-term opportunity and shared value creation for surrounding communities.

A clear path forward in 2026

SIPEF enters 2026 with confidence and clear priorities. While operating and geopolitical environments are expected to remain dynamic, the Group remains focused on safe and reliable execution, disciplined investment, and continued progress in quality, traceability, innovation, and responsible growth. Long-term value creation will continue to be guided by performance, resilience, consistency, and trust.

On behalf of the board and management, we extend our sincere appreciation to all employees, shareholders, partners, and stakeholders for their continued trust and support. Together, we are shaping a future of responsible growth and lasting value through sustainable tropical agriculture.

Yours sincerely,

Luc Bertrand
CHAIRMAN

Petra Meekers
MANAGING DIRECTOR

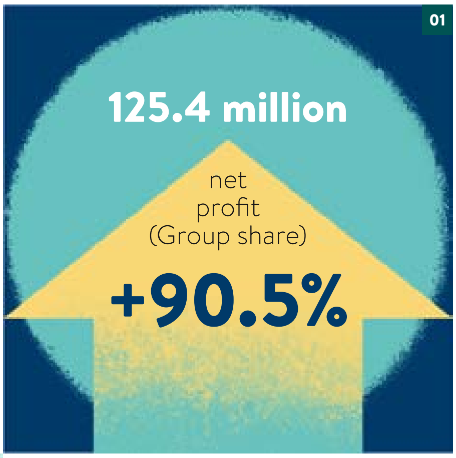
Company highlights 2025

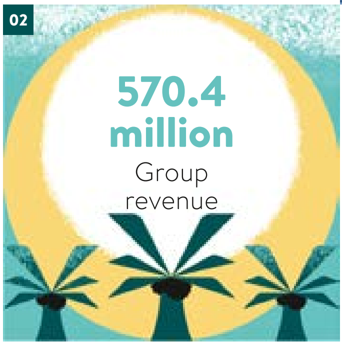
OUTSTANDING FINANCIAL PERFORMANCE

→ SIPEF reached new milestones in 2025, delivering a **net profit** (Group share) **of USD 125.4 million**, an increase of 90.5% compared with the previous year. This achievement reflects robust palm and banana production, supported by the progressive maturation of plantations, disciplined operational management, and favourable market prices. 01

→ **Group revenue rose to USD 570.4 million**, supported by a 21.9% increase in palm oil production volumes and a 10.1% improvement in the average ex-mill gate crude palm oil (CPO) selling price, which reached USD 955 per tonne. Banana revenue, expressed in EUR as functional currency, increased by 4.8%, supported by higher volumes (+2.2%), a higher average unit selling price (+1.5%), and the strengthening of the Euro against the US dollar. 02

→ The Group ended 2025 with **a strong net financial position of USD 88.4 million**, even after capital expenditures of USD 89.4 million, primarily allocated to expansion in South Sumatra, continued mill upgrades, and ongoing replanting programmes.





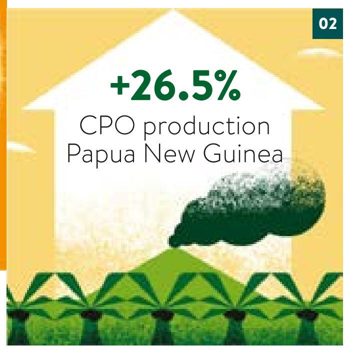
→ The board proposed **increasing the dividend payout ratio to 40%** going forward, up from 30% in previous years, reflecting both record profitability and confidence in the Group's structural growth profile.

A STRONG YEAR FOR PALM OIL PRODUCTION

→ Total CPO production rose by 21.9% to 441 866 tonnes, supported by favourable growing conditions in Indonesia, the continued ramp-up of young mature areas in South Sumatra, and the recovery in Papua New Guinea following the 2023 volcanic eruption. 01

→ **Crude palm oil production in Indonesia increased by 19.8%**, driven by higher crop intake and disciplined estate management. South Sumatra remained the main growth driver, as newly developed areas continued maturing into full production. North Sumatra delivered stable results, supported by consistent field conditions and reliable mill performance, while Bengkulu recorded a softer fourth quarter due to seasonal ripening patterns and temporarily lower bunch availability. 03

→ **In Papua New Guinea, CPO production rose by 26.5%** compared with 2024, supported by increased fresh fruit bunch (FFB) supply, improved oil extraction rates (OERs), and favourable rainfall patterns that supported harvesting activities. The continued rehabilitation of estates impacted by the 2023 volcanic eruption contributed positively to volumes, while smallholder deliveries remained a key contributor to overall mill throughput. 02



→ Fresh fruit bunch production totalled 1 864 546 tonnes, up 15.1% from 2024, supported by improved crop availability and harvesting efficiency. **The Group's average OER improved to 23.80%**, supported by process optimisation and the completion of mill upgrade initiatives.

→ **Revenue in the palm segment increased by USD 125.8 million**, driven mainly by higher palm production volumes and improved selling prices.

→ **By the end of 2025, SIPEF managed 84 576 planted hectares of oil palm,** within a broader supply base of 105 480 hectares supplying ten mills across Indonesia and Papua New Guinea.

RESILIENT BANANA PRODUCTION AND COMMERCIAL GROWTH

→ **Banana production in Côte d'Ivoire rose by 2.2% to 52 159 tonnes**, despite periods of heavy rainfall and storm activity that temporarily disrupted field operations and weighed on average bunch weights, particularly at the more mature estates. 01

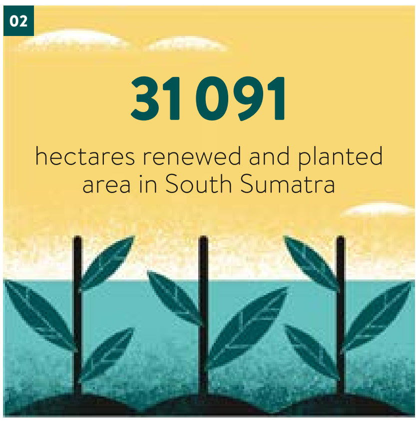
→ Production declined at Motobé (-10.1%) following agronomic optimisation measures, at Lumen (-9.3%) as yields stabilised with plantation maturity, and at Agboville (-11.2%) due to unfavourable weather conditions. These declines were more than offset by **production growth of 48.7% at Akoudié and 13.3% at Azaguié**.

→ **Banana segment revenue**, expressed in EUR as the functional currency, **increased by 4.8%**, driven by a 2.2% increase in production volumes and a 1.5% increase in the average unit selling price.

→ **The Group recorded an 11.3% increase in banana sales in Europe compared with 2024.** This performance was underpinned by consistently high product quality, an efficient supply chain, and strict compliance with certification and sustainability standards, further strengthening SIPEF's market reputation and strategic position in Europe.

STRATEGIC INVESTMENTS AND PLANTATION DEVELOPMENT

→ Capital expenditures of USD 89.4 million were primarily allocated to **expansion in South Sumatra**, **continued mill upgrades**, and **ongoing replanting programmes** to support long-term productivity and efficiency.



→ **By year-end, South Sumatra's total renewed and planted area had reached 31 091 hectares,** with 80.6% mature and harvested, reinforcing the region's structural growth trajectory. In Musi Rawas, planting activities progressed in line with the Roundtable on Sustainable Palm Oil (RSPO) New Planting Procedure, bringing the total planted area to 20 781 hectares, representing 88.3% of the land acquired through compensation. 02

→ **The conversion of former rubber estates in North Sumatra and Bengkulu** into 2 437 hectares of maturing oil palm **is nearing completion** and is expected to contribute additional FFB volumes from 2026 onwards.

→ In **Côte d'Ivoire**, SIPEF's subsidiary, Plantations J. Eglin, continued its expansion, ramping up towards full operational capacity, with the **planted area** projected to reach **1 291 hectares**. This growth is supported by ongoing infrastructure improvements and further digitalisation of the banana supply chain, planned for 2026. 01

CLIMATE TRANSITION PLAN AND 2030 EMISSIONS TARGETS

→ In 2025, the board of directors approved a **comprehensive greenhouse gas (GHG) transition plan to deliver the Group's 2030 emissions reduction targets**, aligned with the Science Based Targets initiative (SBTi) and guided by the GHG Protocol, including its Land Sector and Removals Guidance. SIPEF is investing in circular technologies, regenerative agriculture, and nature-based solutions, reinforcing its position as a responsible and forward-looking industry participant.

→ A central pillar of SIPEF's GHG transition plan is the capture and utilisation of methane from palm oil mill effluent (POME). **By the end of 2025, five mills were equipped with methane capture facilities**, with two new installations under construction and one upgrade in progress, all scheduled for completion in 2026. 02

→ In December 2025, SIPEF commissioned its **first bio-compressed natural gas** (bio-CNG) **facility** at the Perlabian mill, converting recovered methane into renewable energy and replacing diesel in industrial applications. 03

Oil palm seedlings in the nursery at sunrise.

RESPONSIBLE OPERATIONS AND CERTIFIED SUPPLY CHAINS

→ As set out in its Responsible Plantations Policy, **SIPEF has upheld its no deforestation, no peat, and no exploitation (NDPE) commitment since 2015** and continued to apply this standard consistently across its operations in 2025. All new developments are subject to comprehensive social and environmental impact assessments to minimise potential biodiversity impacts, conducted in accordance with stringent RSPO requirements. Any plantation assets acquired from third parties are assessed for compliance with SIPEF's Responsible Plantations Policy and must meet these standards. Since 2021, the Group has also maintained a structured monitoring system to oversee adherence to this commitment within its supply base.

→ Across its operations, **SIPEF continues to reinforce social risk management through targeted human rights due diligence initiatives**, integrating international standards into everyday practice. In 2025, this work advanced through the implementation of baseline assessments, practical risk management tools, and capacity-building programmes supported by external partners and independent experts. It also involved strengthened engagement with local communities and other stakeholders through surveys, consultations, and ongoing dialogue.

→ SIPEF, through its subsidiary Plantations J. Eglin, strengthened its community engagement in Côte d'Ivoire by **delivering a new public primary school at its Azaguié plantation** under the Fairtrade programme. The school became operational in October 2025 and was formally handed over to the authorities, with SIPEF continuing to support its maintenance. This initiative reflects the Group's broader commitment to long-term social impact through sustained investment in education, housing, and healthcare. 01

→ At year-end, **nine out of SIPEF's ten palm oil mills were RSPO certified**, while all banana operations maintained Rainforest Alliance, GlobalG.A.P., and Fairtrade certifications.

01

02

→ In December 2025, SIPEF strengthened its high-quality palm oil strategy by **obtaining Halal certification for all its Indonesian palm oil mills**, further advancing its structured food safety and quality programme and establishing the basis for Hazard Analysis and Critical Control Point (HACCP) certification, planned for 2028. 02

→ To support compliance with the European Union Deforestation Regulation (EUDR) and further enhance transparency, **SIPEF continues to advance its GeoSIPEF platform**. The enhanced system strengthens monitoring across production sites through layered mapping and alert functionalities, while enabling secure and selective data sharing through a dedicated customer portal.

Drone flying over SIPEF operations in Indonesia. SIPEF uses drones for aerial surveys, crop health monitoring, and the precision delivery of micronutrients and fertilisers. Drones also support the final step of integrated pest management programmes by enabling targeted pesticide application to control isolated leaf-eating pest outbreaks.

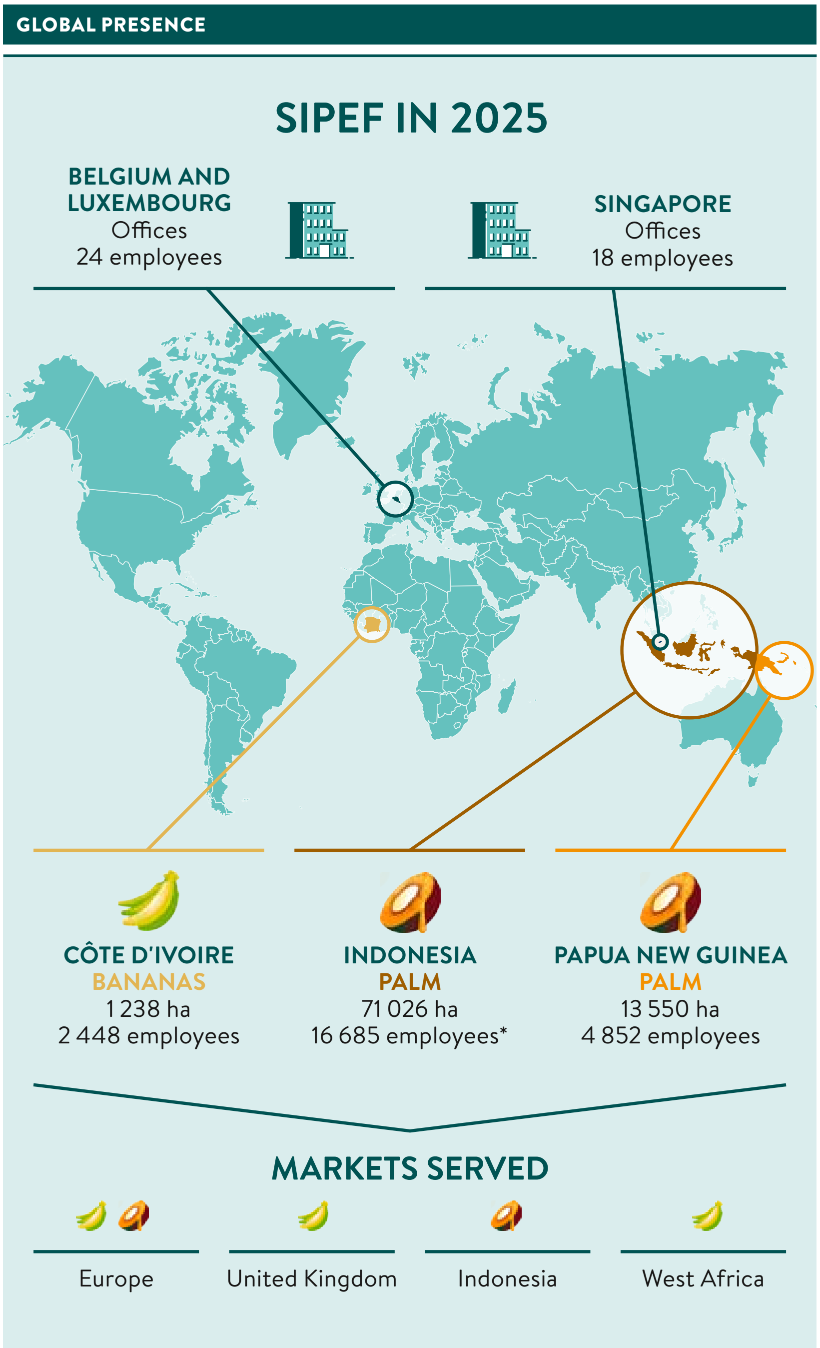
1. Company report

SIPEF at a glance

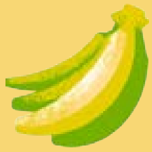
SIPEF is a Belgian agribusiness group listed on Euronext Brussels, and specialising in the production of sustainable palm products and bananas. In Indonesia and Papua New Guinea, the Group produces palm products including fresh fruit bunches (FFB), crude palm oil (CPO), palm kernels, and crude palm kernel oil (CPKO). SIPEF's banana operations are located in Côte d'Ivoire. The Group is in the final stages of phasing out its operations in sustainable tea.

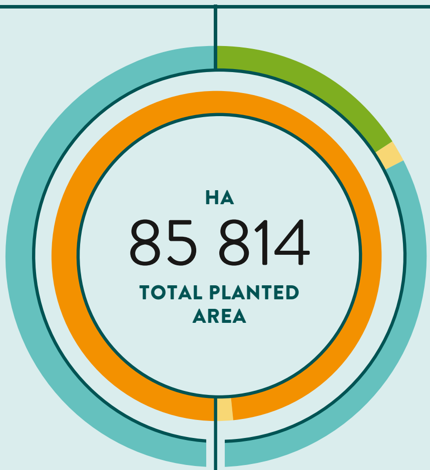
In 2025, SIPEF had 24 027 employees across five countries around the world. The majority are employed or contracted through the Group's subsidiaries in Indonesia, Papua New Guinea, and Côte d'Ivoire.

SIPEF manages a total of 85 814 hectares of own production area. In 2025, its total revenue was KUSD 570 432.



* The figure also includes the total employees in the tea activities (Indonesia).

Indonesia	Papua New Guinea	Côte d'Ivoire
		
	6 OIL PALM ESTATES	
31 OIL PALM PLANTATIONS	3 PALM OIL MILLS	5 BANANA ESTATES
7 PALM OIL MILLS	2 KERNEL CRUSHING PLANTS (INTEGRATED WITH MILLS)	7 BANANA PACKING STATIONS

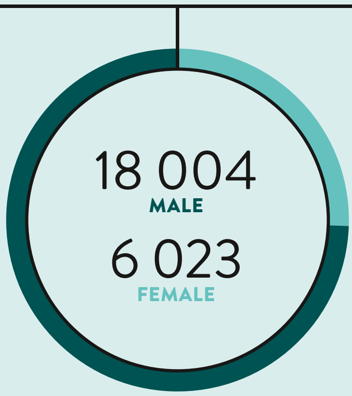


Palm oil | Bananas

PLANTED AREA (IN HECTARES)

	INDONESIA	PAPUA NEW GUINEA	CÔTE D'IVOIRE	TOTAL
Oil palms	71 026*	13 550	0	84 576
Bananas	0	0	1 238	1 238
TOTAL	**71 026**	**13 550**	**1 238**	**85 814**

Male | Female



EMPLOYEES BY COUNTRY

Belgium	24
Indonesia	16 685
Papua New Guinea	4 852
Côte d'Ivoire	2 448
Singapore	18
TOTAL	**24 027**

TONNES
52 159
BANANAS

TONNES
441 866
PALM OIL (CPO)

KUSD
570 432
TOTAL REVENUE

KUSD
125 449
NET PROFIT (GROUP SHARE)

* Following a review of planted area definitions in the context of replanting activities and peer benchmarking, 1 897 hectares of roads and infrastructure were excluded from reported planted area to ensure consistent classification across all plantations, without any impact on the number of palms or production levels.

1. MISSION

For more than a century, SIPEF has dedicated itself to producing high-quality, sustainable, fully traceable, and certified palm products and bananas. The Group views sustainability as more than a production approach — it is the foundation of everything SIPEF stands for. Across all its operations, SIPEF strives to strengthen local economies, protect local environments, and create meaningful value for the communities it works with.

The Group is committed to delivering long-term value for its shareholders and stakeholders and continuously strives to uphold the highest environmental and social standards. Led by its Guiding Principles and Balanced Growth Strategy, SIPEF grows with purpose, responsibility, and respect for people and nature.

2. VISION

SIPEF's vision is to be a global reference in sustainable agriculture, recognised for protecting biodiversity, advancing climate-resilient production systems, and empowering the communities that depend on its operations. Through continuous innovation, rigorous sustainability standards, and collaborative partnerships, it strives to build a regenerative agricultural model that delivers sustained value for people, communities, nature, and the economy.

MISSION

SIPEF produces high-quality, sustainable, and traceable agricultural products, with the aim to diversify into targeted markets and foster a harmonious balance between nature, people, and growth.

GUIDING PRINCIPLES

- Reliability and stability
- Long-term planning and decision making
- Continuous improvement
- Sustainable economic growth
- Conservation and restoration of the environment
- Supporting employees and communities
- Value creation for all stakeholders

BALANCED GROWTH STRATEGY

- Production efficiency
- Operational excellence
- High-quality, sustainable, traceable, and certified products
- Innovation and early adoption
- Environmental stewardship
- Respecting employees and communities
- Responsible supply chain management
- Good business conduct

3. GUIDING PRINCIPLES

SIPEF's management and employees, as well as all its contracting parties, are governed by a set of Guiding Principles, which shape the conduct and culture of the Group:

1. Reliability and stability

To be a reliable and stable partner for all its stakeholders.

2. Long-term planning and decision making

To always plan for, and make decisions based on, its long-term vision.

3. Continuous improvement

To continuously improve all aspects of its business, focusing on quality, productivity, and best environmental, social, and governance (ESG) practices.

4. Sustainable economic growth

To generate economic value for its shareholders and other stakeholders, while striving for a controlled level of debt.

5. Conservation and restoration of the environment

To conserve and, where possible, restore the natural environment within its operations by engaging in sustainable agricultural practices and actively managing conservation areas.

6. Supporting employees and communities

To respect the rights of all employees and local communities, while supporting opportunities to improve their well-being and development.

7. Value creation for all stakeholders

To create value for all its stakeholders, fairly and responsibly.

See the section on corporate culture in the sustainability statement to learn more about how these Guiding Principles drive business conduct at SIPEF.

A field supervisor leads a morning briefing, reinforcing communication, safety awareness, and engagement in daily plantation operations.

Sustainable growth as the foundation of SIPEF's strategy

SIPEF builds growth that creates value today and safeguards it for tomorrow. Its Balanced Growth Strategy combines commercial progress with a positive impact on ecosystems and communities. The Group achieves this by upholding rigorous social and environmental standards, respecting human rights, and creating fair opportunities in rural and remote areas. These efforts are further supported by innovation and new ways of working.

SIPEF's strategy sets out eight interrelated focus areas: four relating to sustainability and four to business operations. Together, they form the compass for the Group's priorities, investments, and decision-making.

SIPEF's four sustainability focus areas embed sustainability in the way it operates and guide the Group's priorities, initiatives, and performance.

Business focus areas

- Production efficiency
- Operational excellence
- High-quality, sustainable, traceable, and certified products
- Innovation and early adoption

Sustainability focus areas

- Environmental stewardship
- Respecting employees and communities
- Good business conduct
- Responsible supply chain management

1. SUSTAINABILITY INTEGRATED INTO EVERYTHING SIPEF DOES

SIPEF's four sustainability focus areas embed sustainability into its ways of working and guide the Group's priorities, initiatives, and performance management:

- → environmental stewardship
- → respecting employees and communities
- → responsible supply chain management
- → good business conduct

These domains form the foundation of SIPEF's long-term value creation.
More detailed information is available in the relevant sections of the sustainability statement.

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2. BUSINESS DOMAINS THAT STRENGTHEN SIPEF'S SUSTAINABLE GROWTH

Four business focus areas define the Group's operational strengths and strategic choices:

- → production efficiency
- → operational excellence
- → high-quality, sustainable, traceable, and certified products
- → innovation and early adoption

These areas help the Group to operate efficiently, respond to market dynamics, and build a future-ready enterprise.

PRODUCTION EFFICIENCY

Pressure on agricultural land is increasing, whilst demand for plant-based products continues to grow. Efficient and responsible land use is therefore essential to SIPEF's long-term success.

The Group improves yields per hectare through agricultural Best Management Practices, high-quality planting material, and continuous investment in research and development through the Group's joint venture, Verdant Bioscience Pte Ltd (VBS). Innovative solutions strengthen productivity and operational efficiency.

Furthermore, SIPEF focuses expansion in brownfield areas, in line with its commitment to no deforestation, no peat, and no exploitation (NDPE).

SIPEF aims to:
- → optimise land use
- → improve soil health
- → address land scarcity

Optimisation of land use

Oil palms and banana plants are high-yielding crops. By improving plantation practices, optimising planting material, and closely monitoring yields and soil health, SIPEF strives for maximum productivity per hectare. At the same time, the Group preserves long-term soil fertility and supports sustainable growth.

Improving soil health

SIPEF invests in practices that strengthen soil structure, increase carbon storage, and reduce reliance on inorganic fertilisers.

Healthy soil:
- → reduces greenhouse gas (GHG) emissions
- → increases cost efficiency
- → protects operational continuity
- → strengthens the Group's long-term competitiveness

By making optimal use of organic material and improving agricultural practices, SIPEF builds a more resilient production model.

Addressing land scarcity

The global population is growing and living standards are rising, particularly in emerging markets; these trends are increasing pressure on agricultural land. In this context, oil palm offers a structural advantage: it is among the most land-efficient oil crops globally, producing yields four-to-ten times higher than alternative crops.

Palm oil meets approximately 40% of global demand for vegetable oil, whilst occupying less than 6% of the land area used for oil crops. Moreover, oil palm requires fewer fertilisers, pesticides, and fuel per tonne of output, making it a particularly resource-efficient and climate-relevant crop.

OPERATIONAL EXCELLENCE

SIPEF strives for operational excellence to maximise the value creation of its activities. The Group optimises production volumes and quality, and makes efficient use of by-products.

SIPEF aims to:
- promote a culture of continuous improvement
- deploy smart agriculture and mechanisation

A culture of continuous improvement

SIPEF continuously improves its processes and practices to increase efficiency, effectiveness, and resilience. This approach supports disciplined strategy execution, reduces operational risks, lowers costs, and strengthens the Group's revenue base.

Smart agriculture and mechanisation

SIPEF makes targeted investments in technology and mechanisation to improve harvesting efficiency, logistics, and product quality. This increases the Group's operational resilience and helps SIPEF respond to labour market constraints in Indonesia, Papua New Guinea, and Côte d'Ivoire. By improving ergonomics and safety, SIPEF creates more attractive and productive working environments.

HIGH-QUALITY, SUSTAINABLE, TRACEABLE, AND CERTIFIED PRODUCTS

Delivering high-quality, sustainable, traceable, and certified products is a core component of the Group's value proposition. It supports access to key markets and reinforces long-term customer relationships.

SIPEF aims to:
- supply high-quality and low contaminant products
- ensure full traceability for palm oil and bananas
- comply with sustainability standards and certifications
- drive innovation and early adoption

Product quality and low contaminants

SIPEF applies rigorous food safety controls across both the banana and palm oil value chains.

The Group uses robust systems, risk-based controls, and international certification standards to guarantee the quality and safety of its products.

Rigorous controls throughout the entire banana value chain

Food safety and full traceability are essential for access to the European banana market, where regulations and customer requirements are particularly stringent. SIPEF therefore operates a comprehensive, risk-based framework for food safety and residue management. This framework ensures compliance with legally binding maximum residue levels (MRL) and international certification standards such as GLOBALG.A.P., and is fully integrated in the operations of SIPEF's subsidiary, Plantations J. Eglin in Côte d'Ivoire.

In addition, SIPEF has an advanced traceability system that tracks bananas throughout the entire value chain, from plantation to end customer. In the event of a risk or incident, this system enables rapid identification, containment, and response, thereby minimising operational, financial, and reputational damage.

Further information on SIPEF's approach to health and safety for consumers and end users is available in the dedicated chapter of the sustainability statement.

Rigorous controls throughout the entire palm oil value chain

In the palm oil value chain, SIPEF anticipates evolving regulations and changing consumer expectations. By proactively working on food safety and quality improvement, the Group strengthens its position as a reliable supplier of high-quality, responsibly produced palm oil. This approach supports the ambition to compete in markets where transparency, quality, and compliance are crucial differentiating factors.

An important aspect of food safety in palm oil production is the reduction of contaminants that can pose health risks when consumed in large quantities. SIPEF focuses specifically on limiting:

- → mineral oil saturated hydrocarbons (MOSH)
- → mineral oil aromatic hydrocarbons (MOAH)
- → chloride, which can contribute to the formation of 3-monochloropropane-1,2-diol (3-MCPD) and glycidyl esters (GE) during refining processes at high temperatures

By systematically monitoring and reducing these contaminants, SIPEF improves the safety and quality of its palm oil products.

Ensuring full traceability for palm oil and bananas

Full traceability, covering both its own plantations and those of its smallholders, is a strategic priority for SIPEF. It increases control over the value chain and ensures continued access to certification-driven and premium markets. Traceability allows customers and consumers to verify the accountability of purchasing practices, reinforcing environmental, social, and economic sustainability while supporting long-term relationships.

Traceability is also crucial for food safety, regulatory compliance, and operational efficiency. It enables SIPEF to respond swiftly to changing legislative requirements, including the European Union Deforestation Regulation (EUDR), and to meet growing expectations around transparency and accountability.

SIPEF uses advanced digital tools for this purpose, including GeoSIPEF, an interactive mapping platform that provides a comprehensive overview of the locations where oil palms are cultivated and processed. This technology strengthens data integrity, supports informed decision-making, and enhances the Group's long-term competitiveness.

Further information on traceability is available in the chapter on consumers and end users of the sustainability statement.

At Group level, the Head Office in Belgium is certified in accordance with:

- GLOBALG.A.P. Chain of Custody Standard
- Rainforest Alliance Supply Chain Certification Standard
- Fairtrade Trader Standard

Further information on the implementation of ESG certification requirements can be found in the sustainability statement.

Adhering to sustainability standards and certifications

Sustainability certification plays a central role in managing environmental, social, and governance (ESG) risks. It supports the Group's licence to operate and ensures long-term access to key markets. SIPEF aligns its activities and supply chains with recognised certification standards from independent, credible organisations, and undergoes rigorous third-party audits.

Palm oil certification

SIPEF aims for 100% Roundtable on Sustainable Palm Oil (RSPO) certification for all its palm oil activities, including those of smallholders. This is supported by a structured plan to achieve full certification. As of 31 December 2025, 75% of SIPEF's own-planted areas were RSPO certified.

Banana certification

Since 2025, all banana operations of Plantations J. Eglin, comprising five plantations and seven packing stations, have been fully certified in accordance with the RA, Fairtrade, and GLOBALG.A.P. standards. This full certification ensures access to premium and highly regulated markets and strengthens SIPEF's position as a reliable supplier of responsibly produced bananas.

INNOVATION AND EARLY ADOPTION

Innovation and the early adoption of advanced practices and technologies are essential for improving the productivity, quality, and climate resilience of crops. Through continuous improvements in planting material, agronomic optimisation, and biological solutions, SIPEF strengthens the sustainability and resilience of its operations.

In 2013, SIPEF made a strategic investment in Verdant Bioscience Pte Ltd (VBS), giving the Group access to specialised research and development capabilities. In 2025, this collaboration focused on three core research areas aimed at strengthening the profitability, sustainability, and climate resilience of palm oil production.

SIPEF's collaboration with VBS focuses on:

1. **Improved oil palm varieties**
   Offering higher yields and better adaptation to SIPEF's plantation environments.
2. **Resilience against pests, diseases, and climate stress**
   Including screening for *Ganoderma* resistance and the production of *Trichoderma*.
3. **Improved agronomic practices**
   With a focus on regenerative agriculture, more efficient fertiliser use, and organic inputs such as empty fruit bunches (EFB) and palm oil mill effluent (POME).

1. Improved oil palm varieties

A central component of the research is the development of the first high-yielding, proven F_1 Hybrid crosses, with the potential to substantially increase yields per hectare.

These trials evaluate yield performance, adaptability, and robustness in a range of environments. Commercial introduction is expected from 2029 onwards. A significant milestone was reached in January 2024, when VBS began harvesting and recording yields from the first trials. Whilst it is still too early to determine which crosses will be commercialised, the initial results are promising.

Alongside the F_1 Hybrid crosses, SIPEF also plants Verdant Select material — an existing semi-clonal seed product from VBS already available at commercial scale. Comprising specific progeny-tested crosses reproduced as semi-clonal seed from clonal Dura parents, Verdant Select material continued to perform strongly on SIPEF's Tolan Tiga plantations. The strong yields observed in formal replicated field trials have now been confirmed under commercial planting conditions. In the first year of harvesting, an average yield of 25.5 tonnes of fresh fruit bunches (FFB) per hectare was recorded across 83.6 hectares in North Sumatra. Laboratory bunch analysis further indicated that the Verdant Select semi-clonal crosses achieved the highest combined oil and kernel extraction performance, measured using the standard industry indicator of oil extraction plus 0.5 times kernel extraction, confirming their strong potential to increase total palm product yield per hectare.

2. Resilience against pests, diseases, and climate stress

SIPEF continuously evaluates high-performing oil palm material through rigorous screening for disease resistance, climate resilience, and yield potential. F_1 Hybrids are systematically screened for resistance to major diseases such as Ganoderma, as well as for drought tolerance, performance under variable rainfall patterns, and nutrient-uptake efficiency. Promising crosses are then tested at multiple geographical locations, including areas with elevated disease pressure, to confirm their performance under commercial conditions.

To further reduce the risk of *Ganoderma*, VBS manages a dedicated SIPEF facility for the production of *Trichoderma*, a fungus that counteracts *Ganoderma*. Ongoing research focuses on refining application methods and identifying the most effective isolates for different environments.

SIPEF combines genetic improvement with an integrated approach to pest and disease management, with prevention and biological control at its core. Where necessary, targeted, pest-specific pesticides are used, while broad-spectrum products are avoided wherever possible to limit environmental impact and maintain ecosystem balance.

3. Improved agronomic practices

Alongside genetic advancement, SIPEF investigates how agronomic practices can contribute to soil health, regenerative agriculture, and climate mitigation.

Ongoing fertiliser trials evaluate the effects of macro and micronutrients across different environments, leading to more precise application and a better return on investment. Since inorganic fertilisers represent a significant share of plantation costs, the focus is on input efficiency and regenerative practices, including the management of leguminous groundcovers, shrubs, and trees to enhance nitrogen fixation and soil health. Additionally, there is a drive towards greater use of organic fertilisers, such as compost based on EFB and POME, or EFB alone where composting facilities are absent. These organic inputs provide slow-release nutrients, improve soil structure, increase microbial diversity, and reduce the risk of soil-borne diseases.

3. ETHICAL AND SUSTAINABLE PRACTICES

SIPEF's business model relies on close collaboration between management and operational teams in Belgium, Singapore, Indonesia, Papua New Guinea, and Côte d'Ivoire. Wherever SIPEF operates, it applies a consistent governance framework, based on shared sustainability and ethical standards. These are adapted as necessary to local conditions, with respect for ecosystems, cultures, and customs.

This integrated approach strengthens oversight of the Group's activities, supports early identification of risks, and enables rapid, effective responses to ethical, operational, environmental, and compliance challenges.

Sustainability considerations are embedded in the Group's governance, planning, and investment decisions. Environmental risks, such as climate change, pollution, water stress, and biodiversity loss, are managed through structured risk assessments, certification standards, compliance mechanisms, and continuous improvement initiatives. This is supported by targeted investments in mitigation and adaptation measures.

Social resilience, both within SIPEF and across its supply chain, is also strengthened through robust labour standards, health and safety practices, community engagement, and long-term partnerships with smallholders. These partnerships are supported by training, certification, and traceability, enabling both SIPEF and its partners to grow sustainably.

In 2025, SIPEF reviewed its sustainability targets, key performance indicators (KPIs), and policies to ensure that its objectives remain aligned with the material topics identified in the double materiality assessment and with evolving stakeholder expectations and changing regulations.

4. STAKEHOLDER ENGAGEMENT

SIPEF operates in diverse geographical, social, and regulatory contexts. The Group recognises that sustainable long-term value creation is only possible through constructive and continuous dialogue with its key stakeholders. These include employees, smallholders, communities, customers, suppliers, investors, regulatory bodies, and civil society organisations.

SIPEF's engagement is tailored to the specific relationship with each stakeholder group, both at Group level and in the countries where it operates. It is embedded in the Group's operational management, sustainability programmes, and governance processes. This ensures that stakeholder perspectives are systematically incorporated into decision-making.

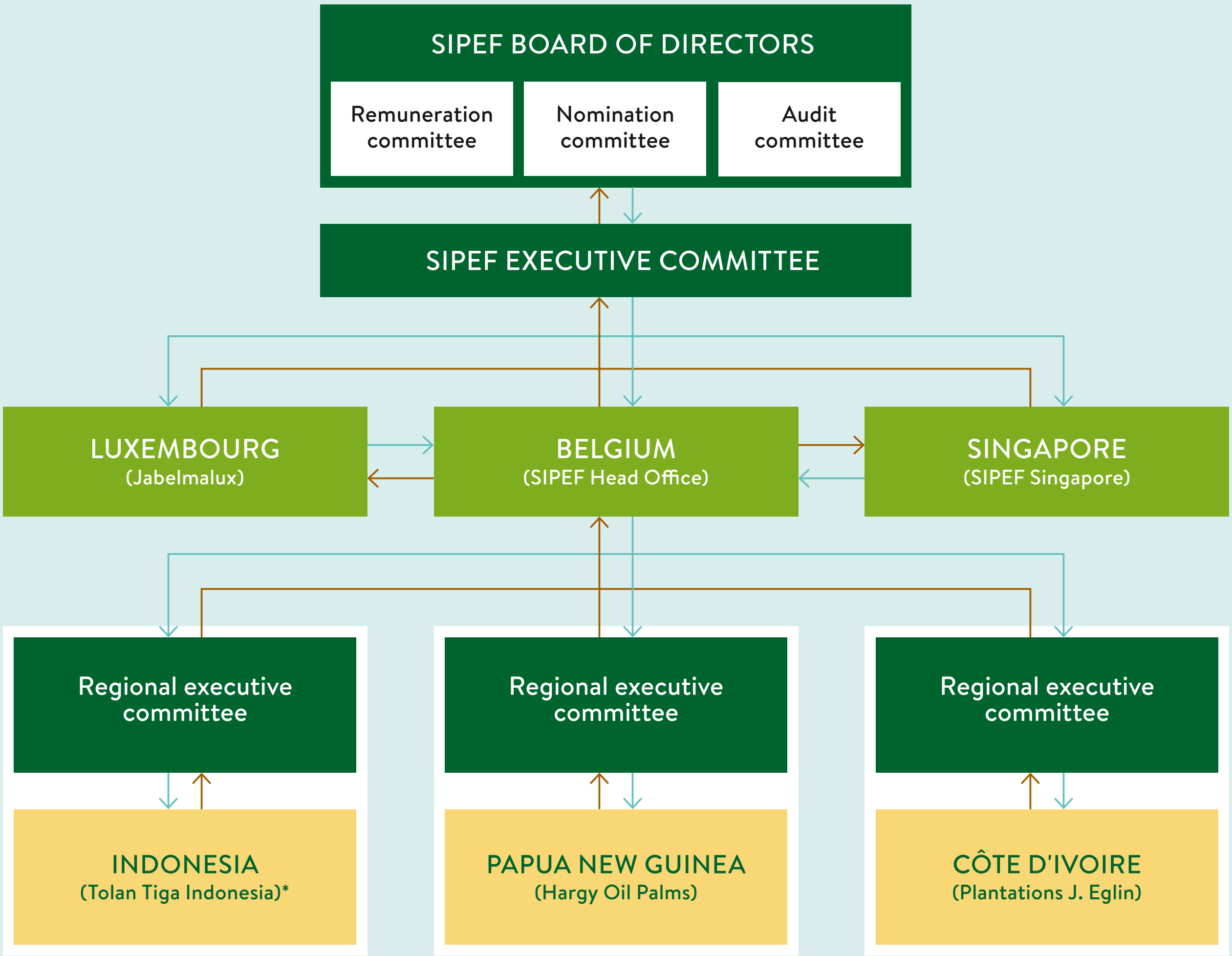
This ongoing dialogue gives SIPEF insight into expectations, helps identify new risks and opportunities, and increases the resilience of its business model. Stakeholder input forms the basis for SIPEF's priorities in areas such as labour practices, community relations, environmental protection, food safety, traceability, and regulatory compliance.

SIPEF maintains a combination of formal and informal channels to facilitate this dialogue. Formal mechanisms include grievance procedures, certification and customer audits, consultation sessions linked to risk assessments, and structured interactions with customers and regulators. These are complemented by regular informal conversations and internal communication platforms.

An overview of the key stakeholders and SIPEF's approach to stakeholder engagement is included in annex 6.

Sustainability embedded in SIPEF's strategy governance and management structure

Sustainability is embedded in SIPEF's governance framework and is an integral part of the Group's mission, vision, Guiding Principles, and Balanced Growth Strategy. Oversight, implementation, and monitoring of sustainability responsibilities are clearly allocated across the board of directors, the executive committee, and dedicated sustainability teams at Group and regional level.



* SIPEF has fourteen subsidiaries in Indonesia. Governance, communications and reporting to the SIPEF executive committee are managed through the regional executive committee of SIPEF's main and largest subsidiary, Tolan Tiga Indonesia.

1. SIPEF BOARD OF DIRECTORS*

LUC BERTRAND
(°1951 — Belgian)
Chairman

—

Areas of expertise:
Strategic leadership, strategic oversight, corporate governance, risk management, audit oversight

PETRA MEEKERS
(°1973 — Dutch)
Managing director
Chairman executive committee

—

Areas of expertise:
Executive leadership, operational excellence, business performance, sustainability strategy, environment, social, and governance (ESG) risk management

TOM BAMELIS
(°1966 — Belgian)
Director
Chairman audit committee

—

Areas of expertise:
Strategic oversight, financial control, audit oversight, risk management

PRISCILLA BRACHT
(°1977 — Belgian)
Director

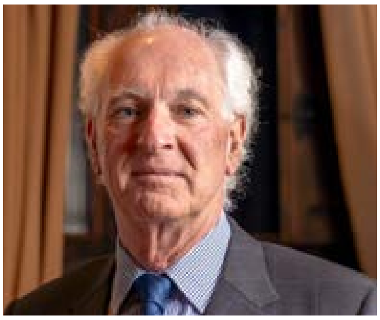
—

Areas of expertise:
Strategic oversight, corporate governance, risk management, business performance

ALEXANDRE DELEN
(°1977 — Belgian)
Director

—

Areas of expertise:
Information technology strategy, cybersecurity, innovation strategy, operational excellence



ANTOINE FRILING
(°1958 — Belgian)
Director
Chairman remuneration committee
Member audit committee

—

Areas of expertise:
Strategic oversight, corporate governance, financial oversight, risk management

* Composition of the board of directors of SIPEF as at 31 December 2025.
The curricula vitae of the directors are available on SIPEF's website: https://www.sipef.com/hq/about-sipef/our-board-and-management/

GAËTAN HANNECART
(°1964 — Belgian)
Director

—
Areas of expertise:
Strategic leadership, corporate governance, business performance, risk management

FRANÇOIS VAN HOYDONCK
(°1959 — Belgian)
Director

—
Areas of expertise:
Strategic oversight, palm oil sector expertise, agribusiness management, financial management, operational strategy

YU-LENG KHOR
(°1971 — Malaysian)
Independent director
Member remuneration committee

—
Areas of expertise:
Sustainability strategy, ESG risk management, impact assessment, strategic oversight, palm oil sector expertise

GIULIA STELLARI
(°1981 — Italian)
Independent director
Member audit committee
Member remuneration committee

—
Areas of expertise:
Sustainability strategy, ESG risk management, impact assessment, sustainable agriculture, innovation strategy

NICOLAS THOMPSON
(°1959 — British)
Independent director
Member audit committee

—
Areas of expertise:
Operational strategy, palm oil sector expertise, agribusiness management, sustainable agriculture, operational excellence

SIPEF's board of directors holds ultimate responsibility for the design and oversight of the Group's Balanced Growth Strategy. This includes oversight of SIPEF's sustainability strategy and its material sustainability matters. The board approves sustainability policies and reviews the results of the Group's impacts, risks, and opportunities (IROs) and double materiality assessments.

The audit committee supports the board by monitoring sustainability reporting and related internal control processes, with key matters reported to the full board. The respective roles and responsibilities of the board and the audit committee are further described in the corporate governance statement.

The board monitors sustainability performance through regular reporting from the executive committee, including updates on certification progress, health and safety, environmental performance, and material ESG developments. Sustainability topics are also addressed during the board's annual strategic discussions. More information on board meetings and matters discussed is available in the corporate governance statement.

In preparation for Corporate Sustainability Reporting Directive (CSRD) reporting, SIPEF completed its first Group-wide double materiality assessment in 2024. The related targets and key performance indicators (KPIs) were defined in alignment with the identified material topics and are further refined as the assessment is updated and reporting requirements evolve. The double materiality assessment and the associated targets and KPIs are reviewed annually to confirm whether any updates are required, with progress monitored through structured reporting to the board.

The board collectively benefits from relevant sustainability expertise, notably through directors with extensive experience in ESG, sustainable supply chains, agriculture, climate-related risks, and sustainability governance. Where appropriate, the board supplements this expertise through briefings by internal specialists and, when needed, external experts.

2. SIPEF EXECUTIVE COMMITTEE*

PETRA MEEKERS
(°1973 — Dutch)
Managing director
Chairman executive committee
—
Areas of expertise:
Executive leadership, operational excellence, business performance, sustainability strategy, environment, social, and governance (ESG) risk management

BART CAMBRÉ
(°1984 — Belgian)
Chief financial officer
Member executive committee
—
Areas of expertise:
Financial management and control, business performance, audit oversight, risk management

ROBBERT KESSELS
(°1975 — Dutch)
Chief commercial officer
Member executive committee
—
Areas of expertise:
Business performance, operational excellence, marketing, palm oil sector expertise

The executive committee is responsible for the implementation of the Group's Balanced Growth Strategy and SIPEF's sustainability strategy, and for overseeing sustainability reporting at Group level. It provides overall leadership and direction to the global teams based in Belgium, Singapore, and Luxembourg.

Within this framework, the managing director provides overall leadership on sustainability matters, while the chief financial officer oversees financial materiality, including monitoring financial effects of sustainability-related risks and opportunities. The chief commercial officer is responsible for customer, consumer, and end-user-related IROs in respect of SIPEF's palm operations. Sustainability matters relating to the Group's banana operations fall under the responsibility of the fruits department manager, who, while not a member of the executive committee, reports directly to it and provides regular briefings. The executive committee regularly reviews sustainability performance based on reporting from the group head of sustainability, covering all key ESG topics. From 2025 onwards, this review also includes monitoring of performance against the board-approved sustainability targets and KPIs.

The executive committee maintains close interaction with the regional executive committees in Indonesia, Papua New Guinea, and Côte d'Ivoire, which oversee local teams and day-to-day operations within their respective jurisdictions and report directly to the executive committee. Site visits by members of the executive committee provide additional operational oversight. The managing director is informed of material grievances escalated to Group level and is a member of the Group grievance committee.

Further information on the executive committee and its functioning is provided in the corporate governance statement.

* Composition of the executive committee of SIPEF as at 31 December 2025. The curricula vitae of the members of the executive committee are available on SIPEF's website: https://www.sipef.com/hq/about-sipef/our-board-and-management/

3. GLOBAL TEAMS

The delivery of the Balanced Growth Strategy is coordinated at Group level by the global teams located in Belgium, Singapore, and Luxembourg, covering finance, legal, marketing, information technology, operational management, sustainability, and human resources strategy. These teams are responsible for coordinating implementation efforts across the Group, as well as for monitoring progress and reporting thereon.

Within this framework, the group head of sustainability is responsible for developing and driving SIPEF's sustainability focus areas under the Balanced Growth Strategy and for coordinating sustainability implementation across the Group. The global sustainability team supports this role by aligning sustainability policies, targets, reporting, and stakeholder engagement with regulatory requirements and stakeholder expectations. Its key responsibilities include coordinating the double materiality assessment, consolidating sustainability data, and preparing internal and external sustainability reporting. The global sustainability team operates under the oversight of the managing director and reports regularly to the executive committee.

In 2025, SIPEF continued strengthening its ESG data collection processes to ensure alignment with the material IROs identified through the double materiality assessment. The Group is transitioning to an information technology-enabled platform to support ESG data management, aimed at improving data quality, consistency, and traceability. In parallel, SIPEF is continuing to enhance internal communication and KPI reporting, including regular reporting of key KPIs to the executive committee and board of directors, to support structured performance monitoring.

4. REGIONAL TEAMS

At operational level, regional executive committees in Indonesia, Papua New Guinea, and Côte d'Ivoire oversee local teams and day-to-day operations within their respective jurisdictions and report directly to SIPEF's executive committee at Group level. The regional teams at subsidiary level are responsible for operational execution, including human resources matters relating to employees and contractors, and for implementing the Balanced Growth Strategy for SIPEF's palm operations in Indonesia and Papua New Guinea and its banana operations in Côte d'Ivoire.

Regional sustainability teams in these jurisdictions are responsible for implementing SIPEF's sustainability strategy at operational level and ensuring compliance with applicable legal and certification requirements. They work closely with operational departments and report through the regional executive committees, with functional alignment to the global sustainability team. The regional sustainability teams provide regular quantitative data and qualitative updates to the global sustainability team, supporting consolidated monitoring and reporting at Group level.

5. MONITORING, INTERNAL CONTROL, AND REPORTING RELATED TO SUSTAINABILITY

Sustainability information is subject to internal controls tailored to the nature of the reported metrics and risks, with responsibilities allocated across relevant functions. Consolidated-level control measures support the accuracy, completeness, and consistency of ESG reporting. An overview of these controls is included in the corporate governance statement.

SIPEF's activities

1. PALM OIL ACTIVITIES

In 2025, SIPEF's palm oil operations focused on strengthening operational resilience and excellence while supporting sustained growth across Indonesia and Papua New Guinea. Amid weather variability, the Group maintained a disciplined approach to agronomy, harvesting execution, asset reliability, and product quality.

SIPEF delivered a record year in 2025. Crude palm oil (CPO) production totalled 441 866 tonnes, an increase of 21.9% compared with 2024. Growth was driven by favourable growing conditions in Indonesia, the continued ramp-up of young mature areas in South Sumatra and the recovery in Papua New Guinea following the November 2023 volcanic eruption. Fresh fruit bunch (FFB) volumes reached 1 864 546 tonnes, up 15.1%, reflecting improved crop availability and efficient harvesting. The Group's average oil extraction rate (OER) also increased to 23.8%, supported by process optimisation and completed mill enhancement projects.

In 2025, CPO production increased 21.9% compared with 2024.

In Indonesia, FFB production increased by 12.9% compared with 2024, supported by stable high yields in North Sumatra and accelerated output from Bengkulu and South Sumatra as a larger share of planted areas entered productive maturity. Operational priorities centred on stabilising production from mature estates, capturing volume growth from maturing developments and safeguarding mill reliability. Replanting programmes continued to optimise plantation age profiles, while targeted infrastructure and engineering upgrades enhanced crop evacuation, reduced unplanned downtime, and supported consistent processing performance. South Sumatra delivered the strongest production growth within the Group in 2025. North Sumatra remained the Group's stable production anchor, while Bengkulu continued progressing toward peak yield potential.

In Papua New Guinea, crude palm oil output increased by 26.5% compared with 2024, driven by higher FFB supply, improved extraction efficiency and well-distributed rainfall that facilitated harvesting. Operations continued to recover following the November 2023 Mount Ulawun eruption, with the rehabilitation of affected estates supporting the gradual restoration of yields. While production in previously impacted areas has not yet fully returned to pre-eruption levels, recovery advanced steadily through the year. Unaffected estates and smallholder deliveries remained important contributors to overall throughput, underpinning operational resilience.

Across both countries, quality and sustainability performance remained a core focus. Within the milling network, improvements in OER, contaminant control and process stability strengthened product consistency and supported the Group's ability to meet increasingly stringent food safety and quality standards, including regulatory thresholds for mineral oil saturated hydrocarbons (MOSH), mineral oil aromatic hydrocarbons (MOAH) and chloride.

Aerial view of a terraced SIPEF oil palm plantation, designed to maximise oil palm access, manage runoff, and reduce soil erosion, with cover crops established to support soil health and protection.

Fertiliser application at a SIPEF oil palm plantation in Indonesia.

MARKETS

Palm oil markets in 2025 demonstrated notable resilience in the face of shifting demand patterns, weather-related supply disruptions, and evolving biofuel and sustainability policies. Although the year experienced periods of volatility, prices remained firm overall, supported by structurally tighter supply growth and the expanding role of biodiesel demand in key producing and consuming regions.

Palm oil

At the start of the year, market conditions were shaped by a sharp contrast between constrained supply and softer international demand. High palm oil prices, both in absolute terms and relative to competing oils, prompted demand rationing in key importing markets. India, the world's largest palm oil importer, shifted a substantial portion of its purchases toward soybean oil, reducing palm oil import volumes during the first quarter. Despite this, prices remained supported as production in Southeast Asia fell short of expectations. In Malaysia, adverse weather, including flooding, led first-quarter output to decline by approximately 7.5% year-on-year. In Indonesia, production was less affected, but domestic availability for export was reduced by the implementation of the B40 biodiesel blending mandate, which absorbed a larger share of supply.

Despite lower exports and subdued physical demand early in the year, global stock levels remained broadly stable, contrary to expectations of a significant build-up. This supported prices during the first half of the year, while inventories in key importing markets continued to decline. As palm oil gradually regained price competitiveness versus soybean oil in the second quarter, import demand, particularly from India, resumed. This was aided by improved profitability for refiners, which made palm oil more attractive to process and import.

As the year progressed, seasonal increases in production, particularly in Indonesia, eased some of the earlier supply tightness. However, market sentiment was increasingly influenced by developments in biofuel policy. Announcements in mid-2025 of higher biodiesel blending requirements in the United States for 2026 and 2027, combined with Indonesia's plans to advance from B40 to B50, significantly strengthened expectations for future vegetable oil demand. Similar policy momentum in Brazil further reinforced this trend. These developments lifted the entire vegetable oil complex and offset the typical seasonal pressure associated with peak palm oil production in the third quarter.

Prices responded accordingly, with benchmark CPO futures on the Bursa Malaysia Derivatives Exchange (MDEX) rising from around USD 950 per tonne in mid-year to the USD 1 050–1 100 per tonne range during the third quarter, despite the seasonal accumulation of stocks. Market sentiment was further supported by expectations of structurally slower yield growth in Indonesia, reflecting a reassessment of planted areas and long-term productivity amid ongoing regulatory developments.

In the fourth quarter, the market experienced a correction. Palm oil prices entered the period at elevated levels, while exports were weak for several months due to uncompetitive pricing. Unexpectedly strong production growth, particularly in Malaysia, led to a sharp increase in stocks, which reached approximately three million tonnes by year-end, roughly one million tonnes above normal. Fourth-quarter Malaysian production exceeded the previous year by around 900 000 tonnes, outpacing export demand. As a result, prices corrected in the second half of October, stabilising at around USD 1 000 per tonne for the remainder of the year. In contrast, stock levels in Indonesia remained more balanced, supported by its large domestic food market and biodiesel consumption.

European policy developments also influenced sentiment during the year. Continued uncertainty around the implementation of the European Union Deforestation Regulation (EUDR) led some buyers to prioritise short-term flexibility in their procurement decisions. Following the European Parliament's decision to postpone the regulation by a further year, purchases of Roundtable on Sustainable Palm Oil (RSPO) segregated oil slowed toward year-end, highlighting a gap between stated sustainability ambitions and near-term sourcing behaviour.

Overall, average palm oil prices for the first half of the year stood at approximately USD 960 per tonne on the MDEX, with full-year prices remaining well above long-term averages, reflecting the growing importance of policy-driven demand and structurally constrained supply growth.

Palm kernel oil

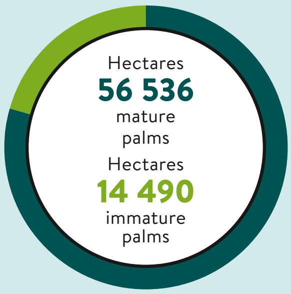
Palm kernel oil (PKO) markets remained tight throughout most of 2025, underpinned by strong oleochemical demand and constrained availability of competing lauric oils. In the first half of the year, declining coconut oil production, caused by dry weather conditions earlier in 2024, led to a sharp rally in coconut oil prices, which moved to a substantial premium over PKO. This maintained strong demand for PKO in lauric blends.

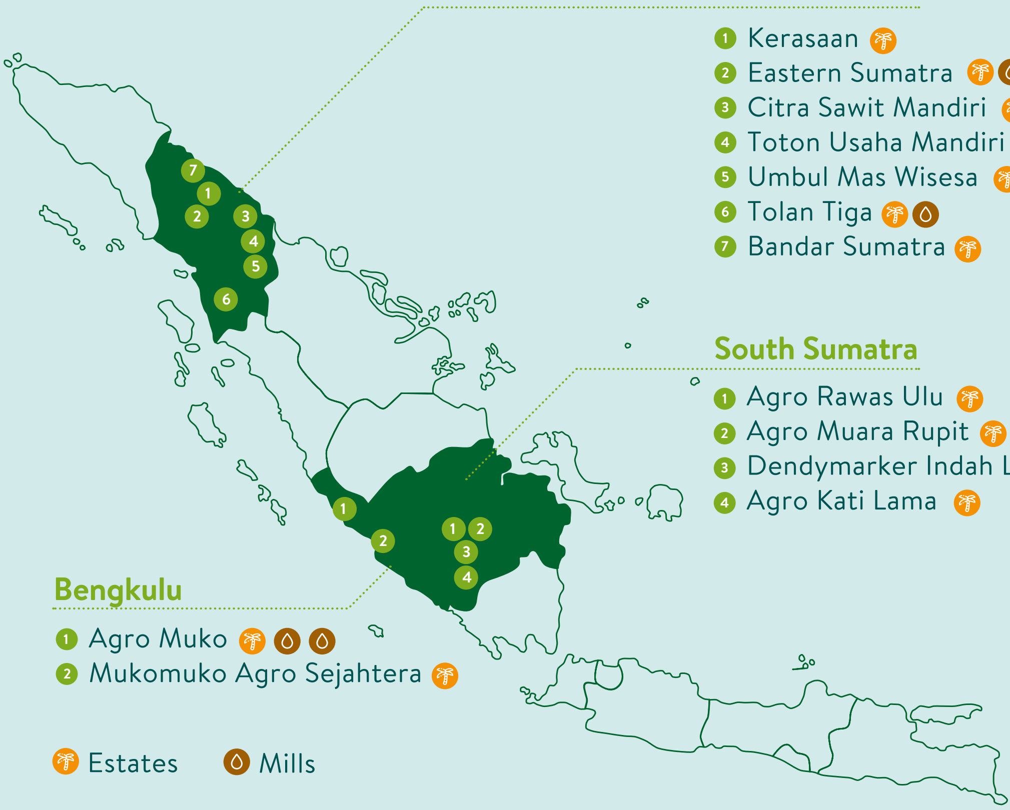
In the fourth quarter, PKO prices softened modestly, reflecting improved production and easing tightness in coconut oil supply. Nevertheless, full-year coconut oil output remained more than 10% below normal levels due to earlier drought conditions, and lauric oil demand remained solid.

Prices for crude palm kernel oil (CPKO) remained elevated during the first three quarters, averaging around USD 1 900 per tonne cost, insurance, and freight (CIF) Rotterdam, and rising to a range of USD 1 950–2 150 per tonne in the third quarter, while coconut oil traded at significantly higher levels. Demand for CPKO from China was particularly robust throughout the year, supported by healthy oleochemical margins, while global CPKO supply remained relatively tight.

OPERATIONS IN INDONESIA

In Indonesia, SIPEF's commercial activities are managed by its subsidiary, Tolan Tiga Indonesia. Operational activities are managed through the Tolan Tiga Medan Head Office and three regional management offices in the provinces of North Sumatra, Bengkulu, and South Sumatra, where its 31 plantations and seven mills are located. Total planted areas comprise 56 536 hectares of mature plantings and 14 490 hectares of immature palms.





North Sumatra

1. Kerasaan
2. Eastern Sumatra
3. Citra Sawit Mandiri
4. Toton Usaha Mandiri
5. Umbul Mas Wisesa
6. Tolan Tiga
7. Bandar Sumatra

South Sumatra

1. Agro Rawas Ulu
2. Agro Muara Rupit
3. Dendymarker Indah Lestari
4. Agro Kati Lama

Bengkulu

1. Agro Muko
2. Mukomuko Agro Sejahtera

Estates Mills

Activities and results 2025

Across its Indonesian operations, SIPEF maintained a strong focus on operational efficiency, agronomic discipline, and cost control throughout 2025. Replanting programmes remained central to renewing ageing stands, enhancing plantation age profiles, and supporting the medium- to long-term sustainability of yields across all operating regions.

Operational performance during the year was further supported by selective investments in mill processing capability, energy systems, and quality-critical infrastructure at key sites. Enhancements to oil clarification and recovery processes, together with the introduction of additional contaminant control measures at selected mills, improved process stability, oil extraction efficiency, and product consistency. In parallel, upgrades to steam and energy systems strengthened operational reliability and reduced exposure to unplanned disruptions, particularly during peak processing periods.

Collectively, these targeted improvements strengthened the Group's ability to process available crop volumes, maintain stable operating conditions, and support ongoing improvements in CPO quality, while enabling more consistent production outcomes and more efficient use of labour, energy, and maintenance resources.

Estates

North Sumatra remained SIPEF's most mature and operationally stable production base in 2025. Estates under the Tolan Tiga Indonesia and Umbul Mas Wisesa groups continued to benefit from established plantation profiles, experienced operating teams, and well-developed infrastructure, supporting consistently strong field performance.

With an average palm age of thirteen years, the region delivered stable yields and reliable output throughout the year. Total FFB production from company-owned estates increased to 483 449 tonnes, compared with 462 508 tonnes in 2024, reflecting disciplined harvesting execution, and improved crop realisation.

Weather conditions during the year were generally supportive, with rainfall distribution allowing effective harvesting access and field operations. Combined with a continued focus on estate discipline, crop evacuation reliability, and mill stability, estates and mills maintained strong harvesting coverage and processing continuity, limiting losses and supporting consistent oil recovery.

Overall, North Sumatra's mature asset base and disciplined execution continued to underpin Group performance in 2025, balancing production stability with incremental gains as the plantation profile is progressively optimised through ongoing replanting.

INDONESIA, NORTH SUMATRA

	MATURE (IN HECTARES)	IMMATURE (IN HECTARES)	AVERAGE OIL PALM AGE	FFB PRODUCED 2025 (IN TONNES)	FFB PRODUCED 2024 (IN TONNES)	YIELD 2025 FFB/HA (IN TONNES)
Tolan Tiga Indonesia	10 787	2 951	11.7	296 067	282 262	27.5
Umbul Mas Wisesa	8 787	1 097	14.7	187 383	180 246	21.3
Subtotal own plantations	**19 574**	**4 049**	**13.0**	**483 449**	**462 508**	**24.7**
Smallholders	4 347	0	N/A	14 282	8 888	N/A
TOTAL	**23 921**	**4 049**	**-**	**497 732**	**471 397**	**-**

Weeds are manually cleared and collected from young oil palm seedlings in a nursery in Indonesia.

In **Bengkulu**, production performance improved further in 2025 as estates advanced along their maturity profiles and operational execution strengthened across the region. Estates under Agro Muko and Mukomuko Agro Sejahtera recorded higher FFB production compared with 2024, reflecting a combination of expanding mature hectarage and improved crop realisation.

Total FFB production from company-managed estates increased to 372 861 tonnes, up from 343 695 tonnes in 2024. Average yields reached 23.8 tonnes per hectare, indicating solid agronomic performance for estates predominantly in their mid-maturity phase. The improvement in output was supported by disciplined harvesting execution and effective crop evacuation, allowing estates to capture a higher proportion of available crop.

Weather conditions during the year were generally supportive, contributing to more stable production patterns and reduced variability compared with previous years.

Overall, Bengkulu's performance in 2025 underscored its growing contribution to Group production as estates move progressively closer to peak yield potential. The region is increasingly positioned as a structurally important component of SIPEF's Indonesian portfolio, complementing the stability of North Sumatra and supporting medium-term production growth.

INDONESIA, BENGKULU

	MATURE (IN HECTARES)	IMMATURE (IN HECTARES)	AVERAGE OIL PALM AGE	FFB PRODUCED 2025 (IN TONNES)	FFB PRODUCED 2024 (IN TONNES)	YIELD 2025 FFB/HA (IN TONNES)
Agro Muko	13 904	4 437	9.7	335 499	310 701	24.1
Mukomuko Agro Sejahtera	1 783	1 213	6.8	37 362	32 994	21.0
Subtotal own plantations	**15 687**	**5 650**	**9.3**	**372 861**	**343 696**	**23.8**
Smallholders	1 023	55	N/A	15 742	14 693	15.4
TOTAL	**16 710**	**5 705**	**-**	**388 602**	**358 388**	**23.3**

South Sumatra delivered the strongest year-on-year production growth within the Group in 2025, reflecting the accelerated maturation of estates that are still relatively young by plantation standards. Estates operated under Agro Kati Lama, Agro Rawas Ulu, Agro Muara Rupit, and Dendymarker Indah Lestari recorded a significant increase in FFB volumes compared with 2024, driven primarily by expanding mature hectarage and improved harvesting coverage.

Total FFB production increased to 393 325 tonnes in 2025, up from 304 041 tonnes in 2024. Company-managed estates contributed 335 915 tonnes. While average yields of 15.8 tonnes per hectare remained below those of more mature regions, performance was consistent with the age profile of the plantations. The increase in output reflected improved crop realisation as a larger proportion of planted areas reached productive maturity during the year.

Operational execution remained a key focus across the region. Continued improvements in harvesting discipline, crop evacuation, and mill stability supported effective capture of available crop volumes, despite the operational complexity associated with young and developing estates. These measures supported more predictable production patterns and reduced losses as volumes increased.

Overall, South Sumatra's performance in 2025 reinforced its role as the Group's primary medium- to long-term growth engine. As plantation age profiles continue to mature and operational systems are progressively optimised, the region is well positioned to achieve sustained volume growth and steadily improving yields in the years ahead.

INDONESIA, SOUTH SUMATRA

	MATURE (IN HECTARES)	IMMATURE (IN HECTARES)	AVERAGE OIL PALM AGE	FFB PRODUCED 2025 (IN TONNES)	FFB PRODUCED 2024 (IN TONNES)	YIELD 2025 FFB/HA (IN TONNES)
Agro Kati Lama	4 486	886	7.8	76 449	65 962	17.0
Agro Rawas Ulu	2 549	289	7.4	39 286	35 232	15.4
Agro Muara Rupit	6 937	3 360	4.6	88 362	69 793	12.7
Dendymarker Indah Lestari	7 303	257	4.9	131 819	92 794	18.1
Subtotal own plantations	**21 275**	**4 792**	**5.6**	**335 915**	**263 780**	**15.8**
Smallholders	3 780	1 244	NA	57 410	40 260	15.0
TOTAL	**25 091**	**6 000**	**-**	**393 325**	**304 041**	**15.7**

Plantation workers load fresh fruit bunches into a collection truck during harvesting operations in Indonesia.

Mills

In 2025, SIPEF's Indonesian milling operations recorded a strong improvement in throughput, processing volumes, and product recovery, reflecting higher crop availability, improved operational stability, and targeted enhancements to processing capability across the mill network. All seven mills operated throughout the year, with a combined installed capacity of 320 tonnes of FFB per hour.

Total FFB processed across Indonesian mills increased significantly compared with 2024, supported by higher crop intake from North Sumatra, Bengkulu, and South Sumatra as a larger proportion of planted areas entered productive maturity. Improved harvesting coverage and crop evacuation reliability enabled mills to operate closer to installed capacity during peak periods, contributing to higher overall utilisation rates.

INDONESIA, NORTH SUMATRA	BUKIT MARADJA		PERLABIAN		UMBUL MAS WISESA	
	2025	2024	2025	2024	2025	2024
Capacity (tonnes FFB/hour)	30	30	55	55	40	40
Actual throughput	30.15	29.84	53.34	43.80	40.12	38.92
FFB processed (tonnes)	113 633	113 030	190 906	177 331	187 268	155 656
Crude palm oil produced (tonnes)	28 362	27 185	42 345	38 180	42 614	33 999
Oil extraction rate (%)	24.96	24.05	22.18	21.53	22.76	21.84
Kernel extraction rate (%)	5.07	5.17	5.80	5.80	4.62	4.37
Free fatty acids (%)	2.88	2.61	2.76	2.86	3.70	3.41

INDONESIA, BENGKULU	MUKOMUKO		BUNGA TANJUNG	
	2025	2024	2025	2024
Capacity (tonnes FFB/hour)	60	60	30	30
Actual throughput	56.78	59.36	32.42	32.80
FFB processed (tonnes)	275 190	262 829	112 865	94 679
Crude palm oil produced (tonnes)	64 525	59 485	25 104	20 189
Oil extraction rate (%)	23.45	22.63	22.24	21.32
Kernel extraction rate (%)	4.44	4.28	5.28	5.21
Free fatty acids (%)	2.78	2.71	2.73	2.78

INDONESIA, SOUTH SUMATRA	DENDYMARKER INDAH LESTARI		AGRO MUARA RUPIT	
	2025	2024	2025	2024
Capacity (tonnes FFB/hour)	60	60	45	45
Actual throughput	60.08	58.95	45.26	45.66
FFB processed (tonnes)	245 383	226 880	147 942	77 161
Crude palm oil produced (tonnes)	57 752	50 844	36 510	18 162
Oil extraction rate (%)	23.54	22.41	24.68	23.54
Kernel extraction rate (%)	4.02	3.85	3.72	3.30
Free fatty acids (%)	3.44	3.24	3.52	3.51

In **North Sumatra**, the Bukit Maradja, Perlabian, and Umbul Mas Wisesa mills recorded higher throughput and increased FFB processing volumes in 2025. Improved throughput across all three mills reflected more consistent crop intake and stable mill operations. As a result, FFB processing increased year-on-year, accompanied by corresponding growth in CPO production.

Oil extraction rates improved across all North Sumatra mills, supported by better fruit quality, more stable processing conditions, and incremental improvements in oil recovery efficiency. Bukit Maradja mill achieved an OER of 25.0%, while Perlabian and Umbul Mas Wisesa mills also recorded year-on-year improvements. Kernel extraction performance remained stable, and free fatty acid (FFA) levels were maintained within acceptable operating thresholds, despite periods of higher rainfall.

Overall, North Sumatra's mills continued to provide a stable and reliable processing base.

In **Bengkulu**, the Mukomuko and Bunga Tanjung mills delivered higher processing volumes in 2025, driven by increased FFB intake from estates progressing through mid-maturity. Fresh fruit bunch processing rose at both mills, leading to a corresponding increase in CPO output compared with 2024.

Oil extraction rates improved year-on-year, reflecting better process stability and enhanced oil recovery performance. Kernel extraction rates also showed incremental improvement, while FFA levels remained well controlled. These outcomes were supported by ongoing improvements in process discipline and the introduction of additional quality-critical infrastructure aimed at strengthening contaminant control and product consistency.

Bengkulu's milling performance in 2025 underscores the region's growing contribution to Group volumes as estate maturity and processing capability continue to improve in tandem.

South Sumatra recorded the most pronounced growth in milling volumes in 2025, reflecting the rapid increase in crop availability as young estates entered productive phases. At Dendymarker Indah Lestari and Agro Muara Rupit mills, FFB processing increased substantially compared with 2024, driving a significant rise in CPO production.

Both mills recorded notable improvements in OER, supported by more stable operating conditions, improved oil recovery processes, and a higher proportion of fruit sourced from maturing plantings. While FFA levels increased slightly at Dendymarker Indah Lestari, they remained within operational limits and reflect the processing of higher volumes during peak periods.

The strong increase in processed volumes and improved recovery performance underscore South Sumatra's expanding role within the Group's milling network, supporting its position as the Group's primary medium-to long-term growth engine.

Quality, reliability, and sustainability

Across the Indonesian milling network, 2025 saw continued progress in strengthening process reliability, product quality, and sustainability performance. Selective investments in oil clarification, contaminant control, and energy systems improved processing stability and supported consistent recovery outcomes. These enhancements contributed to better control of key quality parameters, including MOSH, MOAH, and chloride levels, reinforcing the Group's ability to meet increasingly stringent customer and regulatory specifications.

In parallel, the Group advanced emissions reduction initiatives at selected mills through the development of biogas and bio-compressed natural gas (bio-CNG) projects. In North Sumatra, the first bio-CNG plant was completed at Tolan Tiga Indonesia in partnership with KIS Group. The facility is expected to reduce approximately 54 810 tonnes of CO_2e emissions annually and produce 109 620 MMBtu of bio-CNG, strengthening energy resilience while supporting Indonesia's transition away from fossil fuel imports. Beyond its environmental benefits, the project is expected to generate local employment opportunities and contribute to economic activity in the surrounding region. The project will be operated by KIS Group for fifteen years before being transferred to SIPEF.

Overall, the performance of SIPEF's Indonesian mills in 2025 reflects the effective integration of operational execution, targeted capital investment, and quality discipline. As crop volumes continue to increase and further enhancements are commissioned, the milling platform is well positioned to support sustained production growth, improved recovery performance, and long-term value creation.

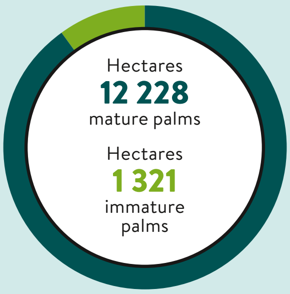
A fresh fruit bunch collection truck is weighed upon arrival at the mill, a key step in monitoring volumes, supporting yield tracking, and ensuring traceability of incoming harvests.

OPERATIONS IN PAPUA NEW GUINEA

In Papua New Guinea, SIPEF's commercial activities are managed by its subsidiary, Hargy Oil Palms that manages six oil palm estates as well as 3 640 certified smallholders, with each estate and its surrounding smallholders forming a dedicated supply base for Hargy Oil Palms' three mills. Total planted areas comprise 12 228 hectares of mature plantings and 1 321 hectares of immature palms.

6 Estates

3 Mills



3640 Smallholders

Activities and results 2025

In 2025, SIPEF's Hargy Oil Palms' operations continued to stabilise following the rehabilitation of eruption-affected estates, while benefiting from generally supportive operating conditions. Production trends improved progressively throughout the year, underpinned by disciplined field execution and the steady contribution from unaffected estates and smallholders.

The completion of key mill expansion works, together with ongoing improvements in process control and quality management, strengthened operational reliability and supported improved oil recovery performance. With major capital upgrades now finalised, the Papua New Guinea platform is operating on a more stable and energy-efficient footing.

Replanting on company estates further optimised plantation age profiles, reinforcing long-term yield resilience. Smallholder replanting remains an area requiring sustained focus, with targeted engagement initiatives contributing to steady, incremental progress.

Overall, 2025 marked a year of operational normalisation and structural strengthening in Papua New Guinea, positioning Hargy Oil Palms for improved production performance as estate age profiles mature and rehabilitation efforts are fully realised.

Estates

While yields across the eruption-impacted Atata, Kiba, and Ibana estates have not yet returned to full production levels, overall performance for these estates met or exceeded expectations in 2025, reflecting the effectiveness of rehabilitation efforts and favourable operating conditions.

The palms that required heavy pruning during rehabilitation in 2024 continued to show residual effects into late 2025, including a male flowering phase observed in some blocks. However, the magnitude and duration of these impacts were less pronounced than anticipated, and production recovered progressively throughout the year. Importantly, unaffected areas maintained consistent output, helping to underpin overall operational stability.

Weather conditions in 2025 were generally favourable for both field and mill operations. The wet season from January to March was unusually mild, with rainfall well below long-term averages, followed by relatively steady monthly precipitation across most sites for the remainder of the year. The main exception was Bakada estate, which recorded two (non-consecutive) months with rainfall below 100 mm. Rainfall increased significantly across all sites in November, with total annual rainfall finishing at approximately 80% of the long-term average.

Replanting activities on Group-owned estates were successfully completed during the year, with 719 hectares replanted, representing 5.3% of the total planted area. As a result, the average age of Group palms remained stable at 10.2 years, in line with 2024. This continued estate renewal supports long-term yield stability and production resilience.

The pace of smallholder replanting remains a key challenge. In 2025, 418 hectares of smallholder replanting were completed, representing a modest improvement over 2024 but still below the level required to reduce the average age of smallholder plantings, which remains at approximately 17.2 years. During the year, greater emphasis was placed on addressing barriers to replanting, including regulatory and tenure-related issues. Hargy Oil Palms provided direct support to growers in resolving land title matters, particularly where certificates had been lost or required transfer following deceased estates. This approach has delivered positive results and is set to be further expanded in 2026.

The continued recovery of eruption-affected areas, combined with the ongoing transition of immature replants into maturity, supports a positive production outlook for 2026. With a younger age profile across Group estates and improving smallholder engagement, Hargy Oil Palms is well positioned for sustained production growth.

PAPUA NEW GUINEA, WEST NEW BRITAIN

	MATURE (IN HECTARES)	IMMATURE (IN HECTARES)	AVERAGE OIL PALM AGE	FFB PRODUCED 2025 (IN TONNES)	FFB PRODUCED 2024 (IN TONNES)	YIELD 2025 FFB/ HECTARE (IN TONNES)
Hargy	2 272	253	6.6	78 372	69 978	34.5
Barema	1 888	0	17.8	59 078	55 169	31.3
Atata	1 868	0	8.9	45 370	31 013	24.3
Kiba	1 920	0	8.0	48 875	26 448	25.5
Ibana	1 696	1 069	6.3	31 670	28 760	18.7
Bakada	2 584	0	12.5	88 155	73 416	34.1
Subtotal own plantations	**12 228**	**1 321**	**10.2**	**351 521**	**284 785**	**28.7**
Smallholders	13 708	1 094	17.2	233 366	201 965	17.0
TOTAL	**25 936**	**2 416**	**-**	**584 887**	**486 750**	**22.6**

Mills

Milling operations in Papua New Guinea delivered improved results in 2025, building on the operational and capital upgrades implemented in previous years. Across all sites, performance strengthened throughout the year, supported by enhanced operational discipline, higher FFB quality, and generally favourable weather conditions.

A key milestone was achieved at Navo mill with the completion of the final major project under the expansion programme. The upgraded FFB loading ramp extension was completed in May 2025, providing significantly greater ramp capacity. This additional space will support higher mill throughput as FFB volumes increase from surrounding maturing estates, while also reducing transport turnaround times. These improvements contribute directly to better control of FFA levels and ongoing compliance with MOSH/MOAH quality targets.

With all major upgrades now complete, Navo mill is operating as a fully integrated energy-efficient facility. During processing hours, the mill can supply electricity to mill operations, administrative offices, and four employee residential compounds without the need for diesel generator support. This represents a material improvement in energy efficiency, reliability, and operating costs.

Oil extraction rates improved across all mills during 2025, reflecting a combination of operational efficiencies, improved crop quality, and stable processing conditions. Performance at Barema and Hargy mills was consistent throughout the year, following the resolution of previous operational constraints, and all mills operated within expected design parameters.

Product quality remained a strong focus during the year. Controls to manage mineral oil hydrocarbons (MOSH/MOAH) continued to perform effectively, ensuring compliance with required standards. These quality management practices, combined with reduced fruit-handling delays and improved process stability, reinforced Hargy Oil Palms' reputation as a reliable producer of high-quality palm oil.

PAPUA NEW GUINEA, WEST NEW BRITAIN	HARGY		NAVO		BAREMA		TOTAL	
	2025	2024	2025	2024	2025	2024	2025	2024
Capacity (tonnes FFB/hour)	45	45	60	60	45	45	**150**	**150**
Actual throughput	44.1	44.9	58.3	54.9	41.5	43.8	**143.9**	**143.6**
FFB processed (tonnes)	77 848	71 881	208 240	139 056	65 433	73 848	**351 521**	**284 785**
FFB processed smallholders (tonnes)	90 072	80 508	40 778	33 138	102 517	88 320	**233 366**	**201 965**
Crude palm oil produced (tonnes)	39 832	34 041	63 666	41 346	41 157	38 975	**144 655**	**114 362**
Oil extraction rate (%)	23.72	22.32	25.57	24.00	24.51	24.03	**24.73**	**23.49**
Free fatty acids (%)	3.31	3.20	3.40	3.53	3.67	3.53	**3.45**	**3.44**
Palm kernel produced (tonnes)	7 639	7 147	11 997	8 777	8 463	8 219	**28 099**	**24 143**
Crude palm kernel oil produced (tonnes)	3 103	2 809	N/A	N/A	8 080	6 669	**11 183**	**9 478**
Kernel extraction rate (%)	4.55	4.69	4.82	5.09	5.04	5.07	**4.80**	**4.96**
Kernel oil extraction rate (%)	1.85	1.84	N/A	N/A	1.94	2.09	**1.91**	**1.95**

Aerial view of Barema palm oil mill in Papua New Guinea.

2. BANANA ACTIVITIES

SIPEF's banana operations are managed by its subsidiary, Plantations J. Eglin, based in Côte d'Ivoire, the top banana exporting country from Africa to Europe, ahead of Cameroon and Ghana.

2025 was a solid year for SIPEF's banana production. Despite periods of heavy rainfall and storm events, which temporarily disrupted field operations and reduced average bunch weights, banana production reached 52 159 tonnes, representing a 2.2% increase over the previous year.

The annual growth was driven by the contribution of recently expanded areas, as production progressively shifted into more normalised cycles following the completion of the expansion programme. Production at Motobé decreased by 10.1%, reflecting ongoing agronomic optimisation, while production at Lumen declined by 9.3% as yields stabilised with plantation maturity. These reductions were more than compensated by strong growth at Akoudié and Azaguié, where production rose by 48.7% and 13.3% respectively.

In 2025, banana production increased with 2.2% over the previous year.

Quality levels remained satisfactory in 2025 despite challenging weather conditions. While the year was marked by heavy rainfall and storm events rather than extreme heat, the broader banana market remained competitive. Thanks to the continuation of fixed-price annual contracts with reputable European and United Kingdom (UK) customers in 2025, the Group was not subject to the volatility of international banana markets. Thus, Plantations J. Eglin could provide a stable contribution to gross profit throughout the year.

MARKETS

In 2025, the global banana market faced a mix of opportunities and challenges that influenced production, trade, and pricing. Following modest contractions in previous years, global banana trade stabilised, with volumes increasing by around 2%, supported by generally favourable growing conditions in several key producing countries.

Early in the year, the market experienced volatility. Prices strengthened and peaked in the first quarter due to seasonal supply constraints, weather-related disruptions affecting harvest timing, and logistical challenges such as port congestion and shipping delays into Europe. Strong European demand amplified these temporary supply pressures. As the year progressed, production conditions and logistics gradually normalised, allowing supply and demand to rebalance. Consequently, prices softened and stabilised during the second half of the year, ultimately settling at levels broadly in line with those recorded in 2024.

European banana consumption remained robust. The market expanded by 3.2% in the fourth quarter of 2025, bringing total annual consumption to a historic record of 853 000 tonnes, up 2.8% compared with 2024. All origin categories, including French domestic production, Africa, Caribbean, and Pacific (ACP) origins, and Dollar origins, contributed to this growth. In the United States, consumption continued its upward trend, reaching an estimated 4 200 000 tonnes in 2025. Retail demand remained solid, Ecuador strengthened its position as the second-largest supplier, and the organic segment further increased its market share.

SIPEF recorded strong sales growth in Europe and the UK, with total shipments reaching 46 496 tonnes (+1.2% compared with 2024). The UK remained the primary destination (60%), followed by continental Europe (20%), with France as a key market. This performance reflects high product quality, a reliable supply chain, and strict compliance with certification and sustainability standards.

All banana production is certified under Fairtrade and Rainforest Alliance standards. Fairtrade ensures a guaranteed minimum price and generates a social premium for workers' associations, while Rainforest Alliance volumes attract additional sustainability-related payments. Although inflationary pressures in Europe affected consumer purchasing power and limited certified sales growth, the UK continued to strongly support sustainable sourcing models.

Overall, SIPEF maintains a comprehensive certification portfolio aligned with customer expectations and evolving regulatory requirements, reinforcing its position as a responsible and reliable supplier.

Banana hands are inspected prior to packing to ensure they meet quality criteria and customer expectations.

OPERATIONS IN CÔTE D'IVOIRE

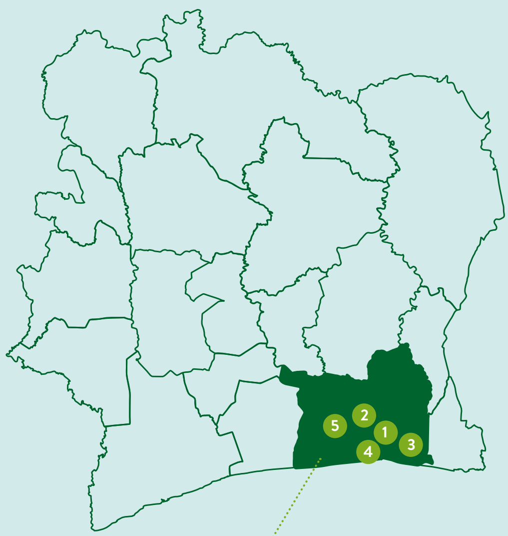
Plantations J. Eglin banana estates span five locations in the southern Lagunes region of Côte d'Ivoire. Together, the plantations cover 1 238 hectares. All the plantations are located between 45 km and 100 km from the port of Abidjan, from where SIPEF bananas are exported in refrigerated containers to Europe and the UK, as well as the regional markets of Senegal and Mauritania. Land transport serves additional regional markets.

The five estates are numbered by historical acquisition order. The company acquired in 1985 by SIPEF only included the Azaguié site (1). In 1989, the Agboville site (2) was purchased, followed by the Motobé site (3) in 2009. In 2021, the Lumen (4) and Akoudié (5) sites were acquired to complete the current production areas. All sites were used to grow crops (bananas, pineapples, flowers, cocoa, or coffee) for several decades before their acquisition by SIPEF.

Founded in 1959, Plantations J. Eglin is one of the three main operators in the Cavendish banana export sector in Côte d'Ivoire.

Hectares
1 238
Plantations

5
Estates



Région des Lagunes

1. Plantations J. Eglin - Azaguié 1 & 2
2. Plantations J. Eglin - Agboville
3. Plantations J. Eglin - Motobé
4. Plantations J. Eglin - Lumen 1 & 2
5. Plantations J. Eglin - Akoudié

Estates
Packing stations

Activities and results 2025

In 2025, banana production rose to 52 159 tonnes, up 2.2% from 2024, driven by strong growth at the newly expanded Akoudié plantation and the historical site of Azaguié. Despite agronomical challenges on the historical sites of Agboville and Motobé, overall banana production increased, accompanied by a rise in yield from 40.6 to 42.1 tonnes per hectare. The newly developed area on the Akoudié plantation continued to outperform, with production rising by 48.7%. Production at the Agboville plantation saw a slight decline compared to the previous year, partly due to extreme weather events. Over the year, production at Motobé decreased by 10.1%, reflecting ongoing agronomic optimisation, while production at Lumen declined by 9.3% as yields stabilised with plantation maturity.

46 496 tonnes were exported to the European Union (EU) and the UK and 5 663 tonnes were exported to the regional markets of Senegal and Mauritania.

Quality was also high and has stabilised over the last three years, with low rates of damage. This reflects SIPEF's ongoing investment in innovation, operational excellence, and production efficiency.

However, production was impacted by climate events in 2025 which temporarily disrupted field operations and reduced average bunch weights, particularly at the more mature plantations. A significant and unexpected hailstorm affected the entire Agboville plantation at the end of March, resulting in a direct loss of 1 000 tonnes. At Motobé, the Comoe River, the main source of irrigation, experienced elevated salinity due to low upstream flow caused by insufficient rainfall. This required Plantations J. Eglin to put 80 hectares into early fallow, allowing additional time to identify a perennial solution and prevent soil contamination from the salt. There was also a lack of rainfall in 2025, which increased irrigation requirements. Water reserves in the Azaguié lakes dried out, and were not replenished due to low rainfall during the rainy season. Overall, a very hot dry season had an impact on production across Côte d'Ivoire and beyond.

Banana seedlings are tended in a nursery to support early-stage development before planting.

Estates

By the end of 2025, all SIPEF estates were fully planted, marking the completion of planting of the Akoudié site, which was acquired in 2021. This site ultimately reached an area of 224 hectares, slightly below the 250 hectares originally targeted. Lumen and Akoudié, the last two acquisitions accounting for 517 hectares, are fully planted, and no areas are planned to be left fallow before 2028.

In terms of quality, 2025 can be considered a very good year compared to previous years. Damage rates were low, resulting in a better recovery of processed bunches, which in turn reduced sorting discrepancies.

Neither the heavy rainy season nor the short rainy season was excessively wet. Annual rainfall in 2025 was slightly below that of 2024, reinforcing the overall deficit in reserves and impacting yields. Across all sites, bunches showed a reduction in unit weight.

In 2025, SIPEF focused on improving trade with Senegal and Mauritania. While this represents a smaller segment of the business compared with European and UK exports, it remains important as it provides a market for bananas that may not meet the strict specifications of Europe and the UK. The reduced transport time also allows riper fruit to be delivered. However, the Senegal market was closed for four months towards the end of the year, as the authorities sought to demonstrate food self-sufficiency. SIPEF will monitor the country's growing production closely in future, as operating in a discontinuous market could be challenging.

Extensive analysis work is under way at Motobé and Azaguié, and a strategy for technical and agronomic improvements is being implemented. Areas with particularly low yields, as well as the 25-hectare section that was flooded, were removed and allowed a longer fallow period, which will last until end of 2026. SIPEF continues to enrich the soils with additional organic matter, is revising the drainage network, and will focus on agroecological practices to prevent weeds and pests. These activities are expected to yield stronger results in these areas from 2027.

Aside from the climate-related factors, the main risk to banana production remains black Sigatoka. SIPEF manages this disease through integrated pest management practices and, when necessary, the use of drone spraying, which minimises disruption and allows more precise targeting of treated areas.

Another risk is Panama disease, also known as Tropical Race 4 (TR4), the introduction of which could devastate the banana plantations. The entire industry is implementing preventative measures against this. More broadly, growers are collaborating with national research institutions to identify new solutions to combat banana pests, including insects, weeds, and fungi.

ESTATES

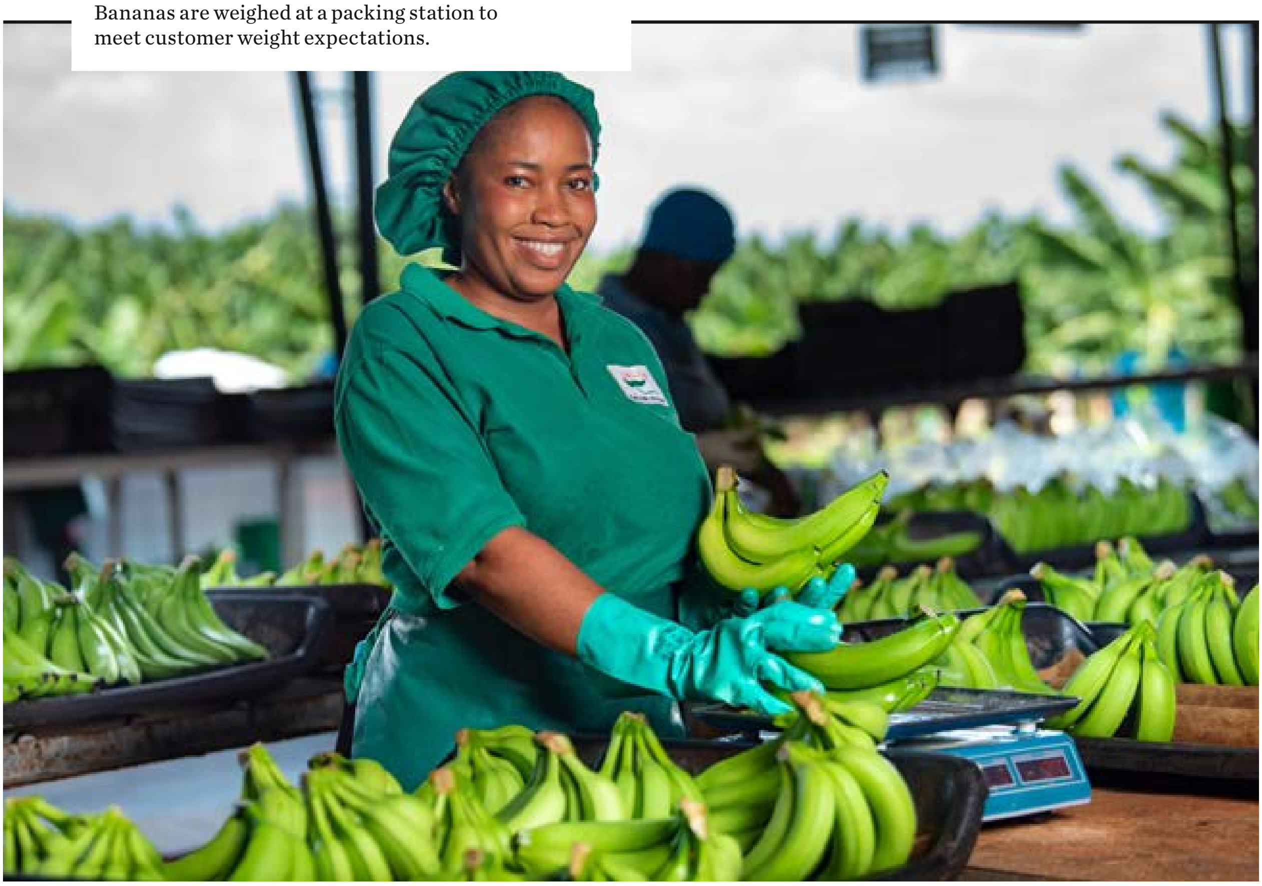
	PLANTED AREA 2025 (IN HECTARES)	PLANTED AREA 2024 (IN HECTARES)	EXPORTED PRODUCTION 2025 (IN TONNES)	EXPORTED PRODUCTION 2024 (IN TONNES)	YIELD 2025 (TONNES/ HECTARE)	YIELD 2024 (TONNES/ HECTARE)
Azaguié	341	314	11 245	9 921	33.0	31.8
Agboville	236	231	7 940	8 939	33.6	38.7
Motobé	144	204	5 541	6 165	38.5	30.2
Lumen	292	292	17 585	19 389	60.2	66.4
Akoudié	225	216	9 849	6 624	43.8	30.7
TOTAL	**1 238**	**1 257**	**52 160**	**51 038**	**42.1**	**40.6**

Packing stations

There are seven packing stations in Côte d'Ivoire, and the total crop volume processed across these stations in 2025 amounted to 52 159 tonnes.

The packing stations prepare bananas according to the specific requirements of European and UK customers, using a variety of packaging methods. This includes different materials such as biodegradable tapes, recyclable bags, and bulk packaging to minimise plastic use. Pricing labels and other necessary customisations are applied as required, ensuring both compliance and sustainability in the packaging process. The Group's seven packing stations are fully equipped to handle up to 60 000 tonnes per year, with all necessary investments completed to enhance efficiency and streamline operations. With production volumes continuing to grow, the packing stations are well prepared to meet future demand.

PACKING STATIONS		EU		REGIONAL		LOCAL		TOTAL	
	CAPACITY (TONNES/DAY)	2025	2024	2025	2024	2025	2024	2025	2024
Azaguié	60	9 967	8 845	1 279	1 077	799	1 276	**12 045**	**11 198**
Agboville	40	7 316	8 032	624	906	869	1 010	**8 809**	**9 948**
Motobé	40	4 935	5 403	606	762	662	992	**6 203**	**7 157**
Lumen	60	15 378	17 600	2 207	1 788	1 789	1 560	**19 374**	**20 949**
Akoudié	40	8 901	6 062	947	562	820	751	**10 668**	**7 375**
TOTAL	**240**	**46 496**	**45 943**	**5 663**	**5 095**	**4 938**	**5 589**	**57 097**	**56 627**

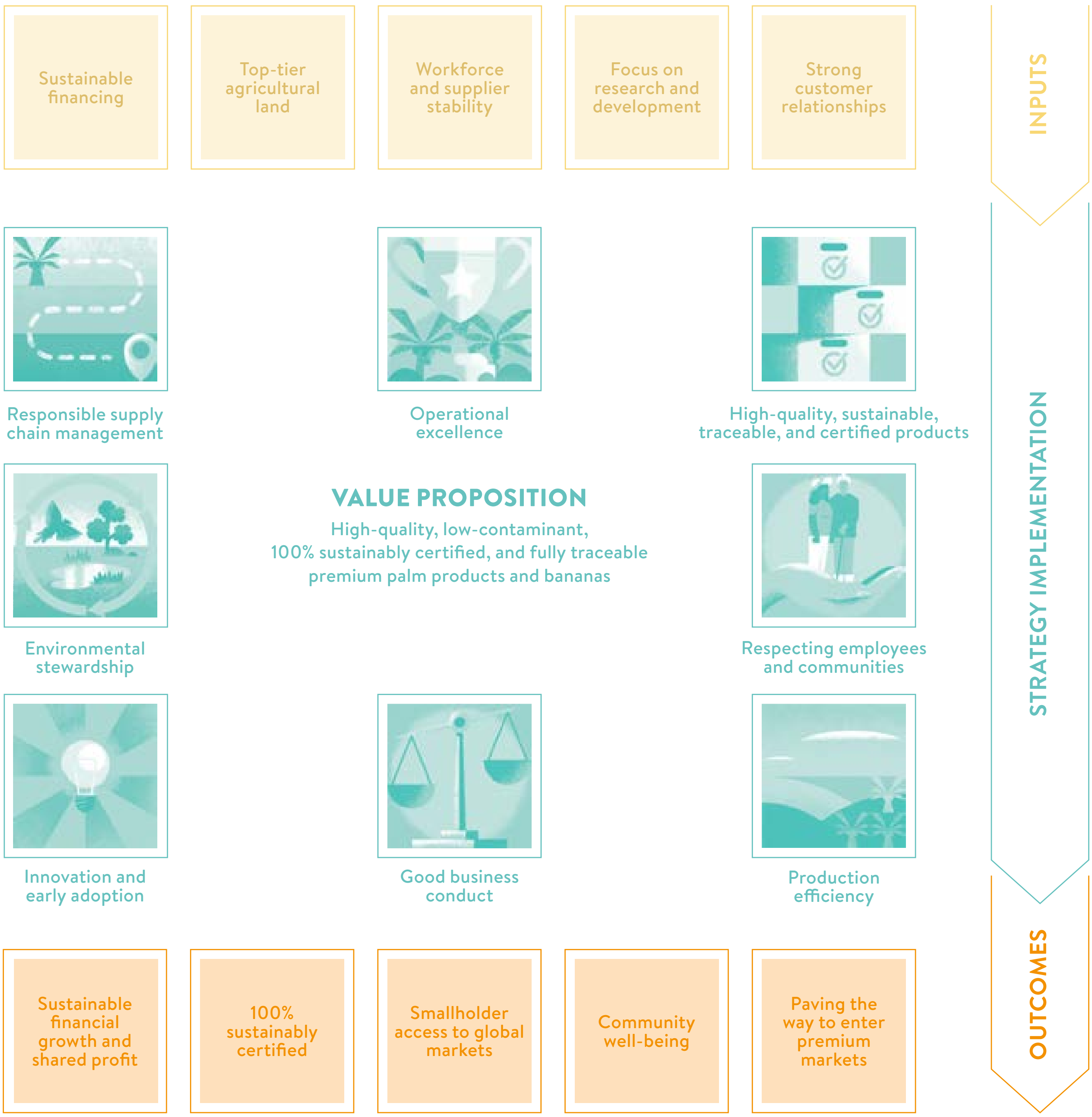


Bananas are weighed at a packing station to meet customer weight expectations.

Value creation at SIPEF

VALUE CREATION MODEL

SIPEF's value creation model below illustrates the key inputs that allow SIPEF to implement its Balanced Growth Strategy and deliver on its value proposition to serve customers in niche markets who demand high-quality, low-contaminant, sustainably certified, and fully traceable products.



INPUTS

Sustainable financing:
Limited financial risks through controlled debt and by protecting SIPEF from the consequences of market volatilities and externalities such as natural disasters.

Top-tier agricultural land:
Owned land/ long-term leased land in suitable geographical areas with excellent conditions for the long-term cultivation of tropical and agricultural products.

Workforce and supplier stability:
Stable retention rates of workers and smallholder suppliers by always meeting Roundtable on Sustainable Palm Oil (RSPO), Rainforest Alliance, and Fairtrade requirements on labour rights and fair wages.

Focus on research and development:
Investments in research and development through SIPEF's joint venture, Verdant Bioscience Pte Ltd (VBS), to excel in the production of resilient, high-yielding oil palms and the piloting and scaling of climate adaptation measures, with a focus on water efficiency and soil health.

Strong customer relationships:
Key customers who have long-term relationships and consistent contracts with SIPEF for the provision of sustainable palm products and bananas.

STRATEGY IMPLEMENTATION

SIPEF's value proposition is realised through the implementation of its Balanced Growth Strategy and through the delivery of related key goals and related targets.

The eight connected focus areas under the Balanced Growth Strategy are:

- production efficiency
- operational excellence
- high-quality, sustainable, traceable, and certified products
- innovation and early adoption
- environmental stewardship
- respecting employees and communities
- responsible supply chain management
- good business conduct

OUTCOMES

Sustainable financial growth and shared profit:
USD 125.4 million net profit (Group share) or USD 12.05 basic earnings per share.

100% sustainably certified products:
As a key market player in certified crude palm oil (CPO) and bananas, SIPEF is raising the bar to position itself at the forefront of certification and traceability.

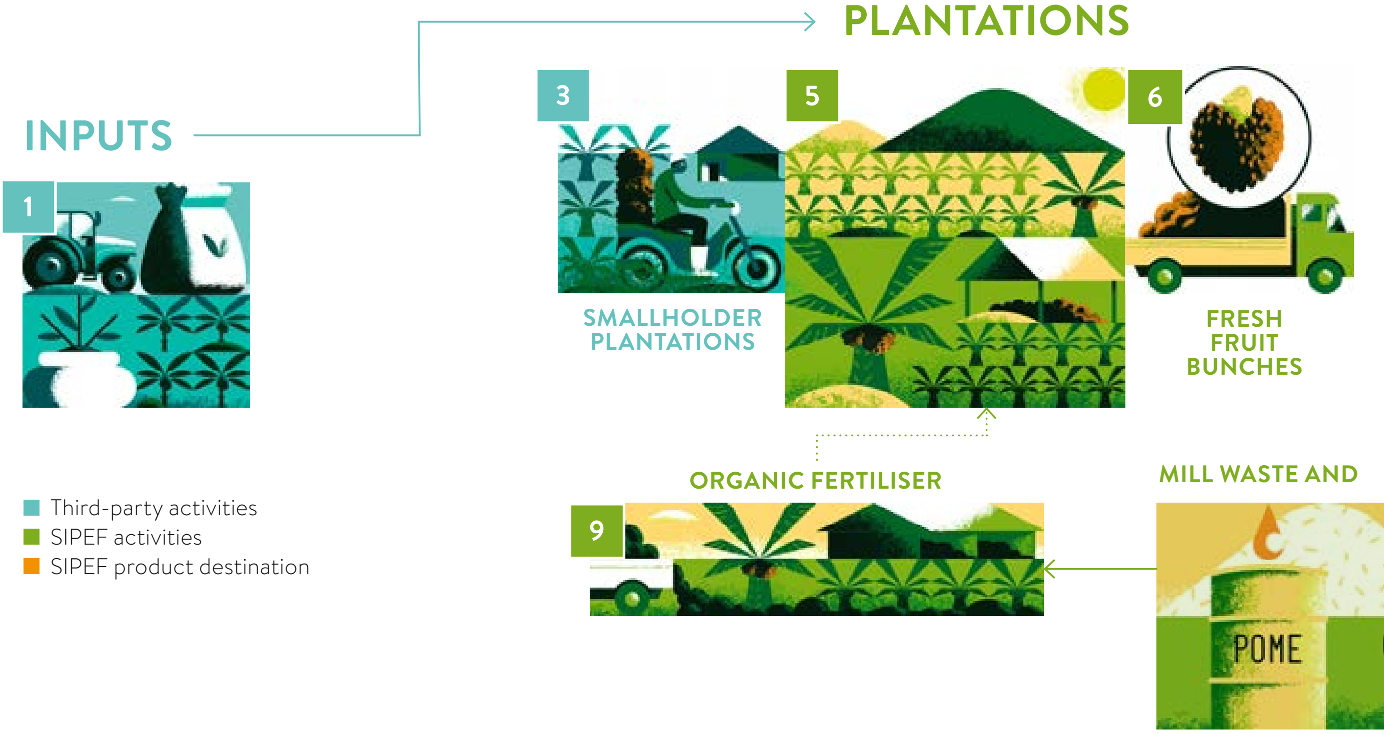
Smallholder access to global markets:
SIPEF provides raw materials, Best Management Practices, and certification support to enable access to global, high-value markets for smallholder suppliers in its supply chain in Indonesia and Papua New Guinea.

Community well-being:
SIPEF supports employees, their family members, and communities through infrastructure development and access to healthcare and education in areas where they operate.

Paving the way to enter premium markets:
SIPEF is positioning itself to capture emerging, high-value markets and deliver on its unique offering.

SIPEF'S PALM OIL VALUE CHAIN

As an upstream player, SIPEF's core activities focus on the cultivation of oil palm, and on the harvesting and processing of fresh fruit bunches (FFB) into CPO, palm kernels (PK), and crude palm kernel oil (CPKO). SIPEF's palm oil value chain is visualised below, with explanatory text describing its key upstream features and inputs, SIPEF's own operations and those of its suppliers, and key downstream elements.



1 Raw material inputs and production resources, such as seeds, plants, and fertiliser are supplied by third parties as well as by SIPEF's joint venture, Verdant Bioscience Pte Ltd (VBS). SIPEF imports and purchases production resources locally, including machinery, equipment, and tools, and purchases logistics and infrastructure services for harvesting, transport, and processing. It also provides its smallholder suppliers with the required raw materials and production resources. Other key inputs include long-term leasing of land, securing new land for development, and securing contracts with smallholder suppliers.

2 More than 20 000 employees work in SIPEF's plantations and mills in Indonesia and Papua New Guinea. They are responsible for the cultivation, harvesting, transportation, and processing of CPO, PK, and CPKO.

3 SIPEF also purchases FFB from approximately 5 577 smallholder suppliers whose production areas are in close proximity to the Group's plantations.

4 In accordance with RSPO certification requirements, SIPEF provides employees and their families, many of whom are members of nearby communities, with social, economic, educational, health, housing, and clean energy support.

5 Oil palms are cultivated on SIPEF's own plantations. Palm oil seeds are germinated in a controlled environment and then transferred to polybags. In the nursery they are cared for until they are large enough to be planted in the field, usually after about one year. An oil palm typically produces its first FFB after about three years. After this, it is considered mature and ready for harvesting.

6 The FFB are harvested and transported to SIPEF's mills and crushing plants.

7 At the mills, FFB are stripped and separated. The palm fruits are processed into pulp and pressed to extract CPO. Palm kernels are crushed to extract CPKO.

8 Mill waste and by-products are used to generate clean energy for all of SIPEF's mills and surrounding communities. At some sites, palm nut mesocarp fibres are burnt in boilers connected to steam turbines that generate renewable energy. At other sites, methane is captured from palm oil mill effluent (POME) and used to fuel a biogas generator to produce renewable electricity.

9 Organic waste and biomass, such as empty fruit bunches (EFB) and treated POME, are applied to the fields as organic fertiliser.

10 Some CPO is washed to remove impurities and enhance quality to produce a food-grade, premium product for customer refineries. Other CPO is left in its crude form.

11 When ready, the CPO is transported by tanker trucks to nearby ports. In Indonesia, local crushers collect PK at SIPEF mills.

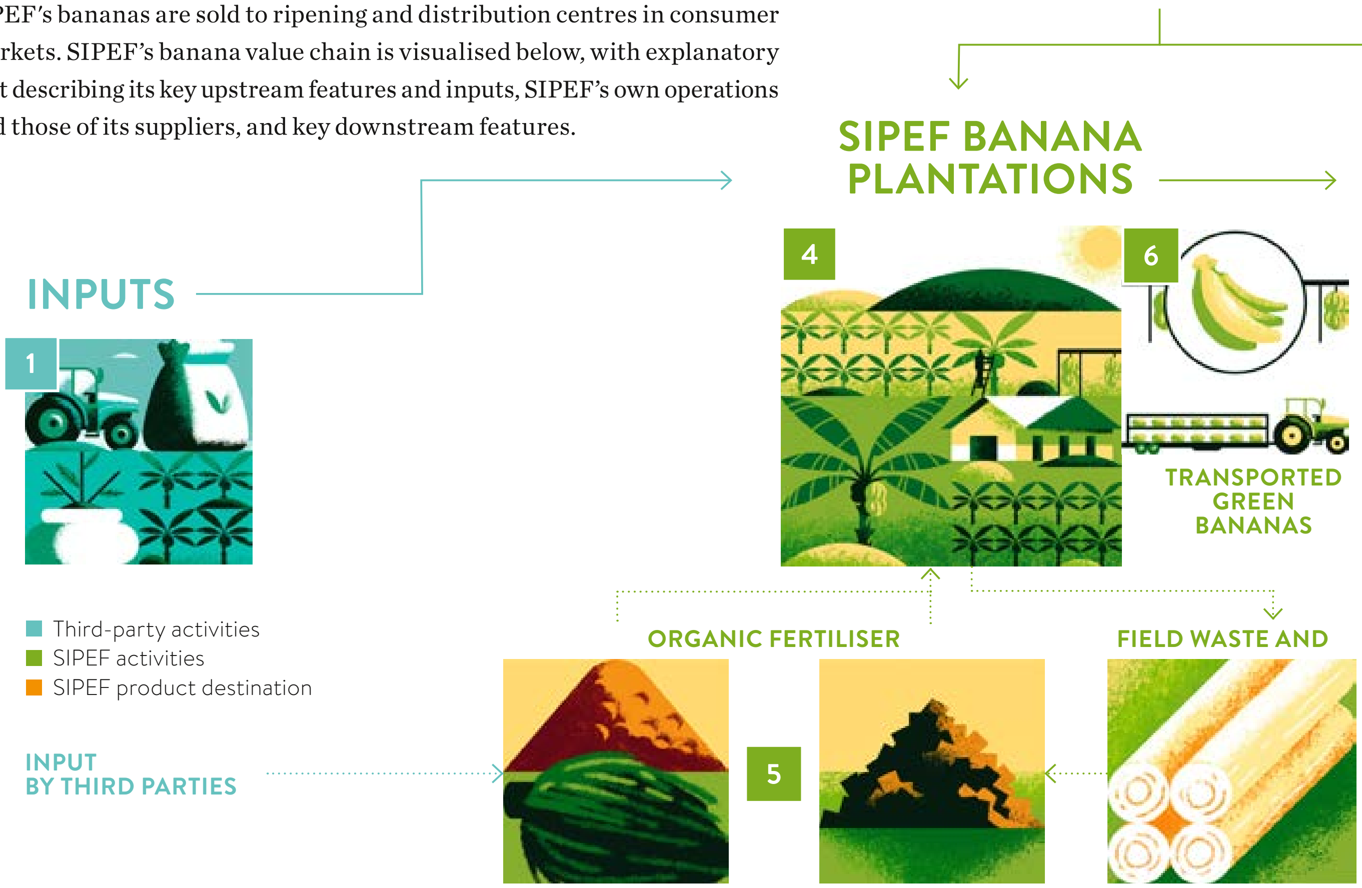
12 In Indonesia: CPO extracted at SIPEF's seven mills is collected and transported by third-party partners to tanker terminals for export to Europe. The remaining CPO is transported overland by truck to be processed by local refiners.

13 In Papua New Guinea: SIPEF manages the full storage and transport chain of CPO and CPKO processed at its three mills. One hundred percent of this goes into tankers for export to Europe.

14 SIPEF's key customers are refiners in Europe and local kernel crushing plants. They sell SIPEF's oil on to a network of niche, high-end food, chemical, and cosmetic industries that require high-quality, premium CPO and CPKO to produce products for European and American retailers.

SIPEF'S BANANA VALUE CHAIN

SIPEF's activities in banana production focus on the cultivation, harvesting, and transportation of green banana bunches. From packing stations, SIPEF's bananas are sold to ripening and distribution centres in consumer markets. SIPEF's banana value chain is visualised below, with explanatory text describing its key upstream features and inputs, SIPEF's own operations and those of its suppliers, and key downstream features.



1 Raw material inputs, such as in vitro banana plants and fertilisers, are supplied by third parties across three continents to enhance disease resilience and optimise yields. Plants with higher disease tolerance require less frequent chemical spraying. Production resources like machinery, equipment, and tools are locally sourced as well as imported. Electricity for field irrigation and packing stations is purchased from the public grid. Land for cultivation is either owned by SIPEF or secured through long-term leasing from the government.

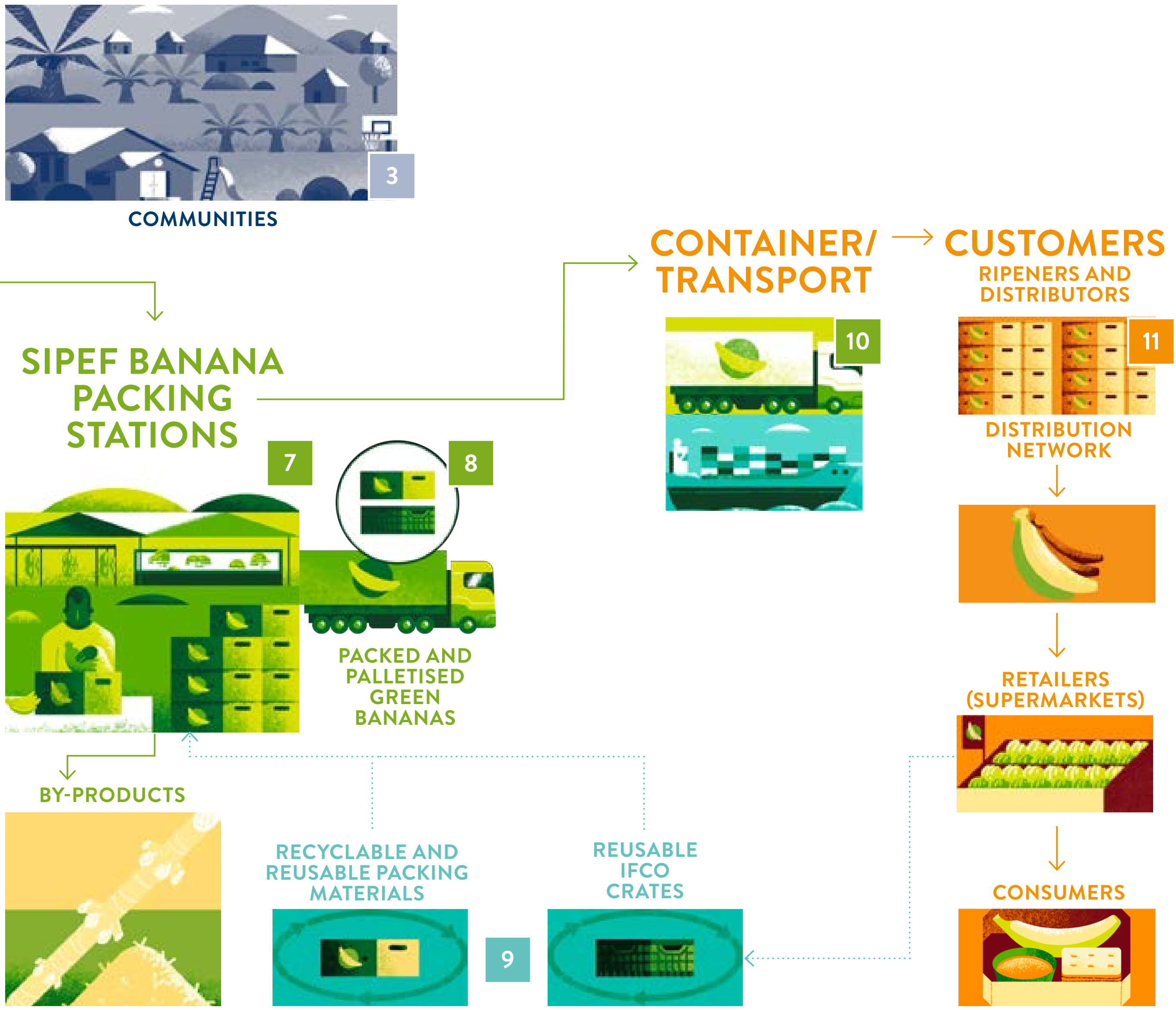
2 More than 1 900 employees carry out the cultivation, harvesting, and transportation of bananas across SIPEF's five estates in Côte d'Ivoire. An additional 400 employees work across the seven packing stations where bananas are selected, packed, and palletised.

3 In accordance with Rainforest Alliance and Fairtrade certification requirements, SIPEF provides employees and their families, many of whom are members of nearby communities, with social, economic, educational, health, housing, and clean energy support.

4 During the first three months of cultivation, Cavendish banana in vitro plants are grown in SIPEF's nurseries, before being planted at the plantations. After around nine months the banana bunches are mature.

5 Organic field waste and biomass, such as banana stems and empty bunches from the plantations, as well as empty palm fruit bunches and cocoa husks from local suppliers, are applied to the fields as organic fertiliser.

6 Green banana bunches are harvested, collected, and transported by cable car or tractor to one of SIPEF's seven packing stations.



7 At the packing stations, banana bunches are separated into hands. These are washed, analysed, and sorted by customer classifications. Quality and traceability parameters are checked according to destination market requirements and customer specifications.

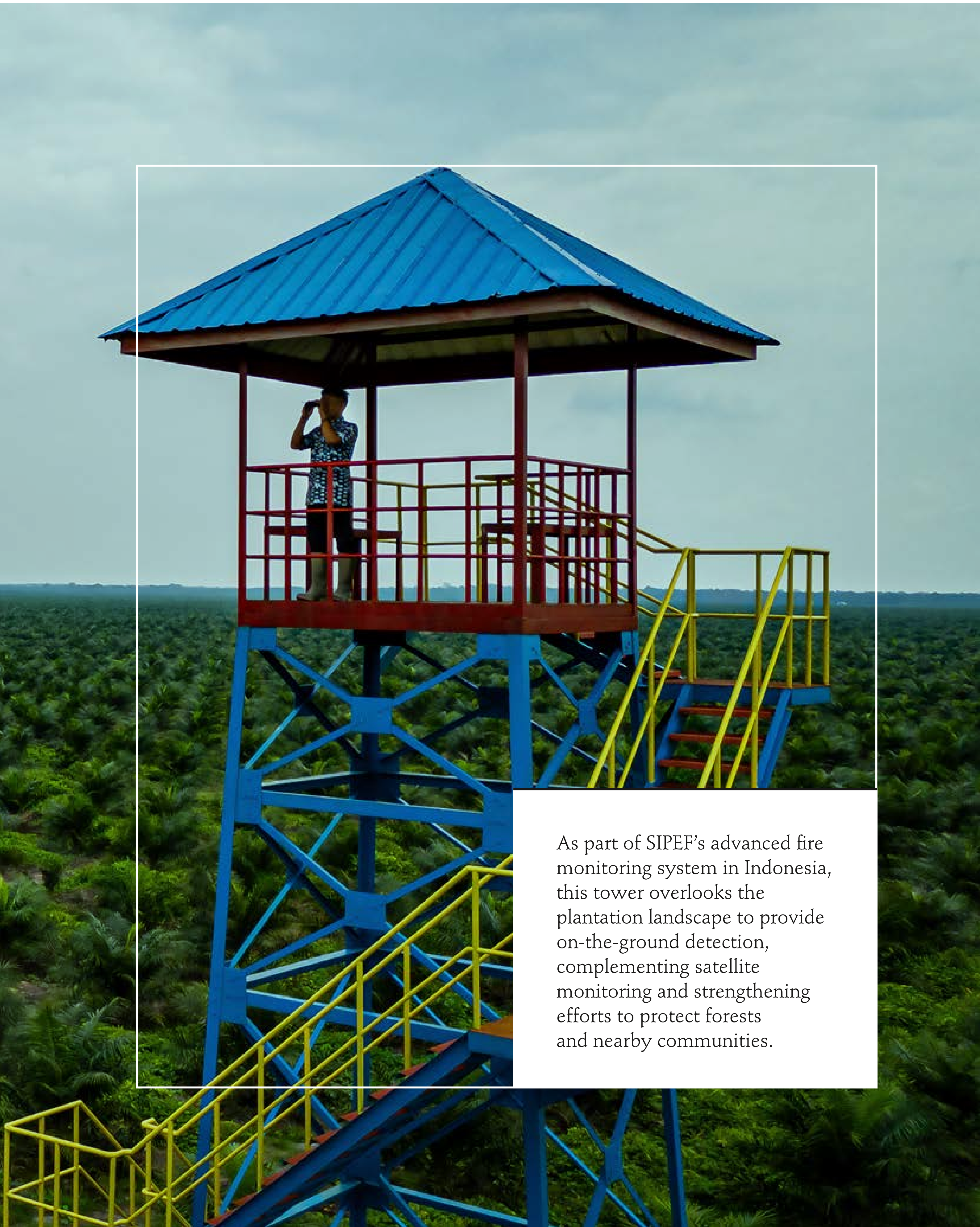
8 Green bananas are carefully packed and palletised at SIPEF's dedicated packing stations, where the cold chain is initiated to guarantee optimal freshness and quality. Around 80% are exported from the Port of Abidjan to destination ports in the United Kingdom (UK), Europe, and West Africa. The remaining pallets are loaded into reefer trucks for overland transport to neighbouring countries.

9 Packing materials from banana packing stations are reused or recycled. Locally purchased cardboard boxes and pallets are recycled by customers at their destination. For some UK customers, reusable IFCO crates are used for packing and transporting the bananas.

10 At the port of Abidjan, SIPEF's containers are controlled and loaded onto vessels belonging to one of two key partner shipping lines. When these vessels arrive at their destination ports, their containers are cleared by customs and discharged.

11 Approximately 60% of SIPEF's bananas are supplied to ripening facilities in the UK, supporting long-term partnerships with leading retailers. Approximately 20% serve the broader European market through established warehouse and ripening networks before reaching retail shelves. The remaining 20% is commercialised within West Africa and sold in local markets, reinforcing the Group's strong regional market presence and diversified sales portfolio.

2. Sustainability statement



As part of SIPEF's advanced fire monitoring system in Indonesia, this tower overlooks the plantation landscape to provide on-the-ground detection, complementing satellite monitoring and strengthening efforts to protect forests and nearby communities.

General information

1. ABOUT THIS STATEMENT

This sustainability statement has been prepared on a consolidated basis and in accordance with the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). Its scope aligns with the financial statements of the SIPEF group, and it complies with the European Union (EU) Taxonomy disclosure requirements under Article 8 of Regulation (EU) 2020/852 (the EU Taxonomy Regulation).

SCOPE AND COVERAGE

The statement covers SIPEF's palm and banana operations and associated upstream and downstream value chains. It focuses exclusively on material sustainability matters and related impacts, risks, and opportunities (IROs) through the Group's double materiality assessment process. All SIPEF's subsidiaries are included in the scope of consolidated reporting, and are exempt from producing individual sustainability reports, pursuant to Article 19a (9) of Directive 2013/34/EU.

The consolidated report does not extend to Melania (rubber and tea), as these are classified as assets held for sale in accordance with the International Financial Reporting Standard (IFRS), as outlined in SIPEF's financial statements. Tea and rubber activities are being phased out and represent less than one percent of the Group's revenue. However, workforce data for the tea operation remains included in the reporting scope, as SIPEF continues to manage employees at that location. For further details, see the company report.

DEFINITIONS OF MEDIUM- AND LONG-TERM TIME HORIZONS

The definitions of medium- and long-term time horizons applied in this statement are consistent with the principles outlined in ESRS 1, Section 6.4. Where a different approach applies, this will be explicitly stated in the relevant disclosures.

OTHER DISCLOSURES ON THE BASIS FOR PREPARATION

SIPEF's management report is an Integrated Annual Report (IAR). Where relevant, it applies the incorporation by reference approach for certain ESRS disclosures. All information provided in the annexes associated with this statement is considered an integral part of the annual report and is subject to the same assurance and reporting requirements.

Further details on the basis for preparation, methodologies, and assumptions are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5. Disclosures required under ESRS 2 regarding governance and due diligence are provided in the corporate governance statement.

2. DOUBLE MATERIALITY ASSESSMENT

Assessing materiality is central to defining the sustainability priorities of SIPEF's Balanced Growth Strategy. SIPEF completed its first Group-wide double materiality assessment in 2024, identifying sustainability matters that are material from both impact and financial perspectives.

SIPEF's double materiality assessment covered its oil palm operations in Indonesia and Papua New Guinea and its banana activities in Côte d'Ivoire, including relevant upstream and downstream value chain partners.

The value chain assessment focused on actors directly involved in supplying SIPEF (upstream) or producing, transporting, or selling its products (downstream), with all other activities considered out of scope. Smallholders, as key actors in the palm oil value chain, were assessed under ESRS S2 and included in the broader environmental and business conduct review. Sustainability matters were excluded where they were not relevant or posed minimal risk of significant IROs.

Further information on SIPEF's approach to double materiality in 2024, including the methodologies applied to impact materiality and financial materiality, is provided in annex 4.

SIPEF employees caring for oil palm seedlings at a nursery in Indonesia.

METHODOLOGY AND PROCESS IN 2025

In 2025, SIPEF updated its double materiality assessment. All material sustainability matters identified in 2024 were reviewed for their strategic and operational relevance and re-categorised where needed to support clearer, more efficient, and more focused reporting. The double materiality assessment update involved preliminary analysis by the sustainability and finance teams and workshops with regional operations. The refined assessment was subsequently reviewed by SIPEF's executive committee and audit committee and was approved by the board of directors.

Mapping and understanding

The global sustainability team and group finance team conducted a preliminary review of the material sustainability matters identified in 2024 to improve topic groupings and refine existing topics. This was informed by an assessment of key triggers, such as organisational developments, regulatory changes, and external events to determine where updates may be required.

Consultation

The global sustainability team engaged its regional sustainability teams to validate the proposed adjustments to the sustainability material matters and thematic clusters based on the preliminary assessment carried out. Through a combination of online discussions and in-person workshops across regions, the teams reviewed the recommendations, provided operational insights, and confirmed the relevance and accuracy of the refinements. This collaborative process ensured that the updated materiality structure reflected the earlier stakeholder-driven insights carried out in 2024 as well as current operational priorities.

Consolidation, validation, and next steps

A benchmarking exercise with ESRS reporters and non-ESRS peers in the oil palm sector showed that SIPEF's refined set of material topics was well aligned with industry practice and improved focus and reporting efficiency. The consolidated outcomes were then reviewed and formally validated by senior leadership.

PHASE ONE Mapping and understanding	PHASE TWO Consultation	PHASE THREE Consolidation and validation
• Preliminary review of sustainability matters identified • Analysis of triggers	Combination of online discussions and in-person workshops with relevant stakeholders	• Integration of feedback • Review and approval by senior leadership

PRIORITISATION OF SIPEF'S MOST SIGNIFICANT IROs

OUTCOME AND UPDATE

SIPEF simplified its material sustainability topics from 45 in 2024 to 21 in 2025 to improve clarity, reduce overlap, and strengthen alignment with ESRS requirements. Policies, actions, targets, and key performance indicators (KPIs) were then mapped to ensure full alignment with the updated double materiality assessment results.

The most significant change from the re-assessment relates to social topics for smallholders. SIPEF concluded that working time, measures against violence, diversity, and gender equality are less operationally relevant than initially anticipated, as most smallholders in Indonesia are scheme smallholders covered by SIPEF's workforce management scope, while in Papua New Guinea smallholders mainly rely on family labour on their own land.

STAKEHOLDER ENGAGEMENT

Stakeholder perspectives form an important part of SIPEF's double materiality approach, and the Group prioritises ongoing dialogue with stakeholders to understand their needs, expectations, and concerns. These insights not only inform the materiality assessment but also guide policy development and overall sustainability management, ensuring that the interests of smallholders, local communities, and other affected groups are reflected in SIPEF's policies. These engagements form part of SIPEF's ongoing improvement process. A list of key stakeholders and SIPEF's approach to engagement is provided in annex 6.

SUMMARY OF KEY CHANGES

		
ENVIRONMENT	**SOCIAL**	**GOVERNANCE**
MATERIAL TOPICS 2024: 13 → 2025: 7	**MATERIAL TOPICS** 2024: 28 → 2025: 12	**MATERIAL TOPICS** 2024: 4 → 2025: 2
ADJUSTMENTS Overlapping issues were merged into broader clusters: 'species global extinction risk' was removed due to limited relevance.	**ADJUSTMENTS** Workforce and value chain topics were streamlined to focus on those most relevant to SIPEF's operations. The topics of working time, diversity, privacy, gender equality, and measures against violence and harassment were assessed as having limited operational significance in the smallholder context and were therefore removed.	**ADJUSTMENTS** Related themes were combined under corporate culture and responsible business conduct.

MATERIAL SUSTAINABILITY MATTERS, POLICIES, AND IROs

An overview of the material sustainability matters and their related IROs is presented below. A detailed description of each material IRO, along with the relevant policies, is provided in later sections in the disclosures for the corresponding sustainability matter.

SUSTAINABILITY FOCUS AREA	GOALS	MATERIAL SUSTAINABILITY MATTERS	
ENVIRONMENTAL STEWARDSHIP	Sustainability goals: • greenhouse gas (GHG) emissions reduction and long-term climate resilience • minimise impacts on natural resources and the environment • sustainable land use and biodiversity conservation, including no deforestation, no peat, and no exploitation commitment (NDPE)	**E1: CLIMATE CHANGE**	Climate change mitigation
			Climate change adaptation
		E2: POLLUTION	Pollution of air
			Pollution of water
		E3: WATER	Water management
		E4: BIODIVERSITY AND ECOSYSTEMS	Sustainable land use
			Biodiversity and landscape-level programmes

* Land transportation; shipping; storage facilities
** Machinery, equipment and tools suppliers; agrochemicals suppliers

ST Short-term · MT Medium-term · LT Long-term
PN Potential negative · AN Actual negative · PP Potential positive · AP Actual positive
Palm oil · Bananas

	POLICY	IMPACT	VALUE CHAIN	MATERIAL RISK (-) / OPPORTUNITY (+)
	Responsible Plantations Policy Responsible Purchasing Policy	• Greenhouse gas emissions AN LT • Reliance on non-renewable energy sources AN LT	• Own operations • Smallholders • Logistics* • Suppliers**	No material risks or opportunities identified
		Not applicable from impact materiality perspective	Own operations	Climate physical risks (-): • coastal flooding (-) • river flooding (-) • heatwaves (-)
			Research and development partner/seedling supplier	No material risks or opportunities identified
	Responsible Plantations Policy Environmental Policy	Black smoke from milling operations AN ST	Own operations	No material risks or opportunities identified
		Fresh water pollution and water source contamination AN ST	• Own operations • Smallholders	No material risks or opportunities identified
		Water consumption AN ST	Own operations	No material risks or opportunities identified
		Land use change and land degradation PN ST	Own operations	Deforestation for oil palm trees (-)
			• Smallholders • Research and development partner/seedling supplier	No material risks or opportunities identified
		• Habitat loss from historical land use change PN ST • Impact on keystone species PN LT	Own operations	No material risks or opportunities identified

SUSTAINABILITY FOCUS AREA	GOALS	MATERIAL SUSTAINABILITY MATTERS	
RESPECTING EMPLOYEES AND COMMUNITIES	Sustainability goals: • respecting human, labour, and community rights in accordance with local laws and international frameworks • foster long-term relationships, create shared value, and support the well-being and resilience of local communities	**S1: OWN WORKFORCE**	Working conditions: • secure employment • adequate wages and amenities • working time and work-life balance • freedom of association and collective bargaining • health and safety • measures against violence and harassment
			No exploitation: • child labour • forced labour
			Diversity and gender equality: • diversity • gender equality and equal pay
			Employee engagement and talent management: • training and skills development
		S3: AFFECTED COMMUNITIES	Community rights: • land rights and Free, Prior, and Informed Consent (FPIC)
			Community development: • livelihood programmes

	POLICY	IMPACT	VALUE CHAIN	MATERIAL RISK (-) / OPPORTUNITY (+)
	Human Rights Policy Occupational Health and Safety Policy	• Stability and security of income AP MT • Inadequate wages, lower ability to meet basic needs PN MT • Mental and physical health impacts from excessive working hours PN ST • Fatigue, stress, and lack of quality time with family PN MT • Limiting empowerment of workers PN MT • Improved wages and benefits for workers AP MT • Serious medium-term and long-term health impacts AN LT • Increased vulnerability of women to exploitation and abuse PN ST	Own operations	No material risks or opportunities identified
		• Physical, psychological, and socioeconomic impacts of child labour PN LT • Human rights violations compromising well-being, safety, freedom, and dignity of workers PN MT		
		• Restricted opportunities and inequality for women employees AN LT		
		• Inhibition of skills, business, and career development PN MT		
	Responsible Plantations Policy	• Land ownership, conflicts, and disputes PN LT	Communities	No material risks or opportunities identified
		• Restricted land use due to no deforestation policy AN LT • Supporting food access and affordability AP ST		

SUSTAINABILITY FOCUS AREA	GOALS	MATERIAL SUSTAINABILITY MATTERS	
RESPONSIBLE SUPPLY CHAIN MANAGEMENT	Sustainability goals: • support smallholders in their journey towards improved, sustainable, and certified production • support smallholders to earn higher incomes and have better access to international markets • screen and monitor suppliers to ensure compliance with SIPEF's policies • respect human, labour, and community rights in accordance with local laws and international frameworks	**S2: WORKERS IN THE VALUE CHAIN**	Smallholder livelihoods and inclusion: • secure employment • adequate wages
			Training and skills development
			No exploitation: • child labour
			Health and safety
		S4: CONSUMERS AND END USERS	Access to quality information: • privacy
			Health and safety
GOOD BUSINESS CONDUCT	Sustainability goals: • foster a culture of ethical conduct amongst management, staff, and contractors • implement systems and processes to ensure the practice of ethical conduct • maintain robust policies, procedures, and measures to address any risks, including those associated with corruption or bribery	**G1: BUSINESS CONDUCT**	Corporate culture: • protection of whistleblowers • grievance management
			Corruption and bribery

* Land transportation; shipping

POLICY	IMPACT	VALUE CHAIN	MATERIAL RISK (-) / OPPORTUNITY (+)
Responsible Plantations Policy Responsible Purchasing Policy	• Increased livelihood security for smallholders AP LT • Inadequate income and unfair value distribution for smallholders PN MT	Smallholders	No material risks or opportunities identified
	• Increased requirements and accessibility of training, knowledge, and tools PN MT		
	• Physical, psychological, and socioeconomic impacts of child labour PN LT		
	• Health and safety impacts for oil palm smallholders PN LT • Health and safety impacts in land and shipping transportation PN LT	• Smallholders • Logistics*	No material risks or opportunities identified
Responsible Plantations Policy	• Impacts of a lack of supply chain traceability PN ST • Impacts of a lack of transparent reporting PN ST • Increasing traceability and monitoring activities PN MT	• Consumers • Smallholders	No material risks or opportunities identified
	• Health impacts for palm oil consumers PN MT • Positive health impacts of nutrients in bananas AP ST • Negative health impacts of residues PN LT	Consumers	• Product defects (-) • Product liability (-) • EU market restrictions on palm oil (-) • Palm oil restrictions in markets outside the EU (-) • Reputation damage (-) • Contaminant detection technology (-)
Group Code of Conduct Anti-Corruption and Anti-Bribery Policy Grievance Policy	• Impact on ability to provide a supportive, fair, and ethical working environment PN MT • Impacts arising from the absence or poor implementation of a whistleblowing system PN MT	Own operations	• Director liability (-) • Tax evasion issues (-) • Misreporting (-) • Lack of liquidity to finance expansion programme (-) • Underinsurance of various risks (-) • Antitrust (-) • Environmental damage claims (-) • Reputation and stakeholder activism (-)
	• Employees and other stakeholders subjected to unlawful situations PN ST • Employees placed in compromising situations with legal consequences AN ST		• Document falsification (-) • Bribery (-) • Corruption (-) • Computer crime and theft (-)

3. SUSTAINABILITY POLICIES

Sustainability at SIPEF is underpinned by the Group's two main sustainability policies: the Responsible Plantations Policy, and the Responsible Purchasing Policy. In July 2025, minor revisions were made to update the Responsible Plantations Policy to ensure continued alignment with SIPEF's sustainability strategy.

In November 2025, the board approved the revised Human Rights Policy. The updated policy integrates SIPEF's commitment to human rights due diligence and consolidates several existing policies, such as forced or trafficked labour, child labour, equal employment opportunity, and freedom of association, into a single policy. It also reaffirms SIPEF's commitment to respecting internationally recognised human rights and labour standards, such as the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, United Nations Declaration on the Rights of Indigenous Peoples,

Responsible Plantations Policy

First established in 2014, SIPEF's Responsible Plantations Policy embodies the Group's core environmental* and social commitments for sustainable production and processing. This policy is applicable to all SIPEF-managed plantations and smallholders supplying products to SIPEF mills and integrated kernel crushing plants.

Key commitments and requirements:

- → 100% certification and traceability of products
- → no deforestation, no peat, and no exploitation (NDPE)
- → Free, Prior, and Informed Consent (FPIC) prior to any new development
- → greenhouse gas emissions reduction
- → recovery of natural ecosystems impacted by non-compliant conversion or deforestation in own and smallholder operations
- → continuous improvement, emphasising the prompt adoption of Best Management Practices for optimising land use, while minimising adverse impacts

One of the driving commitments of the Responsible Plantations Policy is achieving a 100% Roundtable on Sustainable Palm Oil (RSPO) certified supply base for SIPEF's palm oil production, and for the smallholders delivering to its mills. It also commits the Group to upholding the 100% certification of its banana operations to the Rainforest Alliance Sustainable Agriculture Standard, as well as the GLOBALG.A.P. and Fairtrade standards.

* SIPEF's Environmental Policy sets the core environmental commitments, while the Responsible Plantations Policy translates these commitments into detailed ESG requirements that guide operations and decision-making.

and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. SIPEF's Human Rights Policy applies to all employees and all individuals working with or for SIPEF, including contractors and smallholders, across its upstream and downstream value chain.

Complementing these policies are various other sustainability-related policies addressing specific issues. All SIPEF sustainability-related policies apply to all companies under SIPEF's management, including subsidiaries and employees. Where relevant, they also extend to suppliers, including smallholders, and contractors. Together, they form the foundation of a comprehensive framework for sustainable and ethical business practices.

More information on these policies is discussed in the context of respective sustainability matters and IROs in the relevant environmental, social, and governance (ESG) sections of this report.

Responsible Purchasing Policy

Formalised in 2020, SIPEF's Responsible Purchasing Policy outlines the Group's responsible sourcing requirements for engaging with third-party suppliers of fresh fruit bunches (FFB), who are exclusively smallholders. It sets out criteria for supporting smallholders on their journey towards sustainability certification, with a focus on RSPO certification. The policy also provides a framework for SIPEF to select, monitor, and, if necessary, suspend or exclude smallholders from the Group's supply base. This policy also serves as SIPEF's supplier code of conduct.

Key commitments and requirements:

- sourcing from RSPO certified smallholders, or those with potential for certification under the Group's RSPO Time Bound Plan
- criteria for collaborating with smallholders linked with respecting human and labour rights, FPIC, NDPE principles, and other environmental and social considerations

DEVELOPMENT, DISSEMINATION, AND IMPLEMENTATION

The SIPEF executive committee oversees the governance of policies. Regional legal departments and internal audit departments ensure that codes and policies are aligned, disseminated, adopted, and effectively applied. The Group head of sustainability holds the overall accountability for implementing environmental and social policies. Regional sustainability teams support the dissemination and implementation of these policies in collaboration with regional department heads, who report to the country executive committee.

SIPEF ensures that all policies are available and accessible on the company website. Internally, policies are communicated to employees through emails, workshops, and trainings to support consistent understanding. A range of implementation methods is used at operational sites to ensure policies reach critical stakeholders, including noticeboards, worker briefings, standard operating procedures (SOPs), trainings, and signed contracts.

SIPEF's policy review procedure ensures consistency, transparency, and alignment with recognised sustainability expectations. The Group's policies draw on leading sustainability standards developed through multi-stakeholder processes, such as RSPO, RA, and Fairtrade, as well as international frameworks including the Universal Declaration of Human Rights (UDHR).

Policy revisions are reviewed by country directors, relevant departments, and the executive committee before being submitted to the board of directors for final approval. Through this structured and consultative approach, SIPEF continually strengthens and enhances its policy development.

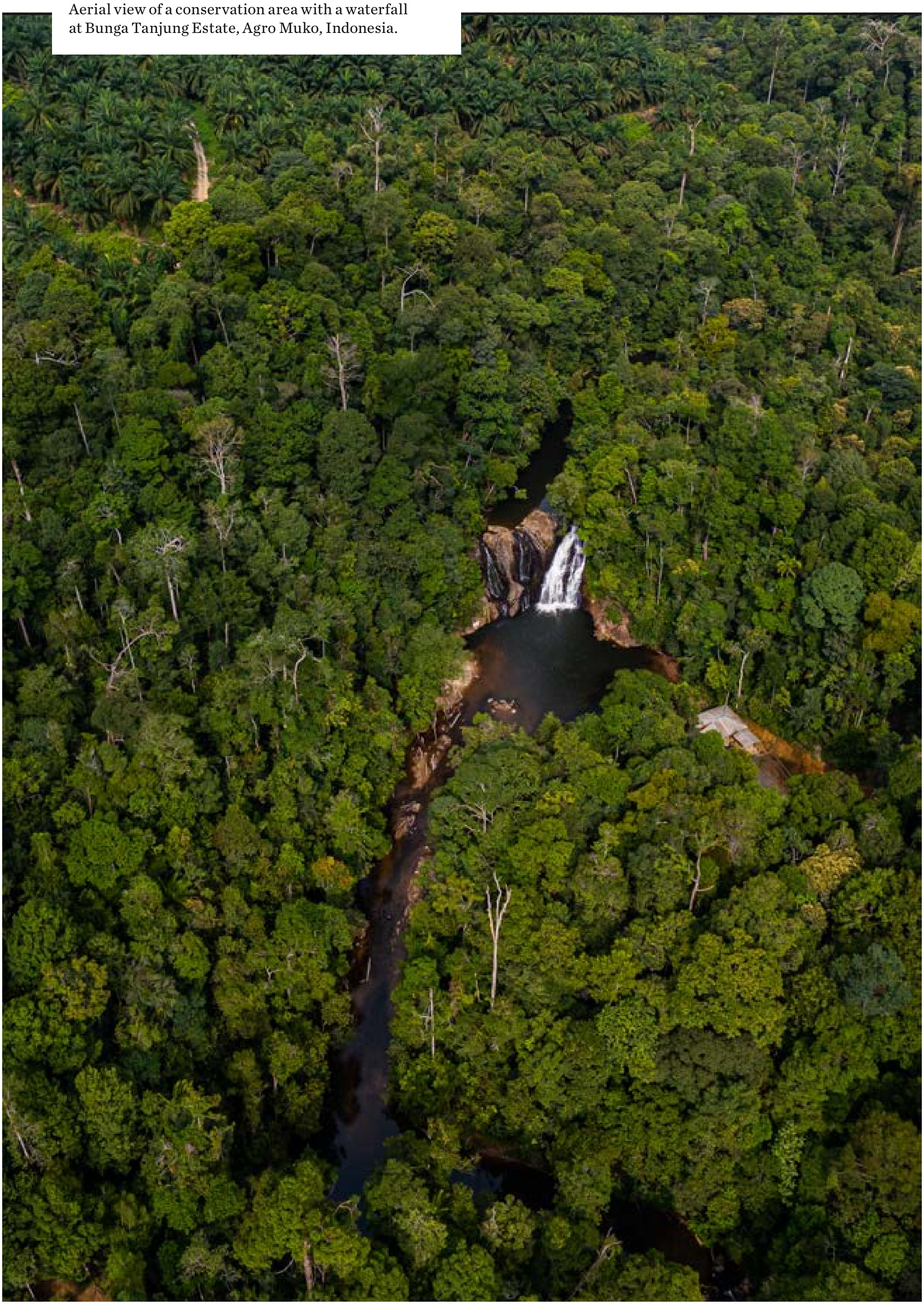
4. CURRENT AND ANTICIPATED FINANCIAL EFFECTS ON SIPEF

In line with its double materiality assessment, SIPEF has assessed the likelihood of the identified risks and opportunities occurring, together with their potential financial impacts. SIPEF has concluded that these risks and opportunities are not expected to have a material financial impact on the Group's current financial position, performance, and cash flows. Nevertheless, the Group has implemented effective measures to mitigate these risks. SIPEF applies phase-in requirements regarding anticipated financial effects from all material environmental-related risks and opportunities.

5. OPERATING AND CAPITAL EXPENDITURES

None of the actions reported to address the material sustainability impacts under the relevant topical ESRS required significant capital expenditure (Capex) or operating expenditure (Opex). This includes any related Capex or Opex associated with pollution incidents, as no major spills or pollution events occurred in 2025.

Aerial view of a conservation area with a waterfall at Bunga Tanjung Estate, Agro Muko, Indonesia.



Environmental stewardship

SIPEF recognises that long-term business resilience depends on healthy ecosystems and the responsible use of natural resources. In line with the Group's Balanced Growth Strategy, SIPEF's approach to environmental stewardship focuses on minimising impacts on ecosystems and the climate through responsible land use, pollution control, improved water efficiency, and biodiversity conservation. It also advances a climate transition plan to reduce greenhouse gas (GHG) emissions and strengthen long-term resilience through sustainable energy, circular economy practices, and improved land and waste management.

This chapter explains how SIPEF translates these commitments into practice across its operations, guided by the Responsible Plantations Policy and Environmental Policy. Progress against commitments and targets is reported throughout this document and further summarised in annex 1.

1. CLIMATE CHANGE

SIPEF aims to reduce its GHG emissions and build long-term climate resilience. SIPEF's GHG emissions mainly come from land use change, including cultivation on organic soils, as well as from palm oil mill effluent (POME) and operational inputs, such as fuel and fertilisers. This section outlines SIPEF's approach to climate change mitigation and adaptation, and the role of energy in supporting the transition to a more sustainable, low-carbon future.

Further details on the basis for preparation, methodologies, and assumptions used for the reported metrics are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5.

CLIMATE CHANGE MITIGATION

Greenhouse gas emissions and removals accounting

In 2019, SIPEF established its GHG accounting framework to track its organisational emissions and has progressively expanded it in line with the GHG Protocol methodology, developed by the Greenhouse Gas Protocol Initiative. In 2025, the Group further strengthened its approach by aligning with the Land Sector and Removals Guidance* from the Greenhouse Gas Protocol Initiative and updating its calculations using the latest publicly available emission factors.

To ensure comparability over time, the Group simultaneously recalculated its 2024 baseline emissions using the same updated methodologies and emission factors.

* The Land Sector and Removals Standard was published on 30 January 2026, with calculation guidance to be released in 2026. Any subsequent changes to calculation requirements will be incorporated and reported accordingly.

GREENHOUSE GAS ACCOUNTING FRAMEWORK DEVELOPMENT TIMELINE

2019

Greenhouse gas accounting framework established

SCOPES 1, 2, AND 3 EXPANDED INVENTORY

Scope 1 | Scope 2 | Scope 3

2025

Land Sector and Removals Guidance | Updated emission factors

Enhanced GHG reporting

OPERATIONAL CONTROL BOUNDARY

The boundary covers all operations in Belgium, Indonesia, Côte d'Ivoire, Papua New Guinea, and Singapore.*

REFERENCE YEAR

The baseline year remains 2024, as it reflects the most recent business-as-usual year.

SCOPE

The scope includes all activities in the processing and cultivation of palm oil and bananas.

THE GHGS CONSIDERED

GHG

- Carbon dioxide (CO_2)
- Methane (CH_4)
- Nitrous oxide (N_2O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur hexafluoride (SF_6)
- Nitrogen trifluoride (NF_3)

This strengthened approach included:

- **alignment with recognised standards and methodologies:** SIPEF aligned its calculations with widely used frameworks, including the GHG Protocol's Land Sector and Removals Guidance and the Intergovernmental Panel on Climate Change (IPCC) guidance, ensuring reporting is consistent with best practice.
- **updates to emission factors using the latest available sources:** SIPEF updated the conversion factors used to calculate emissions, ensuring they reflect the latest scientific guidance and reduce reliance on outdated assumptions.

Some specific changes in the GHG emissions accounting include:

- **Scope 1** (reported in IAR 2024: 1 090 257 tCO_2e): primarily driven by updated methodologies for POME treatment and land use change emissions. This included the addition of new carbon pools and the incorporation of new land management emissions sources.
- **Scope 2** (reported in IAR 2024: 10 758 tCO_2e): mainly reflects the use of updated country-specific electricity emissions factors.
- **Scope 3** (reported in IAR 2024: 97 160** tCO_2e): mainly driven by an expanded scope of reporting to include palm products shipping, as well as the processing and end-of-life treatment of sold products.

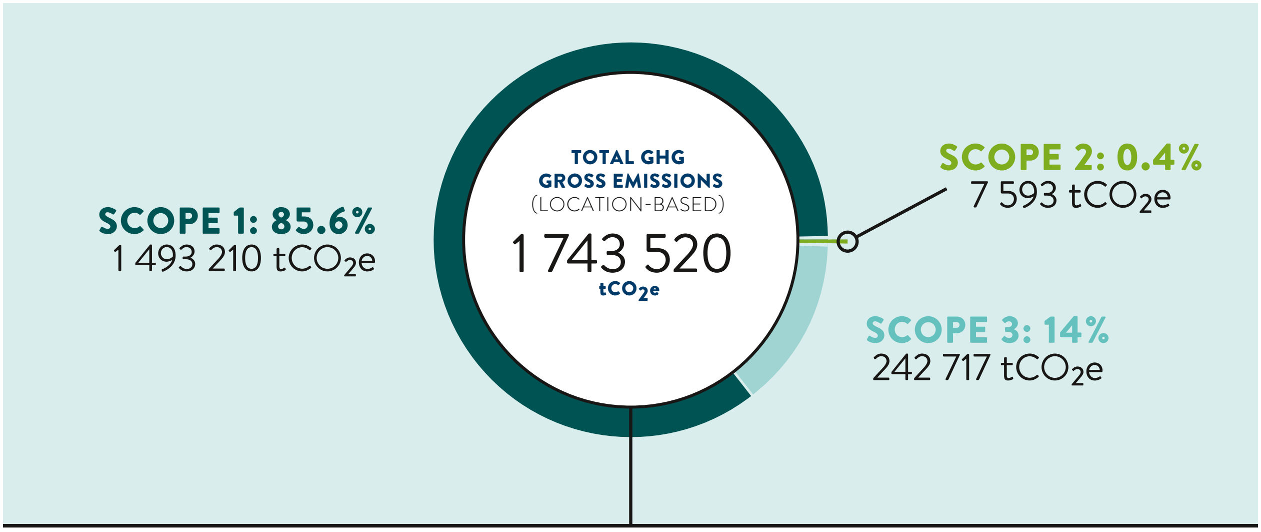
* In alignment with the consolidated financial statements.
** The corresponding 2024 emissions linked to the restated Scope 3 categories are as follows: Category 4 (2024: 5 857 tCO_2e) and Category 9 (2024: 4 832 tCO_2e). Categories 10 and 12 were not reported.

Going forward, SIPEF will calculate emissions consistently using the internationally recognised methods currently referenced. This approach supports clear and credible communication of progress towards its emissions reduction targets. Any future changes in reported emissions may reflect genuine operational changes, improved availability of primary data, or transparent methodological updates aligned with recognised standards.

SIPEF's emissions reports may not be directly comparable with those of its industry peers, as the Group aligns its reporting with European Sustainability Reporting Standards (ESRS), while other companies may apply different frameworks, scopes, or boundary definitions. SIPEF will continue to prioritise consistency and comparability over time with peers that also follow ESRS. The Group is also committed to developing product carbon footprint calculations in accordance with International Organization for Standardization (ISO) standards, further enhancing the comparability of product-level emissions, supporting more consistent benchmarking, and highlighting the added value of low carbon supply chains.

Scope 1, 2, and 3 gross emissions 2025

SIPEF's total gross GHG emissions in 2025 was 1 743 520 tCO_2e.* Of the total emissions, 98.1% came from oil palm operations in Indonesia and Papua New Guinea, 1.86% from banana operations in Côte d'Ivoire, and the remaining 0.03% from head offices in Belgium and Singapore. Most of SIPEF's gross emissions were Scope 1 (85.6%), followed by Scope 3 (14%), and then Scope 2 (0.4%). Gross GHG emissions intensity is 3.87 tCO_2e per tonne of crude palm oil (CPO) and 0.62 tCO_2e per tonne of bananas produced.



Palm oil

98.1%

OIL PALM OPERATIONS

The main sources of emissions for the production of palm oil were:

- Scope 1: land use change including cultivation on organic soil, and emissions from treatment of POME

Bananas

1.86%

BANANA OPERATIONS

The main sources of emissions from production of bananas were:

- Scope 3: purchased goods and services and downstream transportation
- Scope 1: land management, including application of fertilisers
- Scope 2: purchased electricity

* With Scope 2 reported using the location-based method

Greenhouse gas emissions in 2025 remained comparable to 2024. Scope 2 location-based emissions increased by 6% driven by higher electricity consumption associated with increased production in 2025. Scope 3 emissions increased by 22%, mainly due to higher upstream activities such as purchased goods and transportation, as well as increased product sales in 2025.

The breakdown of gross GHG emissions by scope for the base year and the current reporting year is provided below.

GROSS GHG EMISSIONS	BASE YEAR 2024	REPORTING YEAR 2025	% DIFFERENCE VS 2024
A. SCOPE 1 GHG EMISSIONS (tCO_2e)	**1 544 732***	**1 493 210**	**-3%**
Gross Scope 1 GHG emissions	1 544 732*	1 493 210	-3%
Percentage of Scope 1 emissions from regulated emissions trading schemes	0	0	0
B. SCOPE 2 GHG EMISSIONS (tCO_2e)			
Gross location-based Scope 2 GHG emissions	7 183*	7 593	6%
Gross market-based Scope 2 GHG emissions	7 209*	8 241	14%
C. SCOPE 3 GHG EMISSIONS (tCO_2e)** Calculated using combination of activity-based and spend-based calculations	**198 321***	**242 717**	**22%**
1: Purchased goods and services	58 889	66 534	13%
2: Capital goods	18 884	14 551	-23%
3. Fuel and energy-related activities	6 822	11 446	68%
4: Upstream transportation and distribution	43 118*	53 004	23%
6: Business travelling	1 876	1 050	-44%
9: Downstream transportation	7 711*	6 449	-16%
10: Processing of sold products	13 631*	16 280	19%
12: End-of-life treatment of sold products	47 391*	73 404	55%
D. TOTAL GHG EMISSIONS (tCO_2e)			
Total GHG emissions (location-based)	1 750 236*	1 743 520	-0.38%
Total GHG emissions (market-based)	1 750 261*	1 744 168	-0.35%
E. BIOGENIC EMISSIONS OF CO_2 FROM THE COMBUSTION OR BIODEGRADATION OF BIOMASS (tCO_2e)***	**287 292***	**309 850**	**8%**
F. TOTAL GROSS GHG EMISSIONS INTENSITY BASED ON NET REVENUE			
SIPEF net revenue (KUSD)****	443 810	570 432	
Total gross GHG emissions location-based intensity (tCO_2e/KUSD)	3.9*	3.1	
Total gross GHG emissions market-based intensity (tCO_2e/KUSD)	3.9*	3.1	

* Indicate restated values
** Approximately 3% of total Scope 3 emissions are based on primary data.
*** This is related to biogenic emissions in Scope 1; no significant biogenic emissions have been identified for biogenic in value chain.
**** Please refer to note 7: operational result and segment information for the basis of calculation.

SIPEF's GHG removals

SIPEF actively manages 27 913 hectares of conservation within its production and management areas. This includes the 12 656 hectares of conservation area within SIPEF Biodiversity Indonesia (SBI), a biodiversity conservation and ecosystem restoration initiative in the Bengkulu region, managed by the Group. These areas, most of which are designated as High Conservation Value (HCV) and/or High Carbon Stock (HCS), function as nature-based solutions, sequester carbon, and also help to promote biodiversity. They are monitored by an independent third party to verify that they remain intact and protected, with no deforestation, land conversion, or degradation occurring, and that identified high conservation values and high carbon stocks are maintained or enhanced.

Carbon removals from these areas are accounted for based on the net biological carbon sequestration resulting from vegetation growth during the year. A total of 196 886 tCO_2e was sequestered in 2025. The GHG emissions associated with managing the conservation areas, such as fuel used for transportation, were included when calculating Scope 1 emissions. There was no reversal in 2025. The 2024 removals estimate (196 886 tCO_2e)* was restated to exclude reserve areas and to reflect boundary realignments of land titles within the oil palm estates. As the conservation area remained unchanged in 2025 compared to 2024, there were no changes in the estimated removals. No carbon removals were converted into carbon credits or sold.

ENERGY CONSUMPTION AND MIX	2025	2024
A. NON-RENEWABLE SOURCES (MWh)	**142 366**	**114 694**
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	122 321	98 999
Fuel consumption from natural gas	0	647
Fuel consumption from other fossil fuel sources	5 885	1 876
Purchased electricity, heat, steam, and cooling from fossil fuel sources	14 160	13 172
B. RENEWABLE SOURCES (MWh)	**55 691**	**32 787**
Fuel consumption from renewable sources, including biomass	55 691*	32 787
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	0	0
Consumption of self-generated, non-fuel renewable energy	0	0
C. CONSUMPTION FROM NUCLEAR SOURCES (MWh)	**0**	**0**
D. TOTAL ENERGY CONSUMPTION (MWh)	**198 057**	**147 481**
Share of non-renewable sources (%)	72	78
Share of renewable sources (%)	28	22
Share of consumption from nuclear sources (%)	0	0
SIPEF net revenue (KUSD)**	570 432	443 810
Energy intensity based on net revenue (MWh/KUSD)	0.35	0.33

ENERGY PRODUCTION	2025	2024
Renewable sources (MWh)	37 123	31 215
Non-renewable sources (MWh)	0	0

* Expansion of scope to include biodiesel usage
** Please refer to note 7: operational result and segment information for the basis of calculation

* 2024 figure was 324 019 tCO_2e

SIPEF's energy management

SIPEF continues to integrate renewable energy into its operations, primarily from biomass combustion in palm oil processing, contributing 28% of total energy consumption. The remaining 72% comes from non-renewable sources, linked to fossil fuels used in plantation operations. SIPEF did not use nuclear energy in 2025. Under the Regulation (EC) No 1893/2006 of the European Parliament and of the Council, agriculture is identified as a high-climate-impact sector. Accordingly, SIPEF reports its energy consumption and mix as per the table on the previous page.

Climate transition risks

A qualitative assessment of risks and opportunities related to the climate transition was carried out using an analysis of published reports that detail how actions by governments, consumers, and the oil palm sector could address the climate crisis. This assessment examined how these factors could impact SIPEF's investments in oil palm and banana operations.

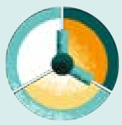
SIPEF's transition risk assessment identifies external developments that may influence future business planning while also highlighting opportunities, such as demand trends and emerging carbon markets. The analysis is subject to uncertainty, particularly around policy and regulatory developments and carbon pricing and markets. Nevertheless, these insights, supported by SIPEF's commitment to reducing GHG emissions and strengthening climate resilience through mitigation, reinforce the resilience of the Group's strategy and business model.

SIPEF TRANSITION RISK ASSESSMENT

The assessment considered the following aspects:

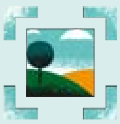
SCOPE

Oil palm and banana operations



TIME HORIZON

- Short-term (0-3 years)
- Medium-term (by 2030)
- Long-term (by 2050)



SCENARIO

Model of Agricultural Production and its Impact on the Environment (MAgPIE) (Dietrich et al., 2019) – Historical, Modest, Aggressive

TRANSITION RISKS ASSESSED

- Policy and legal
- Markets
- Technology
- Reputational

SIPEF's transition risk assessment did not identify any material risks and opportunities. However, it did highlight the following key potential medium- and long-term opportunities and risks.

POTENTIAL OPPORTUNITIES INCLUDE:

- increased demand for palm oil, increased land valuation, and emerging carbon markets to support afforestation, forest restoration, and conservation.

POTENTIAL RISKS INCLUDE:

- land use restrictions, growth constraints due to land availability, and carbon pricing set by external parties, which must be considered in future business planning for oil palm and banana operations.

SIPEF GHG REDUCTION TARGETS 2030

-42%

ENERGY AND INDUSTRY (E&I)

42% reduction in absolute Scope 1 and 2 location-based GHG emissions by 2030 from 2024

-30.3%

FOREST, LAND, AND AGRICULTURE (FLAG)

30.3% reduction in absolute Scope 1 and 3 FLAG GHG emissions by 2030 from 2024

Fuel consumption, fugitive emissions from wastewater, usage of chemicals and lubricants, and purchased electricity (location-based)

Emissions and removals from land use and land use change, land management, fertiliser application across SIPEF's own operations and its supply base, as well as carbon removals projects from SIPEF-managed projects

Actions

SIPEF GHG transition plan 2030

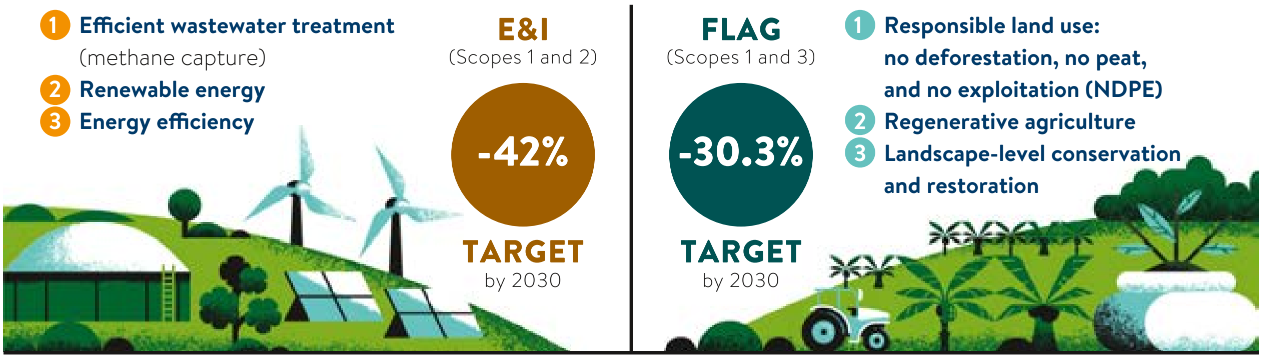
In 2025, SIPEF reviewed its GHG reduction target by referencing the Science Based Targets initiative (SBTi) methodology, demonstrating its commitment to the highest recognised standard for measuring and reporting GHG emissions. The Scope and underlying emissions calculations applied in the target setting are aligned with SIPEF's GHG accounting framework.

SIPEF has set near-term (2030) absolute GHG reduction targets that are consistent with climate science, structured across two categories: Energy and Industry (E&I) emissions and Forest, Land, and Agriculture (FLAG). In support of the Paris Agreement goal of limiting global warming to 1.5°C, the Group has set ambitious, science-based goals that are grounded in operational realities and support long-term decarbonisation.

SIPEF has developed a robust climate transition plan that brings together efficient wastewater treatment, sustainable energy practices, responsible land use, regenerative agriculture, and landscape-level conservation and restoration programmes. The plan has been reviewed and approved by SIPEF's board of directors, to ensure it aligns with the Group's sustainability strategy and provides a clear framework for advancing climate

SIPEF GHG TRANSITION PLAN

Initiatives to meet 2030 targets



1 Efficient wastewater treatment	1 Responsible land use
SIPEF has committed to install methane capture facilities in all palm oil mills by 2030 to reduce its POME emissions.	SIPEF has maintained NDPE commitments since 2015, supported by ongoing fire prevention and management.
2 Renewable energy	**2 Regenerative agriculture**
SIPEF will increase renewable energy generated from milling by-products and scale solutions, such as bio-CNG, to reduce reliance on fossil fuels.	SIPEF will pilot regenerative agriculture by scaling biochar production and application for long-term carbon storage, alongside cover crops and increased organic inputs, to improve soil health and reduce emissions.
3 Energy efficiency	**3 Landscape-level conservation and restoration***
SIPEF will improve energy efficiency across mills through new boiler technology, equipment upgrades, and enhanced maintenance, reducing fuel use and operational emissions.	SIPEF will continue protecting HCS areas and expand conservation and reforestation efforts. Where land is prioritised for conservation rather than community development, SIPEF may purchase or lease land from local owners to ensure continued financial benefits.

change mitigation actions across the company. SIPEF is already integrating the climate transition plan into its business operations and decision-making, with methane capture activities established, and the opening of a bio-compressed natural gas (bio-CNG) facility in 2025. No material negative impacts on workers have been identified in relation to the implementation of this plan, and therefore no specific mitigation measures have been deemed necessary.

SIPEF does not produce or purchase carbon credits, nor does it apply an internal carbon pricing mechanism as part of its climate change mitigation strategy. SIPEF is excluded from the European Union (EU) Paris-Aligned Benchmarks (PABs), as the Group does not administer or label benchmarks nor offer EU benchmark-based investment products.

SIPEF recognises that GHG emissions associated with existing assets, including potential locked-in emissions, may create challenges for meeting its long-term emissions reduction targets. However, through proactive risk management, including its NDPE commitment, best practice management across planted and conservation areas, and the implementation of its climate transition plan, SIPEF is well positioned to mitigate transition risks and align with evolving regulatory and investor expectations.

* Refer to biodiversity and ecosystems section for more information on SIPEF's landscape programmes

SIPEF GHG reduction progress in 2025

GROSS GHG EMISSIONS	BASE YEAR 2024	REPORTING YEAR 2025	TARGET YEAR 2030	CHANGE IN REPORTING YEAR VS BASE YEAR (%)
Energy and Industry emissions (Scope 1 and 2)	403 013	458 496	233 747	+14%
Forest, Land, and Agriculture emissions (Scope 1 and 3)	952 016	852 228	663 555	-10%

SIPEF monitors progress towards its near-term 2030 GHG reduction targets using a 2024 base year, with gross emissions tracked separately for E&I and FLAG due to their distinct emissions drivers and mitigation levers. As shown in the table above, gross E&I emissions increased from 403 013 tCO_2e in 2024 to 458 496 tCO_2e in 2025, while net FLAG emissions decreased from 952 016 tCO_2e in 2024 to 852 228 tCO_2e in 2025. This represents a 14% increase and a 10% reduction, respectively, compared with the base year.

The increase in E&I emissions was primarily driven by higher production volumes, particularly at mills that do not yet have methane capture facilities. This reflects the current stage of the Group's transition plan, under which these facilities are being rolled out progressively across mills. The resulting emission reductions are expected to be achieved progressively as methane capture installations are budgeted, constructed, and commissioned in line with the Group's transition plan. Lower FLAG emissions reflected reductions in historical land use change and land management emissions. The reduction in historical land use change emissions is consistent with SIPEF's NDPE commitment since 2015, and with the gradual decline in the amortised impact of historical land use change.

Delivery of the Group's transition plan initiatives between 2026 and 2030 will be critical for SIPEF to remain on track towards the 2030 targets.

Climate-related considerations are factored into management remuneration, with 5% of variable incentives linked to performance against Scope 1 and 2 GHG emission reduction targets. Further details on variable remuneration are set out in the remuneration report included in the corporate governance statement.

Targets and progress

Targets	Country	Progress 2025
CLIMATE CHANGE MITIGATION		
1. Methane capture installed at all palm oil mills by 2030	Papua New Guinea Indonesia	Five out of ten mills are equipped with methane capture facilities, with two new facilities under construction in 2025.
2. Palm oil mills fitted with enclosed flaring by 2028		
3. Site-based monitoring of GHG emissions through direct measurements at all organic soil estates by 2028	Indonesia	SIPEF is reviewing implementation options and potential partners to ensure the contribution is delivered effectively.
4. Gross absolute emissions reduction targets for SIPEF group: 42% E&I and 30.3% FLAG by 2030	Papua New Guinea Indonesia Côte d'Ivoire	The target has been revised, referencing SBTi, and SIPEF is on track to deliver its transition plan.

Oil palm estates managed alongside conservation areas, identified prior to plantation establishment and managed to maintain and enhance high conservation values within the concessions.

CLIMATE CHANGE ADAPTATION

Physical climate risk assessment

As part of its climate risk management approach, SIPEF worked with an expert from the Carnegie Institution for Science to conduct a physical climate risk assessment to identify potential impacts on its operations. The assessment quantified a range of climate-related physical risks based on inputs from SIPEF's expert growers working in the field.

Actions

SIPEF proactively prepares for climate-related weather events, including heatwaves, river flooding, and coastal flooding, to strengthen operational resilience and reduce exposure to physical climate risks across its operations.

Adaptation measures are grouped into the following focus areas:

Water management

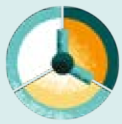
SIPEF applies Best Management Practices and water regulation measures to reduce the risks of waterlogging, flooding, and fire during drought conditions. The Group continuously strengthens water management and works to reduce water use intensity, supporting preparedness for potential water stress across its operations.

Regenerative agriculture

SIPEF is developing regenerative agriculture approaches to strengthen soil health and crop resilience to heat and water stress. Through work with Verdant Bioscience Pte Ltd (VBS), trials are being conducted to enhance crop yield and crop resistance and resilience under changing environmental conditions, including rainfall distribution, soil fertility, microbial diversity, and water-holding capacity.

SIPEF PHYSICAL CLIMATE RISK ASSESSMENT

SIPEF's assets:
- Indonesia
- Papua New Guinea
- Côte d'Ivoire

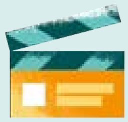


TIME HORIZON

- Short-term (1—3 years)
- Medium-term (4—10 years)
- Long-term (11—25* years) impacts from 2024

EARTH SYSTEM MODELS

- GFDL-ESM4**
- MRI-ESM2-0***



INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE SCENARIOS

Shared Socioeconomic Pathways (SSP) scenarios: SSP1-2.6 (sustainable development scenario) and SSP5-8.5 (high emission scenario)

CLIMATE HAZARDS ASSESSED

- **TEMPERATURE-RELATED:** plant heat stress, human heat stress, heatwaves, or wildfires
- **WIND-RELATED:** changing wind patterns, cyclones, or storms
- **WATER-RELATED:** interannual variability of precipitation, seasonal variability of precipitation, water stress, sea level rise, drought, or heavy precipitation
- **SOIL-RELATED:** coastal erosion, soil degradation, or soil erosion

SIPEF's physical climate risk assessment highlights the following risks for its operations: flooding and heatwaves.
- **INDONESIA:** the assessment identifies medium levels of plant heat stress, along with low-to-medium risks of drought, wildfires, and river and coastal flooding.
- **PAPUA NEW GUINEA:** the risks encompass river and coastal flooding.
- **CÔTE D'IVOIRE:** the risks consist of water stress, heatwaves, and river flooding, with the potential for exacerbation under extreme warming scenarios.

* Adjusted to reflect SIPEF's operational realities, particularly the 25-year lifecycle of oil palm production

** GFDL-ESM4 – Earth System Model developed by the Geophysical Fluid Dynamics Laboratory of the U.S. National Oceanic and Atmospheric Administration (NOAA) for climate system simulations and projections. For more information: www.gfdl.noaa.gov/earth-system-esm4/

*** MRI-ESM2-0 – Earth System Model developed by the Meteorological Research Institute of the Japan Meteorological Agency (JMA) for climate system simulations and projections. For more information: www.mri-jma.go.jp/Publish/Technical/DATA/VOL_80/index_en.html

Flood and coastal protection

In coastal regions, SIPEF enhances shoreline resilience through coastal buffer restoration in Indonesia and Papua New Guinea. The Group also plans to construct a flood control dyke in flood-prone areas of Côte d'Ivoire by 2027, to strengthen protection of production areas and nearby housing compounds from flood impacts.

Targets and progress

Targets	Country	Progress 2025
CLIMATE CHANGE ADAPTATION		
1. Protect coastal shorelines and prevent flooding through mangrove planting and coastal buffer restoration by 2027	Papua New Guinea Indonesia	SIPEF continues to strengthen coastal ecosystem rehabilitation through ongoing mangrove restoration and assisted natural regeneration within coastal buffer zones. In 2025, 1 661 seedlings were planted in Indonesia, and 1 340 seedlings were planted in Papua New Guinea.
2. Construct a flood control dyke in flood-prone areas to strengthen protection of production areas and nearby housing compounds by 2027	Côte d'Ivoire	New target set in 2025.

On-site monitoring board used to track the implementation of Best Management Practices within the plantation.

2. POLLUTION

SIPEF's approach to pollution management is embedded across its agricultural and processing activities and guided by regulatory compliance, certification standards, and continuous improvement initiatives. This approach is underpinned by its Responsible Plantations Policy and Environmental Policy, which set requirements for pollution minimisation covering all relevant pollutants, protection of watersheds and biodiversity, and compliance with environmental laws.

SIPEF manages pollution risks to air and water through controls on agrochemical use, wastewater and by-products, and air emissions. The sections below outline these controls, along with the key actions, targets, and performance metrics used to track progress. The Group allocates adequate resources for environmental management to ensure effective mitigation of pollution, including through measures for normal, abnormal, and emergency situations.

Further details on the basis for preparation, methodologies, and assumptions used for the reported metrics are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5.

POLLUTION OF AIR

Actions

Biomass combustion helps to generate renewable energy at SIPEF's palm oil mills. However, inadequate management can lead to excessive smoke emissions and the release of particulate matter, which may pose environmental and health risks.

SIPEF ensures that biomass combustion is maintained at an optimal level to minimise the release of particulates. Engineering controls are implemented to minimise smoke density and particulate emissions, including the installation of cyclones in smokestacks. These cyclones use centrifugal force to separate solid particles from the gas stream, ensuring that particulate emissions remain within applicable legal and certification limits.

In 2025, SIPEF committed to strengthening its monitoring by installing smoke density meters at all its palm oil mills by 2028. This will enable consistent measurement using standard parameters and facilitate verification by third-party auditors and the relevant authorities in each country.

Targets and progress

Targets	Country	Progress 2025
SMOKE DENSITY MONITORING IN ALL PALM OIL MILLS		
1. Zero non-conformance with local and industry regulations on smoke density	Papua New Guinea Indonesia	100% compliance for all palm oil mills in Indonesia and Papua New Guinea.
2. Install smoke-density meters at all palm oil mills by 2028		New target set in 2025 to improve monitoring approach.

POLLUTION OF WATER

Actions

Agrochemical management

SIPEF applies responsible agrochemical management practices across its oil palm and banana plantation operations. This includes the use of organic fertilisers and the implementation of integrated pest management (IPM) on both Group and smallholder estates. Integrated pest management prioritises monitoring and non-chemical controls and uses targeted agrochemicals only when needed. These elements help to minimise risks to natural water courses and water bodies. For more information on SIPEF's agricultural practices, please refer to the biodiversity and ecosystems section.

Agrochemical use is determined by local conditions. Weather patterns, soil characteristics, and surrounding ecosystems influence pest pressure and nutrient needs, meaning some sites may require more targeted pesticide or fertiliser inputs than others. Leaf and soil analyses are carried out with support from external experts to ensure optimum application of fertilisers. Control of pests and diseases follows monitoring and begins with the use of available biocontrol agents, as per IPM programmes. Agrochemicals are only applied where necessary, following specific recommendations.

Agrochemical use in oil palm production 2025

In 2025, SIPEF applied 0.78 kg active ingredient per hectare of pesticides, with a toxicity rate per hectare of 93 for herbicides in Papua New Guinea, and 1.71 kg active ingredient per hectare of pesticides, with a toxicity rate per hectare of 290 for herbicides in Indonesia.

For inorganic fertiliser, SIPEF applied 0.59 tonnes per hectare in Papua New Guinea, and 0.87 tonnes per hectare in Indonesia, reflecting site-specific needs on input use.

In Indonesia, pesticide use was higher mainly due to one-off land preparation activities, and expanded herbicide applications for weed control over larger areas which were not driven by higher dosage rates. In addition, greater use of insecticides was required to address outbreaks of leaf-eating pests in North and South Sumatra in 2025. This increase reflects targeted interventions in response to the severity of localised infestations, with insecticides applied only as a last resort after pest population monitoring.

SIPEF continues to strengthen its beneficial plant programmes to support and enhance natural predator populations, alongside installing nest boxes to encourage owls as a biological control measure against rodents. For more information about SIPEF's IPM programme, please refer to the biodiversity and ecosystems section.

Wastewater discharge management

SIPEF limits water pollution across its palm oil mills and packing stations through wastewater treatment management. Banana packing stations carefully control the wash water used during fruit cleaning, while palm oil mills treat POME before any discharge.

Wastewater quality is regularly analysed by independent laboratories, focusing on key indicators, such as biological oxygen demand (BOD), chemical oxygen demand (COD), and total suspended solids (TSS), so that treatment systems operate as intended. Several mills also apply treated POME to the trenches around planted palm to act as an organic fertiliser. SIPEF's Bukit Maradja mill mixes POME with empty fruit bunches (EFB) for composting before applying to the land, while all other mills rely on biogas and/or conventional pond systems to reduce organic matter load before discharge. The use and treatment of oil palm by-products in this manner reduces the risk of water contamination and decreases reliance on inorganic fertilisers.

Isolated cases of water discharge quality that exceeded the applicable limits in Papua New Guinea and Côte d'Ivoire were recorded in 2025. In Papua New Guinea, this was due to the release of organic matter during the desilting of settling ponds at the Hargy mill. SIPEF took immediate corrective action, scheduling regular desilting programmes at the mill during periods when discharge is not required.

In Côte d'Ivoire, elevated suspended solids at the Lumen 1, Lumen 2, and Motobé packing plants resulted from degradation of the bases of several settling tanks within the passive water treatment system. Mitigation measures included repairing the bins at all packing plants and improving the maintenance schedule.

Targets and progress

Targets	Country	Progress 2025
WATER DISCHARGE QUALITY IN ALL PALM OIL MILLS AND PACKING STATIONS		
Zero non-conformance with local and industry regulations on effluent limits	Papua New Guinea Indonesia Côte d'Ivoire	One palm oil mill and three packing stations recorded cases where water discharge quality exceeded the limits in Papua New Guinea and Côte d'Ivoire,* while no such cases were recorded in Indonesia.

* Packing stations comply with legal requirements and go further by monitoring performance against the higher standards required under certification schemes. As a result, some results are flagged as exceedances against these more ambitious thresholds.

3. WATER MANAGEMENT

Water is a critical resource for SIPEF's agricultural production and processing activities. Effective water management supports crop productivity, operational efficiency, and the protection of surrounding natural watercourses.

SIPEF's water management is guided by its Environmental Policy and Responsible Plantations Policy, which commit the Group to using water efficiently and reducing water use intensity. SIPEF also engages with independent consultants and local communities to map key natural resources, including water, as part of its social impact assessments, environmental impact assessments, and High Conservation Value and High Carbon Stock Approach (HCV-HCSA) assessments. These assessments inform SIPEF's management of biodiversity dependency and riparian zones, which are buffered with natural vegetation to enhance watershed protection.

Although the Group's operations are not located in areas classified as high risk by the World Wildlife Funds' (WWF) Water Risk Filter, SIPEF prioritises preserving water availability and quality to support its operations and to safeguard the needs of local communities and ecosystems.

Further details on the basis for preparation, methodologies, and assumptions used for the reported metrics are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5.

Actions

Oil palm is a rainfed crop that does not require irrigation, thereby reducing pressure on local water resources. Within SIPEF's palm oil operations, water use is primarily concentrated in the milling process, where withdrawals from rivers, groundwater, or on-site storage facilities are carefully monitored and managed. Some mills recycle treated POME for land application within the plantations, while others discharge it into rivers or other water bodies in compliance with regulatory standards.

WATER MANAGEMENT IN 2025

Palm oil mill operations

- **WATER RECYCLED AND REUSED:** a total of 285 832 m^3 was recycled and reused through the land application of treated POME.
- **WATER STORAGE:** a total of 566 712 m^3 was stored, calculated using the annual capacity of on-site water storage facilities.
- **WATER INTENSITY:** water withdrawn per tonne of fresh fruit bunches (FFB) processed ranged from 0.68 to 1.31 m^3. Nine out of ten mills are within efficiency targets set. One mill in Papua New Guinea exceeded the limit due to extended operation of boiler and turbine.

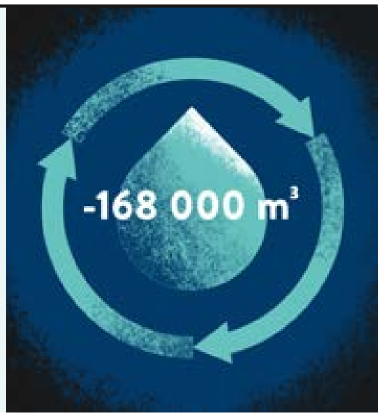
Banana operations

- **WATER RECYCLED AND REUSED:** a total of 226 855 m^3 was recycled and reused across the packing stations and for irrigation within the plantations.
- **WATER STORAGE:** no on-site water storage is required for these activities.
- **WATER INTENSITY:** a total of 201.05 m^3 water was withdrawn per tonne of banana production. The 5.5% reduction was a result of reduced irrigation due to site specific conditions, including elevated water salinity and reduced planted area, and efficiency gains from irrigation network improvements.

Within the Group's operations, banana cultivation remains the most water-intensive activity, due to its irrigation needs. In Côte d'Ivoire, SIPEF promotes efficient water use by sourcing irrigation water from a combination of rainwater, treated packing station discharge stored in on-site dams, and nearby rivers. Water for packing stations is extracted from wells in accordance with food safety requirements. All process water is either recycled through decantation tanks and returned to dams for reuse or safely discharged into rivers.

In 2025, the Group's total water consumption reached 11 170 164 m^3 across its palm oil mills, banana plantations, and packing stations, equivalent to 22 119 m^3 per EUR million of net revenue. This has decreased by 66 990 m^3 compared to 2024. Of this total, approximately 90% was attributed to banana cultivation and processing activities, while the remaining 10% was related to palm oil processing.

SIPEF strengthens its water stewardship by reducing the water use intensity of its palm oil mills. It has also committed to install rainwater harvesting systems across all mills by 2030 to reduce reliance on raw water sources across the Group's operations. This commitment supports a reduction of approximately 168 000 m^3 in annual water withdrawals. SIPEF is also implementing a water recycling basin at one of its banana packing stations in Côte d'Ivoire.



Targets and progress

Targets	Country	Progress 2025
WATER MANAGEMENT		
1. Annual average water usage intensity in all palm oil mills meets the efficiency targets set for each location*	Papua New Guinea Indonesia	Nine out of ten palm oil mills achieved targets.
2. Installation of rainwater harvesting systems at all palm oil mills by 2030, reducing annual water withdrawals by 168 000 m^3		Preparations are under way for the phased installation of rainwater harvesting systems.
3. Installation of water recycling basin at banana packing station by 2027	Côte d'Ivoire	Water quality testing is under way, with the target year updated to 2027.

* See annex 2 for details

4. BIODIVERSITY AND ECOSYSTEMS

As a conscientious agricultural company operating in the tropics, SIPEF is in a unique position to contribute to biodiversity conservation and to reduce the climate-related impacts of its operations by decoupling agricultural production from the conversion of High Conservation Value areas, deforestation, and the drainage of organic soils for agriculture. SIPEF's responsible land use, conservation efforts, and sustainable sourcing commitments are anchored in its Environmental Policy, Responsible Plantations Policy, and Responsible Purchasing Policy, which set minimum standards and Best Management Practices for sustainable land use.

Further details on the basis for preparation, methodologies, and assumptions used for the reported metrics are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5.

BIODIVERSITY AND ECOSYSTEM RISKS AND DEPENDENCIES

To protect biodiversity and ecosystems, SIPEF implements environmental impact assessments and HCV-HCSA assessments on its plantations. These independent assessments are informed by community consultations and participatory mapping and use internationally recognised methodologies to identify and protect HCV and HCS areas.

The results are consolidated into a Group-wide risks and dependencies analysis that examines how SIPEF's land use may affect key ecosystem services, such as water availability, soil health, and pollination. It also examines SIPEF's potential impact on surrounding local communities and their cultural values.

These assessments, alongside an additional internal geographic information system-led assessment, confirmed that SIPEF's sites were not in or near biodiversity-sensitive areas* and, therefore, no direct negative impacts on these areas were identified. Nevertheless, the Group has designated conservation areas to protect the HCV and HCS areas identified in its assessments.

SIPEF engaged an external expert to conduct a qualitative assessment of physical and transition risks related to biodiversity and ecosystems across its operations and those of its associated smallholders. The assessment was informed by the Taskforce on Nature-related Financial Disclosures (TNFD) framework and aligned with the disclosure requirements of the Corporate Sustainability Reporting Directive (CSRD). The assessment considered physical risks, including drought, pests, and diseases; fires; and land degradation, as well as transition risks associated with potential changes in policy, markets, and technology. It also considered future trends over SIPEF's business planning period (ten years) as well as the full oil palm life cycle (twenty years).

While no immediate material physical, transition, or systemic risks were identified, the assessment highlighted that SIPEF's long-term performance depends on the continued provision of healthy ecosystem services — particularly water availability, soil fertility, and pollination — which are essential for resilient agricultural operations.

SUSTAINABLE LAND USE

Actions

No deforestation

SIPEF's approach to sustainable land use is anchored in its NDPE commitments, which have been in place since 31 December 2015. The Group applies the relevant sustainability certification requirements to new developments, respects customary land rights through Free, Prior, and Informed Consent (FPIC), and monitors its concessions, and those of its suppliers, for any land use change and potential non-compliant conversion activities. In 2025, SIPEF's oil palm operations in Indonesia

* Biodiversity-sensitive areas include protected areas listed in the World Database on Protected Areas (WDPA), UNESCO World Heritage Sites, and Key Biodiversity Areas (KBAs). Operations in, or within 500 metres of, these areas are considered to pose a potential biodiversity risk.

included approximately 17 000 hectares of organic soils cultivated prior to the Group's NDPE commitments. For existing developed organic soils, SIPEF applies Best Management Practices, including drainability assessments prior to replanting,* in line with Roundtable on Sustainable Palm Oil (RSPO) peatland management guidance and local regulations, to ensure long-term land suitability.

Own conservation areas within SIPEF's concessions

In 2025, SIPEF managed 15 092 hectares of conservation areas across its own operations in Indonesia, Papua New Guinea, and Côte d'Ivoire. These areas encompass identified HCV and HCS areas within the Group's concessions, and exclude the area managed under the SBI programme. In Indonesia, a net reduction of 228** hectares was recorded. This was not due to the conversion of HCV-HCS areas, but rather due to boundary realignments of land titles within the oil palm estates.

SIPEF continues to strengthen its monitoring and management of HCV-HCS areas across its concessions. This effort is supported by dedicated teams implementing biodiversity and conservation management plans on the ground and is underpinned by ongoing capacity building and technical training to enhance conservation performance.

Monitoring of SIPEF's no deforestation commitment

SIPEF monitors annual compliance with its no deforestation and no peat commitments across its supply base. In 2025, the system covered more than 157 791 hectares: of these, 84% were within SIPEF's own concessions and areas under the SBI programme, and 16% were within smallholder supplier areas.

According to the 2025 monitoring results by the independent assessor, Inovasi Digital, no incidents of deforestation or organic soil conversion were recorded within SIPEF's own estates or those of its smallholders. Based on the 100% traceable supply chain within the scope of the annual monitoring, this confirms that SIPEF's current sourcing from its own operations and smallholder suppliers is deforestation- and conversion-free.

An independent liability assessment was also carried out by Inovasi Digital, covering all SIPEF estates and smallholder areas from 31 December 2015 to 31 December 2023. Through this process, the Group has confirmed one instance of non-compliance of 24 hectares in Papua New Guinea. SIPEF is in the process of remediation in accordance with NDPE principles, reflecting its commitment to responsible land stewardship and long-term sustainability.

CONSERVATION AREAS WITHIN SIPEF CONCESSIONS BY COUNTRY (HECTARES) 2025

INDONESIA: **9 251** / PAPUA NEW GUINEA: **5 626** / CÔTE D'IVOIRE: **216** / **TOTAL: 15 092**

* RSPO Drainability Assessment Procedure: a drainability assessment evaluates the future risks of peat subsidence and flooding, enabling companies to adjust management practices to slow subsidence and extend the workable lifetime of peatland plantations.

** 2024 figure was 15 320

SIPEF NO DEFORESTATION POLICY MONITORING

Since 2021, SIPEF has implemented a structured system to monitor compliance with its no deforestation and no peat commitments across its supply base.

This approach was strengthened in 2022 through the engagement of an independent third-party specialist to oversee monitoring across SIPEF's operations and those of its suppliers in Indonesia and Papua New Guinea, with a focus on detecting and verifying land use changes in and around concession areas. The system integrates historical and near-real-time satellite imagery, with quarterly reports issued to flag potential land-cover changes. All alerts are verified to guide appropriate follow-up actions.

How the system works

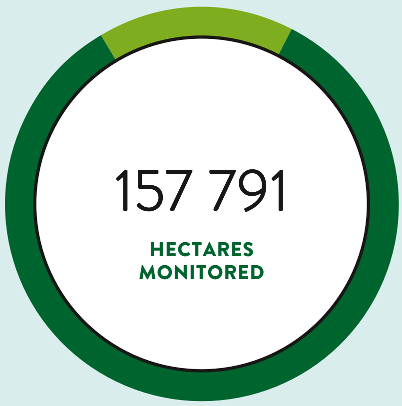
Monitoring framework

SINCE 2021
- Monitoring in place
- Covers Indonesia and Papua New Guinea

SINCE 2022
- Independent oversight
- Focus on land use change

Monitoring coverage 2025

16%
WITHIN SUPPLIER AREAS



84%
WITHIN SIPEF'S OWN CONCESSIONS

Fire prevention and management
SIPEF applies a strict zero-burning rule across all its estates and supplier operations, prohibiting the use of fire for land clearing or cultivation. Fire prevention is a core priority that underpins SIPEF's efforts to protect employees, local communities, and company assets. The Group has established fire risk monitoring systems in Indonesia and Papua New Guinea, where fire risks are most prevalent.

In 2025, there were four incidents recorded which impacted 13.7 hectares within SIPEF's own concessions and smallholder areas, mainly due to burning associated with land use by local stakeholders outside of SIPEF's direct supply chain. SIPEF continues to engage suppliers and local communities to reinforce best practices in fire prevention and responsible land management.

Fire prevention activities

Fire risk monitoring systems have been established in Indonesia and Papua New Guinea and are supported by trained firefighting teams and vehicles equipped with water tanks and high-pressure pumps. Attention is also given to the management of organic soils, where maintaining appropriate water levels is essential to reduce the likelihood of hotspots developing in sensitive areas and strengthen overall fire resilience across SIPEF's landscapes.

FIRE AWARENESS FARMER GROUPS

(Kelompok Tani Peduli Api): established with local community participation in selected high fire-risk regions in Indonesia to strengthen awareness, early detection, and rapid response to fire incidents through training and coordinated field activities.

COMMUNITY PEATLAND AWARENESS GROUPS

(Masyarakat Peduli Lahan Gambut): formed in partnership with local communities around SIPEF's estates to strengthen peatland fire prevention awareness and practices, actively involving local government and universities to provide technical assistance and capacity building, as well as to support monitoring and reporting of potential fire risks.

Regenerative agriculture

Regenerative agriculture focuses on strengthening the long-term health and resilience of farming systems by working with nature. At SIPEF, this approach prioritises improving soil health and fertility, building climate resilience, and enhancing biodiversity, while supporting productive crop systems. Together, these impact areas help sustain productivity, protect ecosystems, and support communities across SIPEF's operational landscapes.

SIPEF already applies a range of Best Management Practices across these areas.

SIPEF is committed to improving its agricultural practices by actively conducting regenerative agriculture trials with its research partners. The use of regenerative agriculture to strengthen climate resilience across SIPEF's operations is addressed in the Balanced Growth Strategy section of this report.

Best Management Practices

SOIL HEALTH

1. Use of organic fertilisers, such as POME, compost, and EFB to reduce reliance on inorganic fertilisers wherever possible.

2. Use of leguminous cover crops and fallow periods with leguminous crops to improve soil health, allow the soil to recover organic matter and replenish nutrients, and help control pests and diseases.

3. Responsible use of pesticides and agrochemicals, including reducing reliance on harmful chemicals, and prohibiting or restricting highly hazardous pesticides, such as those classified by the World Health Organization as Class 1A or 1B, or listed under the Stockholm or Rotterdam Conventions.

BOOSTING BIODIVERSITY

1. Application of IPM techniques that prioritise biological controls to minimise the use of pesticides.

2. Establishment and enhancement of natural vegetation, such as conservation areas and buffer zones along natural watercourses, to strengthen ecosystem services — including erosion control and watershed management — while improving connectivity with surrounding landscapes.

Regenerative agriculture trials

SOIL HEALTH

1. MICROBIAL COMPOST IN NURSERIES: has the potential to support healthier soil microbiology and nutrient cycling, strengthen resilience against pathogens, such as *Ganoderma boninense*, and reduce reliance on inorganic fertilisers.

2. BIOCHAR FIELD APPLICATION: has the potential to enhance soil's natural fertility by stimulating microbial activity, which may reduce reliance on inorganic fertilisers. It may also improve soil water-holding capacity, helping crops adapt to drought conditions.

3. GROUNDCOVER MANAGEMENT: tests whether different vegetative groundcover management methods can increase plant and arthropod diversity, boost biomass turnover and nutrient cycling, and support microbial diversity to help suppress *Ganoderma*. It also evaluates whether using saprophytic fungi to accelerate decomposition of palm residues can further reduce *Ganoderma* risk.

4. LEGUMINOUS SUPPORT TREES: tests whether different species, including deep rooted trees, can enhance nitrogen fixation, improve soil structure, and support nutrient recycling, while reducing erosion and improving water infiltration.

BOOSTING BIODIVERSITY

1. INTEGRATED WEED MANAGEMENT:

- **weed mats (organic fibres such as coconut):** explores the ability to suppress weed growth and reduce herbicide use, while also limiting soil erosion and fertiliser runoff, lowering soil temperatures, and supporting young palm growth.
- **dwarf plant species in palm circles:** trials the planting of low-height and dense-growth species to provide ground cover and suppress weeds, reducing the need for herbicides.

2. INTEGRATED PEST MANAGEMENT: explores opportunities to expand biological pest control by introducing additional natural predators, such as Scops owls for rhino beetle control, and bats to prey on moths.

Targets and progress

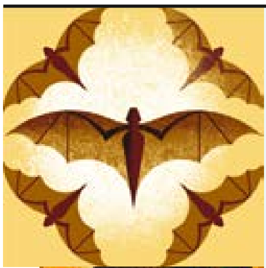
Targets	Country	Progress 2025
SUSTAINABLE LAND USE		
1. Deforestation: zero incidents in own concessions under SIPEF's management control and supplier areas	Papua New Guinea Indonesia	There were no incidents of non-compliance.
2. Fire: zero incidents in own concessions under SIPEF's management control and supplier areas		There were three cases of fire in own operations, and one in supplier areas.
3. Five regenerative agriculture pilots started with a model to scale up by 2026		Trials to improve soil health and enhance biodiversity across operations are ongoing.

As part of SIPEF's integrated pest management approach, barn owls are used for natural rodent control, with nest boxes installed within the plantations to provide access to prey and safe nesting sites.

BIODIVERSITY AND LANDSCAPE-LEVEL PROGRAMMES

Actions

To safeguard biodiversity and ecosystem services within its own operations, SIPEF continues to protect HCV and HCS areas. Beyond site-level measures, the Group is also advancing an integrated landscape approach that supports forest restoration and strengthens community-led stewardship across its wider production landscapes. In support of these efforts, SIPEF is improving its biodiversity baseline through enhanced data collection and monitoring, strengthening its understanding of species presence, habitat condition, and changes over time.

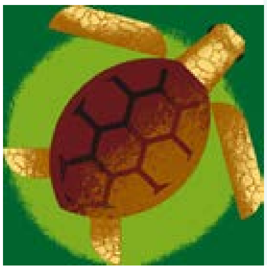


Biodiversity programmes

In 2025, SIPEF's operations in Indonesia initiated new biodiversity baseline assessments in collaboration with external experts, focusing on selected indicator taxa, such as bats and birds, to strengthen understanding of species presence across its operations and to inform improved monitoring and management. These assessments were complemented by the implementation of community-driven biodiversity monitoring initiatives, including a citizen science approach, which enhanced species identification and data collection, increased engagement among employees and local communities, and reinforced awareness of the importance of conserving HCV and HCS areas. SIPEF will expand its biodiversity surveys in Indonesia to include insects, with aim of completing a full biodiversity baseline by 2027.

Similar biodiversity surveys are planned for operations in Papua New Guinea and Côte d'Ivoire to ensure a coordinated approach across SIPEF's operations as part of its commitment to setting baseline data through specialist-led surveys by 2027.

SIPEF continues to safeguard sea turtle* populations through its Indonesian conservation foundation, *Yayasan SIPEF Indonesia* (YSI), along a 6.5 kilometre stretch of beach at Air Hitam Nature Recreation Park in North Sumatra. The programme is implemented in partnership with local authorities under a memorandum of understanding, most recently renewed in August 2024 and valid until 2028. The initiative addresses key threats, including poaching and illegal egg collection, habitat degradation, marine pollution, predation, and climate-related impacts. In 2025, 1 914 eggs were collected from vulnerable beaches and incubated in controlled facilities. The hatchlings were later safely released into the ocean. Conservation efforts primarily focused on leatherback and olive ridley turtles, both classified as 'Vulnerable' on the International Union for Conservation of Nature (IUCN) Red List of Threatened Species, while the 'Critically Endangered' hawksbill and 'Endangered' green turtles were also recorded in the area.



* Data related to sea turtle project was not covered in the scope of CSRD limited assurance

Integrated landscape initiatives

SIPEF BIODIVERSITY INDONESIA

The SBI programme is a 12 656 hectare ecosystem restoration initiative adjacent to Kerinci Seblat National Park, focused on reforestation of degraded land, community engagement through agroforestry programmes, and biodiversity protection, with a specific focus on the critically endangered Sumatran tiger.

Following the achievement of its previous restoration target, SIPEF has set a more ambitious goal to restore 1 123 hectares by 2033. Between 2024 and 2025, 303 hectares were restored within the SBI area. Since 2022, SIPEF has collaborated with the Zoological Society of London (ZSL) and SINTAS, a local non-governmental organisation (NGO) in Indonesia, to enhance biodiversity monitoring and management across the SBI concession through the application of scientific methodologies, such as camera trapping for monitoring the Sumatran tiger population. This collaboration leverages the technical expertise of ZSL and SINTAS and strengthens SIPEF's long-term conservation approach. In 2025, SIPEF also worked with Force with Nature to enhance the capacity of its rangers at SBI and across its estates in the Bengkulu region. The biodiversity surveys and citizen science work described in the previous section are planned for SBI in 2026.

NEW BRITAIN SUSTAINABLE LANDSCAPES INITIATIVE (NBSLI)

SIPEF is planning to pilot the NBSLI in Papua New Guinea, which will integrate forest conservation, sustainable land use, and inclusive development at a landscape scale. The initiative aims to conserve the forest habitat around a lake located within a volcanic caldera at the edge of SIPEF's production landscape. Situated within the globally recognised New Guinea biodiversity hotspot, the area forms part of one of the richest yet least-studied regions on Earth and holds deep cultural significance for surrounding communities. Protecting this forest will safeguard irreplaceable natural and cultural heritage for future generations.

Targets and progress

Targets	Country	Progress 2025
BIODIVERSITY AND LANDSCAPE-LEVEL PROGRAMME		
1. Establish two integrated landscape initiatives for nature-positive oil palm cultivation and community engagement by 2030, one in Papua New Guinea and one in Indonesia	Papua New Guinea Indonesia	The projects are advancing through their development phase, and SIPEF is actively exploring partnerships to support their implementation.
2. Restore 1 123 hectares of degraded land within SBI by 2033, with 2024 as the baseline year	Indonesia	The restoration of 303 hectares was completed, representing 27% of the target achieved.
3. Complete comprehensive specialist-led biodiversity surveys in each country by 2027 to establish baseline data	Papua New Guinea Indonesia Côte d'Ivoire	A new target was set in 2025.

A SIPEF ranger patrols the boundary where oil palm plantings meet a conservation area in Indonesia. Field patrols help safeguard HCV-HCS areas, reinforcing SIPEF's commitment to responsible plantation management and the protection of biodiversity.

5. EU TAXONOMY DISCLOSURES

The EU Taxonomy Regulation (EU 2020/852) is a classification system for environmentally sustainable economic activities. Developed by the European Commission, it aims to facilitate sustainable investment and support the implementation of the European Green Deal. The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards sustainable projects and activities. It represents an important step towards achieving carbon neutrality by 2050 in line with EU goals, as it establishes clear definitions and criteria for what is considered to be sustainable.

Article 8(2) of the EU Taxonomy Regulation requires non-financial undertakings to disclose Key Performance Indicators (KPIs) that reflect the proportion of their turnover derived from environmentally sustainable economic activities, as well as the proportion of capital (Capex) and operating expenditure (Opex) linked to assets or processes associated with such activities, relating to six environmental objectives:

SIX ENVIRONMENTAL OBJECTIVES OF THE TAXONOMY REGULATION

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

For more information: https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en

SIPEF'S ELIGIBILITY AND ALIGNMENT

As a non-financial parent undertaking, SIPEF has assessed the Group's activities as an agro-industrial entity for the 2025 reporting period, evaluating them against all Taxonomy-eligible economic activities outlined in the EU Taxonomy Regulation and its Delegated Acts.* Based on the eligibility screening utilising Nomenclature of Economic Activities (NACE) codes and a review of an economic activity description, SIPEF's main business activities, tropical agriculture (A1.2) and manufacture of palm oil (C10.4), are considered taxonomy-non-eligible economic activities. Throughout the process, SIPEF has taken into account the following considerations:

- if a NACE-code is broader than the activity description, the activity description prevails over the scope of the NACE code.
- if an economic activity doesn't have a NACE code but does meet the activity description, it can qualify as an eligible activity.
- if the NACE code of an economic activity is not mentioned in the Climate Delegated Act, but the economic activity corresponds to the description of the activity, it can qualify as an eligible activity.

A limited portion of the reported capital expenditures (Capex) or operational expenditures (Opex), and revenues relates to planned improvements intended to meet EU Taxonomy criteria within the prescribed timeframe (type (c) Capex). These expenditures are part of SIPEF's transition strategy and represent climate mitigation investments in biogas plants (D35.11) and biodiversity conservation (A2). For 2025, under the revised rules, the SIPEF group opted not to assess Taxonomy eligibility or alignment for activities that are not considered material to the business, as these economic activities cumulatively generate less than 10% of the Group's total turnover, Capex, or Opex.

SIPEF remains committed to reducing GHG emissions and managing climate-related risks and impacts. An overview of the Group's existing initiatives with respect to climate change mitigation and adaptation has been provided in the climate change section of this report. The complete Taxonomy tables are available in annex 3, which is an integral part of the Integrated Annual Report.

PROPORTION OF TAXONOMY-ELIGIBLE AND TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN TOTAL TURNOVER, CAPEX, AND OPEX

	TOTAL (KUSD)	PROPORTION OF TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES (%)	PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES (%
Turnover	570 432	0%	100%
Capital expenditure	89 404	0%	100%
Operating expenditure	57 620	0%	100%

* Regulation (EU) 2020/852 as supplemented with Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2021/2178, Commission Delegated Regulation (EU) 2022/1214, Commission Delegated Regulation (EU) 2023/2485, Commission Delegated Regulation (EU) 2023/2486 and Commission Delegated Regulation (EU) 2026/73

NUCLEAR AND FOSSIL GAS-RELATED ACTIVITIES

SIPEF has evaluated its operations across the Group and declares that it does not engage in, fund, or have exposure to any nuclear or fossil gas-related activities as defined in the following tables. Please see SIPEF's statements on nuclear energy-related activities and fossil-gas related activities in the template 1 as introduced by the Complementary Delegated Act below. Since SIPEF is not performing activities related to nuclear energy and fossil gas, it does not include templates 2-5 of the Complementary Delegated Act.

NUCLEAR ENERGY-RELATED ACTIVITIES	
The undertaking carries out, funds, or has exposures to research, development, demonstration, and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	no
The undertaking carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	no
The undertaking carries out, funds, or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	no

FOSSIL GAS-RELATED ACTIVITIES	
The undertaking carries out, funds, or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	no
The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	no
The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	no

MINIMUM SAFEGUARDS

SIPEF confirms that it respects the minimum safeguards, as elaborated further in the environmental, social, and governance information sections of this sustainability statement.

Employees and community impact

SIPEF's Balanced Growth Strategy recognises that sustainable growth depends on being a fair employer, a trusted community partner, and a responsible producer. The Group upholds labour and human rights across its operations through the implementation of its Human Rights Policy, which is aligned with international and leading sustainability standards. These expectations are also extended to its smallholder supply base through recognised certification frameworks and clear supplier requirements. These commitments are supported by an accessible grievance mechanism to ensure accountability and effective remedy for all stakeholders.

SIPEF has established meaningful social targets where these are most relevant and feasible. For other material topics where targets are not yet in place, the Group continues to strengthen its management approach through ongoing initiatives and improved processes. Its overarching commitment is to achieve full Roundtable on Sustainable Palm Oil (RSPO) certification for all SIPEF-owned oil palm estates, and to continue building on the strong certification foundation of its banana operations, which are 100% Rainforest Alliance, GLOBALG.A.P., and Fairtrade certified. Progress against existing commitments and targets is reported throughout this document and further summarised in annex 1.

Strengthening human rights due diligence across SIPEF operations

Across SIPEF's operations in Indonesia, Papua New Guinea, and Côte d'Ivoire, a series of targeted human rights due diligence initiatives are helping to strengthen social risk management and embed international standards into day-to-day practice. In 2025, teams advanced this work through baseline assessments, practical tools, and capacity building, supported by trusted partners and independent experts, with implementation across own operations, smallholders, and surrounding communities, as relevant to each site.

The findings from these engagements will directly inform the development of targeted social programmes and community initiatives that address identified needs and improve outcomes for affected stakeholders.

1. OWN WORKFORCE

The scope of this section covers individual employees engaged under both permanent and temporary contracts. Non-employees, including contractors, are referenced, where applicable, in policies or monitoring procedures, but are not included in the scope of the data.

The managing director of SIPEF holds overall responsibility for workforce engagement, with operational oversight delegated to the head of human resources in each country. These efforts are supported by site managers and supervisors, who facilitate daily briefings and structured feedback sessions.

Employee input is actively sought during policy development and revisions to ensure alignment with both regulatory requirements and workforce priorities. Gender and social issues committees across operations and head offices also provide a dedicated platform to discuss challenges, such as equal employment opportunities, decision-making participation, sexual harassment, reproductive rights, and workplace safety. SIPEF also maintains structured engagement with union representatives by holding scheduled meetings, ensuring that workforce concerns are addressed at local levels.

SIPEF has not entered into a Global Framework Agreement (GFA), or similar agreements related to the respect of human rights of workers, as these are not applicable to its current operating framework.

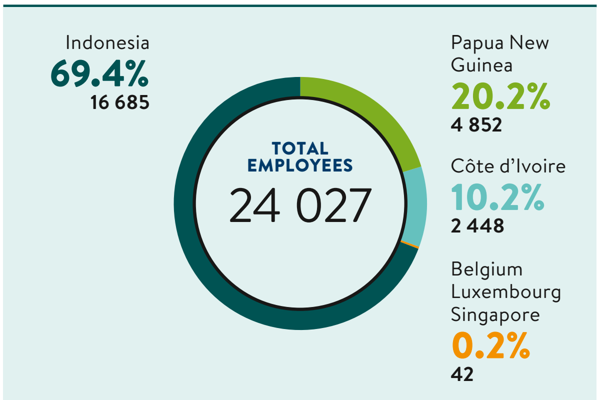
SIPEF upholds strict labour commitments under its Human Rights Policy and supports them through ongoing training, audits, and due diligence across its own workforce and subcontracted workers throughout the year. Where violations occur, SIPEF takes immediate corrective action, which may include disciplinary measures and contract termination, while also providing appropriate support to affected workers.

Further details on the basis for preparation, methodologies, and assumptions are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5. For information on processes to remediate negative impacts and incidents involving severe human rights impacts, please refer to the good business conduct section.

SIPEF'S WORKFORCE

In 2025, SIPEF employed a total of 24 027* people, including both permanent and temporary employees, across Indonesia, Papua New Guinea, Côte d'Ivoire, Belgium, Singapore, and Luxembourg. Most of SIPEF's workforce is based in Indonesia (69.4%), followed by Papua New Guinea (20.2%), and Côte d'Ivoire (10.2%). The remaining (0.2%) work in Belgium, Luxembourg, and Singapore.

NUMBER OF EMPLOYEES BY COUNTRY*



* Total employee count is based on headcount and includes employees from the Cibuni tea estate.

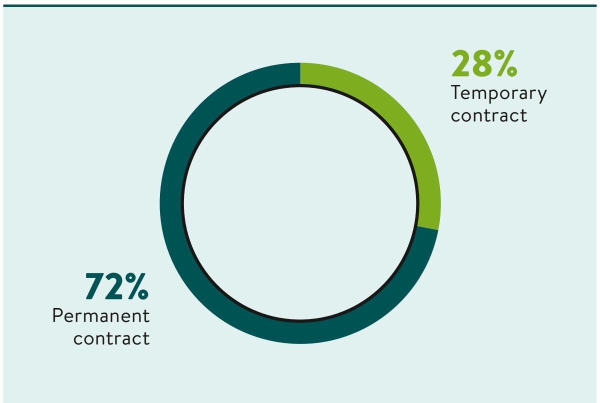
An employee at a SIPEF plantation in Indonesia during daily field activities.

WORKING CONDITIONS

Secure employment

SIPEF's workforce is a driving force behind its operations and success. The stability and well-being of its workers is closely tied to the Group's long-term strategy and sustainable business model. In 2025, SIPEF employed 72% of its workforce under permanent contracts and 28% under temporary contracts across its oil palm and banana operations. Temporary employment represents 34% of the workforce in Indonesia, 1% in Papua New Guinea, and 36% in Côte d'Ivoire.

EMPLOYEES BY CONTRACT TYPE



Actions

SIPEF ensures that permanent employees across its operations receive a comprehensive benefits package, which includes social security, pension, housing, medical coverage, and allowances for transport, childcare, and education. The specific benefits vary based on local regulations, company policies in each country, and the employee's work location, whether at an administrative office or an operational site.

The Group also implements measures to provide fair working conditions for temporary employees, who support seasonal and project-based activities. Where feasible, SIPEF also strives to transition temporary employees to permanent positions. In Côte d'Ivoire, temporary employees have the same benefits as permanent employees.

In 2025, a total of 3 543 employees left the organisation, resulting in an overall employee turnover rate of 15%, including both permanent and temporary employees, largely driven by voluntary departures. This represents a decrease of 6% from 21% in 2024, primarily reflecting stronger employee retention in our Indonesia operations.

Adequate wages and amenities

Agriculture is a primary source of employment in many rural areas. Fair wages and decent working conditions are therefore essential for sustaining livelihoods and economic security.

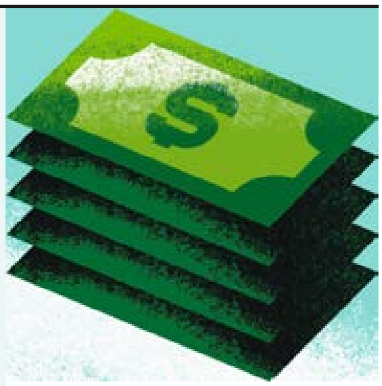
Actions

To maintain a productive workforce, SIPEF provides competitive wage and benefit packages to its employees. This includes meeting all local regulations for minimum wages and complying with RSPO, RA, and Fairtrade standards on living wage. SIPEF assesses third-party labour suppliers to ensure compliance with minimum wage laws and relevant regulations.

Many of SIPEF's employees live in rural and remote areas near its oil palm and banana plantations, where access to basic services and infrastructure may be limited. To support its workforce, SIPEF provides certain site-based provisions, such as housing and related utilities, medical care, and access to education for employees' children.

SIPEF also implements a range of initiatives across its operations to improve access to, and affordability of, food for employees and their households.

Ensuring fair and decent wages



SIPEF engages in living wage discussions through recognised platforms, such as RSPO and Fairtrade. By participating in these forums, the Group shares practical field experience to support the development of realistic and workable living wage approaches across the agricultural sector.

In Côte d'Ivoire, SIPEF subsidiary, Plantations J. Eglin, participates in a multi-stakeholder living wage initiative with trade unions, banana producing companies, and government authorities. This collaboration has contributed to the country's first national collective bargaining framework, setting out a roadmap towards a sector-wide collective bargaining agreement to improve wages and working conditions for banana workers.

SIPEF also takes part in the RSPO Living Wage Taskforce, contributing to guidance on prevailing wage calculation under the RSPO Stepwise Living Wage Strategy. This work supports improved wage measurement and progress towards living wage outcomes in the palm oil sector.

Initiatives to increase food accessibility and affordability

In **Indonesia**, permanent employees and their families receive up to 47 kg of rice per household each month. Residential compounds also include designated areas for growing food, supported by the provision of empty fruit bunches (EFB) from SIPEF mills for use as organic fertiliser.

In **Papua New Guinea**, where inflation remains high and store-bought food is costly, some plantation compounds provide land for food gardening. This supports household food access, while helping to prevent encroachment into conservation areas. Hargy Oil Palms continues to provide training to employees to improve food gardening skills.

In **Côte d'Ivoire**, all employees are given a fixed monthly subsidy for the purchase of rice. These subsidies are provided to accommodate the rising cost of food in the country.

Across **all locations**, residential areas have established local stores or canteens, run by employees or their family members. SIPEF supports these establishments by subsidising the transportation of goods or offering capital when necessary. The stores are subject to cost-control measures to ensure prices are kept locally competitive.

Annual remuneration ratio

In alignment with the European Sustainability Reporting Standards (ESRS), SIPEF discloses the annual total remuneration ratio of the highest paid individual to the median annual total remuneration of all employees in each country of operation.

The highest paid individual in each country has been excluded from each median calculation. Additionally, the data has been calculated without adjustments for job grades or specific roles and does not distinguish between administrative and field functions.

COUNTRY	2025
Remuneration ratio in local currency	
Indonesia	237.10
Papua New Guinea	130.79
Côte d'Ivoire	130.29
Belgium	6.32
Singapore	6.41

Working time and work-life balance

Fair working hours and a healthy work-life balance are essential for fostering a productive and supportive work environment. Effective scheduling and workload management ensure that employees can engage in their professional responsibilities, while also having sufficient time for rest, personal well-being, and family life.

Actions

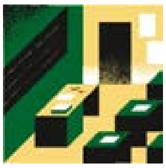
SIPEF is committed to implementing structured work schedules and responsible overtime practices that align with legal requirements and industry standards, supporting both employee well-being and operational efficiency. The Group complies with all local regulations related to working hours, maximum overtime, and overtime compensation across its operations. Piece rate targets are set to ensure minimum wage is achievable within the normal working hours. Measures are in place to prevent excessive overtime and to ensure sufficient rest periods, tailored to the specific regulatory and operational contexts of each country where SIPEF operates.

Other initiatives the Group implements to support work-life balance include improvements in scheduling practices and, where possible, increased access to education and childcare.

Soil is prepared for oil palm seedlings in a nursery at a SIPEF plantation in Indonesia.

A kindergarten classroom at SIPEF's Azaguié plantation in Côte d'Ivoire.

EDUCATION AND CHILDCARE FACILITIES IN 2025



51 SCHOOLS

43 DAY CARE FACILITIES

7 EARLY CHILDHOOD SCHOOLS

In **Indonesia**, SIPEF provides subsidised day care facilities near housing compounds where local services are limited, offering free childcare to support working parents in plantation operations.

In **Côte d'Ivoire**, SIPEF built and opened a new primary school at the Azaguié plantation in 2025 through the Fairtrade programme, expanding access to education for local children. The school is staffed by two government-assigned teachers and became fully operational in October, welcoming its first cohort of students. At the Motobé plantation, a day care centre established in 2024 continues to provide reliable, on-site childcare to support employees and their families. SIPEF will continue to assess demand and opportunities for expansion to further strengthen family support across its operations.

In **Papua New Guinea**, where formal day care services are not available, SIPEF supports the construction and registration of parent-led early childhood schools as a community-based alternative. Once registered with the government, these schools become eligible for government support and provide access for children aged five to seven years, enabling both parents to work. By 2025, seven early childhood schools had been completed, all of which have been submitted for government registration.

Targets and progress

Targets	Country	Progress 2025
WORK-LIFE BALANCE		
All existing early childhood schools submitted for registration with local authorities by 2025	Papua New Guinea	100% of early childhood schools were successfully submitted for registration.

Freedom of association and collective bargaining

SIPEF upholds the right to freedom of association and collective bargaining through the implementation of its policies and commitments. Compliance is verified through internal and external audits conducted throughout the year, ensuring adherence to national laws, regulations, and certification standards.

Actions

In locations where unions are present, SIPEF engages with union representatives through structured meetings and open communication channels to support social dialogue and address workplace concerns. While not all engagements result in formal collective bargaining agreements, they provide a platform for discussing working conditions, employee rights, and labour policies.

As of 31 December 2025, 53% of SIPEF's employees were covered by collective bargaining agreements, with full coverage in Côte d'Ivoire and Belgium, 62% in Indonesia, and 0% in Singapore and Papua New Guinea. Employees not covered by collective bargaining agreements are instead covered by contractual agreements.

Health and safety

SIPEF is committed to safeguarding the health and safety of its workforce through a robust management approach aligned with international standards. It operates a comprehensive health and safety management system covering 100% of employees, compliant with local legal requirements and in line with standards such as ISO 45001.

Actions

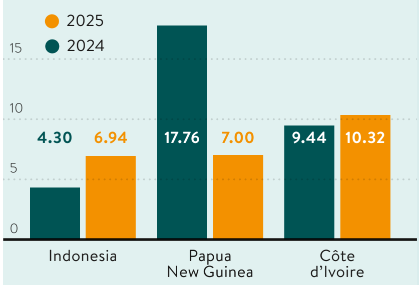
All countries have a licensed occupational health and safety officer, and each operational unit has occupational health and safety committees comprising workers and management representatives to regularly review incidents and integrate corrective actions into operations. Annual comprehensive risk assessments identify potential hazards, informing updated occupational health and safety plans and control measures based on the hierarchy of controls.

SIPEF provides regular, risk-based training tailored to job roles and local contexts. This training includes refresher courses and specialist programmes, such as safe chemical usage and defensive driving, to prevent accidents and protect workers' health and safety. Personal protective equipment (PPE) is supplied and compliance-checked daily, while annual medical examinations are offered to chemical handlers, with pregnant or breastfeeding workers reassigned to safer duties.

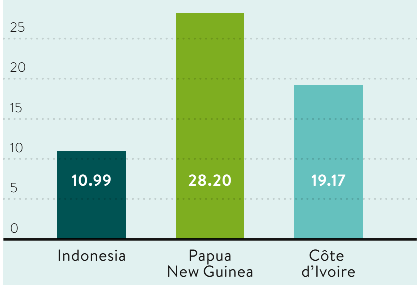
Incident investigations, internal and third-party audits, and emergency response plans for high-risk scenarios are carried out to ensure continuous improvement and preparedness across all sites. Fatalities, lost-time injury frequency rate (LTIFR), total recordable incident rate (TRIR) for own workforce, and other indicators are tracked to monitor performance.

FATALITIES

LTIFR BY COUNTRY*



TRIR BY COUNTRY



* Lost-time injury frequency rate (LTIFR) and total recordable incident rate (TRIR) are not tracked for Singapore and Belgium, as these locations consist only of administrative offices.

SIPEF reported zero fatalities in 2024 and 2025, marking two consecutive years with no fatal incidents and reflecting the Group's continued focus on strengthening safety performance across operations.

In 2025, LTIFR performance was mixed. Papua New Guinea recorded a significant improvement compared with 2024, while Indonesia and Côte d'Ivoire reported higher LTIFR levels year-on-year, indicating areas requiring additional focus. These movements should also be considered in the context of improved incident recording and more robust reporting processes across the Group, which have strengthened data completeness and consistency.

Following a review of reporting scope and data quality, new LTIFR baselines were set. The TRIR was reported for the first time in 2025, establishing a baseline for future tracking.

All three countries will continue working to reduce LTIFR by reviewing safety equipment, conducting job safety analyses to identify accident risks and strengthen risk awareness, and delivering targeted internal training. Across all operations, occupational health and safety officers and site-level committees, including worker representatives, play an active role in monitoring safety performance and tracking progress.

Clinics and medical services

To ensure a prompt response to medical needs, each operational site is equipped with a clinic staffed by trained personnel, supporting both preventive health services and emergency care. As of 2025, SIPEF operates 47 clinics across its operations in Indonesia, Papua New Guinea, and Côte d'Ivoire. Many clinics are also accessible to community members.

In Côte d'Ivoire, a medical analysis laboratory next to the Azaguié clinic provides disease screening services, particularly for malaria, to employees, their families, and nearby communities. Funded by the Fairtrade Fund, this facility was established based on priorities identified by the Fund's committee of workers' representatives. It plays a vital role in enabling early detection and timely treatment. In 2025, construction of two additional laboratories in Agboville and Motobé was approved. These facilities, scheduled for completion in 2026, will strengthen local capacity and support improved services for employees and surrounding communities.

NUMBER OF CLINICS IN 2025

INDONESIA	PAPUA NEW GUINEA	CÔTE D'IVOIRE
28	13	6

A patient visits an on-site clinic at the Azaguié plantation, established by SIPEF in Côte d'Ivoire.

Targets and progress

Targets	Country	Progress 2025
HEALTH AND SAFETY		
No work-related fatalities	Papua New Guinea Indonesia Côte d'Ivoire	Zero work-related fatalities.
Reduce LTIFR by 8.5% by 2027		Papua New Guinea reduced its LTIFR, while Indonesia and Côte d'Ivoire increased year-on-year, partly reflecting stronger incident recording and reporting across the Group.

Measures against violence and harassment in the workplace

SIPEF implements targeted measures to prevent and address workplace harassment, sexual harassment, and violence, in line with Group- and country-level policies and local operational contexts. Gender and social issues committees play a key role in raising awareness of expected behaviours, responding to reported concerns, and supporting employees through structured engagement. The effectiveness of these measures is monitored through feedback from the committees, as well as cases reported to the human resources department and via the grievance mechanism.

NO EXPLOITATION

SIPEF has a zero-tolerance policy for all forms of exploitation, including forced labour, human trafficking, and child labour, across its operations and supply chain. The Group enforces strict labour policies, conducts training and audits, mandates age verification, and applies due diligence for both its own workforce and subcontracted workers to prevent child and forced labour risks. These actions are carried out throughout the year to ensure continuous compliance. In the event of violations, immediate corrective measures, such as contract termination and disciplinary action, are applied, while support is also provided for affected workers.

Beyond prevention, SIPEF supports children's well-being by promoting access to education and childcare where viable, helping to keep children in education and reduce the risk of child labour. This approach is reinforced in SIPEF's revised Human Rights Policy, which provides greater clarity on child rights and sets out safeguards for engaging young people in learning opportunities.

DIVERSITY AND GENDER EQUALITY

Gender and age diversity

SIPEF upholds equal opportunities for all employees, applies strict non-discrimination principles across its operations, and focuses on creating a safe, supportive work environment while fostering a diverse and inclusive workplace.

Progress on gender and age diversity is monitored through key indicators, including the percentage of women in the workforce and in leadership positions, as well as workforce age distribution.

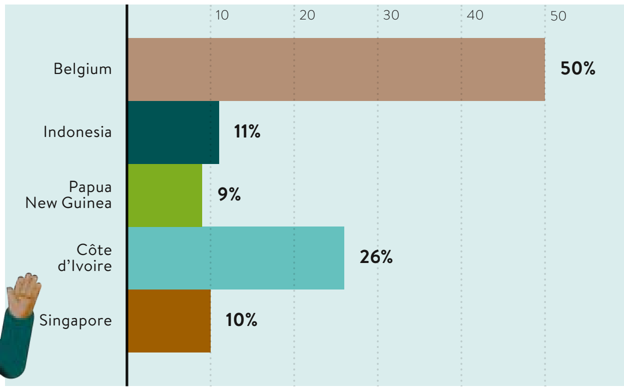
Gender equality and equal pay for work of equal value

SIPEF promotes equal opportunity and non-discrimination through awareness-raising, employee training, and established grievance mechanisms, with breaches of policy subject to disciplinary action and potential legal consequences. Gender equality and equal pay are monitored through indicators such as the gender pay gap across operations.

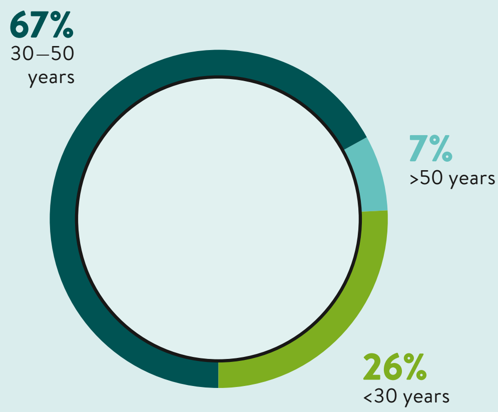
In 2025, the gender pay gap varied significantly across SIPEF's operations. The highest movement is noted in Singapore, with a 52% decrease from 2024 due to senior staff relocations. These figures reflect broader differences in workforce composition, role distribution, and seniority levels across countries.

WOMEN IN THE WORKFORCE

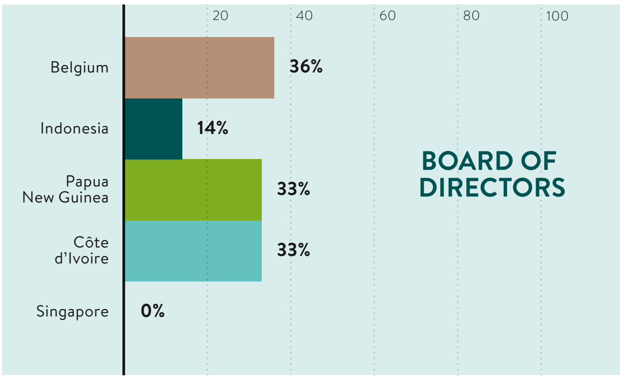
GENDER PAY GAP BY COUNTRY

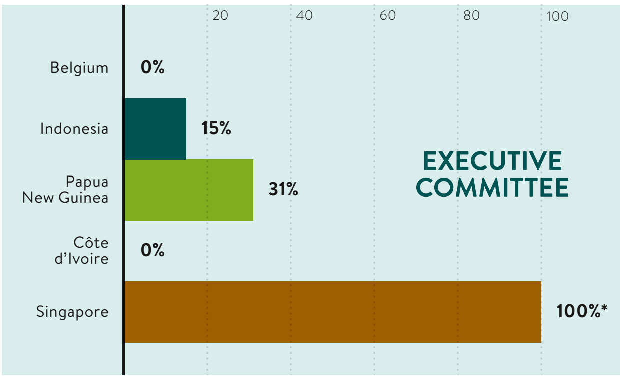


SIPEF GROUP: AGE DISTRIBUTION %

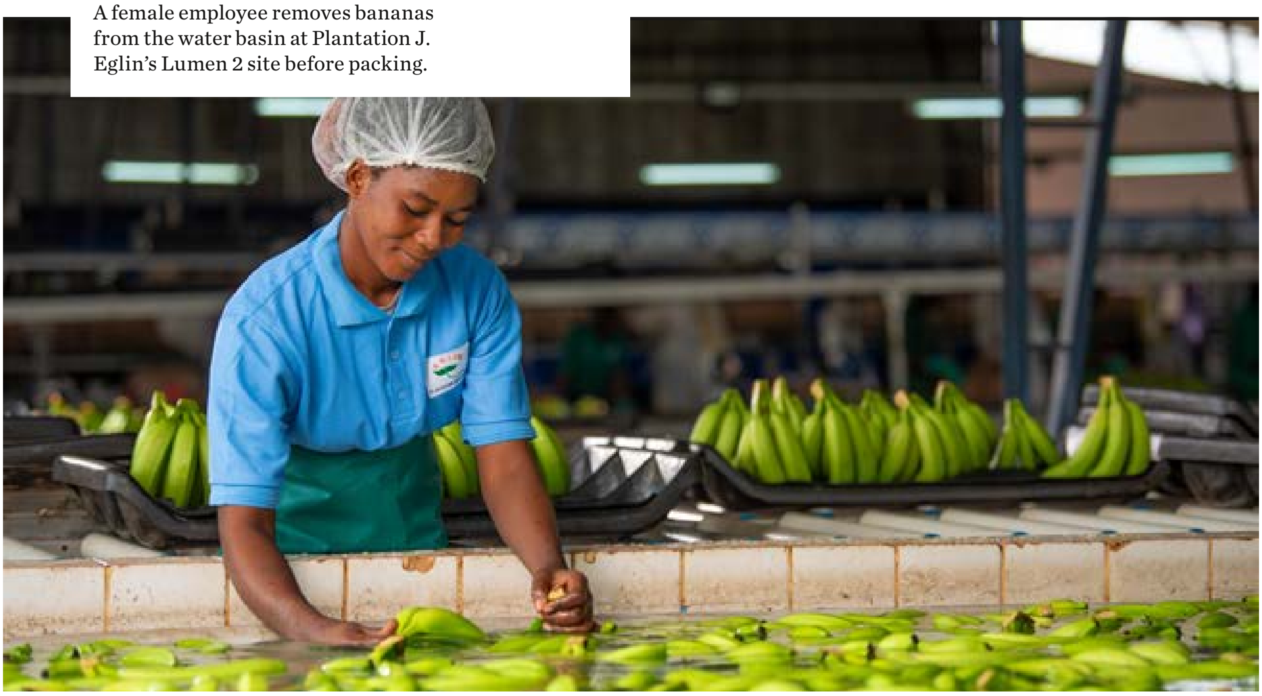


WOMEN IN LEADERSHIP





* One female member of the executive committee in the Head Office in Belgium has relocated to Singapore.



A female employee removes bananas from the water basin at Plantation J. Eglin's Lumen 2 site before packing.

Actions

To advance both diversity and gender equality, gender committees and their equivalents have been established across SIPEF's operating units and head offices in each country of operation. They meet to address challenges, including equal opportunities, participation in decision-making, prevention of sexual harassment, and women's health, safety, and reproductive rights.

SIPEF also supports inclusive professional development through upskilling, apprenticeships, tertiary education programmes, and gender-inclusive technical training, enabling women to enter roles traditionally held by men, such as harvesting, ablation, tractor driving, machinery operation, and technical trades.

Female harvesters and ablation workers in Indonesia

In 2025, SIPEF expanded its workforce diversity programme, with South Sumatra joining for the first time and adding fifteen newly trained female harvesters. This brought the total to 129 full-time female employees trained and employed across North Sumatra, Bengkulu, and South Sumatra to carry out ablation and harvesting in maturing replanted oil palm areas. All selected employees receive training covering harvesting and ablation tasks, including the correct and safe use of harvesting tools and related equipment.

These efforts reflect SIPEF's commitment to equal employment opportunities and represent a meaningful step towards greater gender equality and inclusive growth in the palm oil industry.

Cadet and apprentice programmes

In Indonesia and Papua New Guinea, SIPEF runs cadet programmes that train college graduates for middle-management roles in palm oil operations. While female participation remains limited, SIPEF actively encourages women to apply. In 2025, 53 new cadets were recruited in Indonesia, of whom 40% were female.

In Papua New Guinea, Hargy Oil Palms also operates a well-established apprentice programme focused on technical field skills, such as construction and workshop operations. The programme supports practical skills development and contributes to building a more inclusive technical workforce. In 2025, eleven new apprentices were recruited, of whom 9% were female.

Morning muster at the Azaguié-plantation of Plantations J. Eglin in Côte d'Ivoire, where employees are briefed before daily field and packing activities.

EMPLOYEE ENGAGEMENT AND TALENT MANAGEMENT

SIPEF's strategy relies on attracting, retaining, and effectively managing skilled and motivated employees across its geographies, particularly in labour-intensive and remote plantation operations. Its talent strategy supports this through strong leadership, internal development and succession planning, stable human resources practices, continuous learning and development, and performance-linked rewards and recognition.

SIPEF engages its workforce through daily communication, regular training, structured dialogue with unions, and accessible grievance channels, ensuring that employee feedback and concerns are integrated into operational decision-making across all sites.

Training and skills development

SIPEF is committed to providing targeted training initiatives that strengthen workforce capabilities and contribute to a safer, more skilled, and resilient workforce.

Actions

Across its operations, the Group implements structured training programmes to enhance skills, support career development, reduce workplace risks, and ensure compliance with company policies, as well as regulatory and certification requirements. Programmes are tailored to local contexts and workforce needs, both in terms of content and frequency.

In 2025, a total of 57 841 hours of formal training were delivered across the Group. On average, men received more training hours than women, largely because the highest number of training hours are linked to technical field roles, which are predominantly held by men. These figures include only formal training sessions conducted by the training departments and do not cover training delivered by management teams within SIPEF's operational units.

AVERAGE TRAINING HOURS	2024	2025
Female	2.24	1.75
Male	2.54	2.63

2. WORKERS IN SIPEF'S VALUE CHAIN

This section describes the workers in SIPEF's value chain identified as material to its operations. While the primary focus is on smallholders in the Group's palm oil value chain, health and safety impacts have also been identified as material for logistics partners, including those covering land transportation and shipping, across SIPEF's palm oil and banana value chains. A full view of SIPEF's palm oil and banana value chains can be viewed in the company report.

Further details on the basis for preparation, methodologies, and assumptions are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5.

SIPEF employees at the Port of Bialla in Papua New Guinea.

Upstream value chain

SMALLHOLDERS

SIPEF's upstream value chain predominantly comprises smallholders who supply fresh fruit bunches (FFB) to SIPEF's palm oil operations in Indonesia and Papua New Guinea. These smallholders are an important part of SIPEF's supply chain and support the Group's goal of achieving a 100% traceable and RSPO certified supply base. SIPEF's banana operations do not engage with smallholder suppliers.

Upstream and downstream value chains

SIPEF is evaluating how best to develop its approach with logistics partners. Consequently, engagement on sustainability-related matters remained limited in 2025.

LOGISTICS – LAND TRANSPORTATION

SIPEF uses its own fleet and contracted transport providers to deliver FFB to mills and to transport post-mill palm products, including crude palm oil (CPO), palm kernels (PK), and palm kernel oil (PKO), to the point of sale.

In the banana supply chain, SIPEF's subsidiary, Plantations J. Eglin, manages transportation from packing stations to terminals under free on board (FOB) terms. SIPEF then oversees transportation up to the agreed delivery point, after which customers handle the downstream transport.

LOGISTICS – SHIPPING

SIPEF relies on global shipping partners for the international transport of its bananas, as well as palm oil products from Papua New Guinea. Palm oil products from Indonesia are sold to domestic refiners, who manage their own logistics and distribution from the point of sale.

SIPEF'S SMALLHOLDER PROGRAMMES

SIPEF has established a range of programmes to support the various types of oil palm smallholders the Group works with. These smallholders, also referred to as third-party suppliers, are selected according to clear criteria.

SIPEF sources only from suppliers with whom it has an agreement, whose production locations are known and mapped, and who comply with its policies. These suppliers are primarily scheme smallholders and are either already RSPO certified or working towards certification within the Group's RSPO Time Bound Plan.

In Indonesia, the Group also engages with independent smallholders who are not yet part of its supply base, aiming to support their RSPO certification and, where possible, their inclusion in SIPEF's certified sustainable supply chain. SIPEF is committed to achieving 100% Indonesian Sustainable Palm Oil (ISPO) certification for all its scheme and independent smallholders by 2029.

SMALLHOLDERS SUPPLYING TO SIPEF IN 2025

Group

20 903
hectares planted
Scheme smallholders
89% RSPO certified

52
hectares planted
Independent smallholders
100% RSPO certified

Indonesia

- **SCHEME:** 1 861 *Koperasi* smallholders and 50 villages of which 63% in both categories are RSPO certified
- **INDEPENDENT:** 26 smallholders, of which 100% are RSPO certified

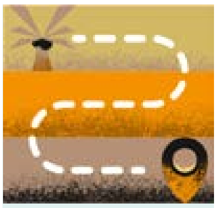
Papua New Guinea

- **SCHEME:** 3 640 associated smallholders, of which 100% are RSPO certified

SMALLHOLDER SUPPORT PROGRAMMES

TRAINING

CERTIFICATION SUPPORT



MAPPING AND TRACEABILITY

SEED SUPPLY

SCHEME SMALLHOLDERS AND INDEPENDENT SMALLHOLDERS

SMALLHOLDER COOPERATIVES *(Koperasi):* under this programme, SIPEF works with smallholder cooperatives in Indonesia, managing the production areas on behalf of cooperative members who entrust their land to SIPEF for cultivation.

VILLAGE SMALLHOLDERS *(Kebun Masyarakat Desa):* under this programme, SIPEF works with surrounding villages in Indonesia to develop small oil palm blocks, which are fully managed by the Group.

ASSOCIATED SMALLHOLDERS: smallholders own and manage their land and production, but due to their geographic location, they are linked to SIPEF's supply chain. They sell to Hargy Oil Palms' mills, which are located near the smallholders' operations. All Hargy Oil Palms-associated smallholders in Papua New Guinea are RSPO certified.

INDEPENDENT SMALLHOLDERS: these smallholders manage their own land and have the option to sell to SIPEF, depending on their commitment and progress toward RSPO certification.

SIPEF requires all FFB suppliers, who are exclusively smallholders, to comply with its Responsible Plantations Policy and Responsible Purchasing Policy, the former setting out SIPEF's key sustainability policies and commitments, and the latter serving as the Group's supplier code of conduct, including a core commitment to achieving 100% RSPO certification. The RSPO Principles and Criteria (P&C) set clear requirements for fair and transparent engagement with smallholders, promoting secure livelihoods, stronger partnerships, and greater inclusion in sustainable palm oil supply chains.

SIPEF directly engages with the smallholder suppliers participating in its programmes through its dedicated smallholder departments. These departments serve as the first point of contact, regularly providing technical assistance, training, and comprehensive compliance support. Their work helps smallholders improve yields, reduce production costs, and adopt sustainable agricultural practices, including advancing toward RSPO certification.

The smallholder departments oversee the delivery of these activities and provide regular oversight and coordination across the relevant smallholder programmes. They work closely with regional teams to ensure consistent implementation, monitor progress, and address operational issues. Governance and accountability are maintained through established management reporting lines and regional oversight structures.

During training sessions, smallholders can provide feedback and engage with teams to voice their needs and concerns, including those of more vulnerable groups, such as women smallholders. Feedback is then incorporated into the development of training programmes.

SMALLHOLDER LIVELIHOODS AND INCLUSION

Smallholders often face compliance-related challenges arising from increasing market demands, such as more stringent quality and sustainability requirements, which can affect their ability to secure stable livelihoods.

A smallholder stands beside freshly harvested oil palm FFB in Papua New Guinea, where smallholders contribute approximately 40% of the volumes processed at Hargy Oil Palms' mills.

Adequate income also remains an important consideration for smallholders, particularly in rural areas with limited job opportunities. Fluctuating yields and rising costs can create financial pressure, especially for those supporting multiple household members. This is especially relevant in Indonesia and Papua New Guinea, where palm oil is often the primary source of livelihood.

Smallholder support in Indonesia

All scheme smallholders supplying SIPEF have been certified, except for smallholders supplying Agro Kati Lama, Agro Muara Rupit, and Agro Rawas Ulu in Musi Rawas.

In 2025, SIPEF marked a key milestone in its smallholder inclusion efforts by supporting the RSPO certification of two independent cooperatives in Indonesia, representing 314 smallholders and approximately 1 270 hectares. These producers are now eligible for integration into SIPEF's certified supply chain in North Sumatra.

SIPEF supports smallholders through structured cooperative and village-based programmes, providing direct management, financial assistance, and access to quality inputs. These programmes help enhance productivity and income security through agronomic support, logistical assistance, and structured pricing mechanisms.

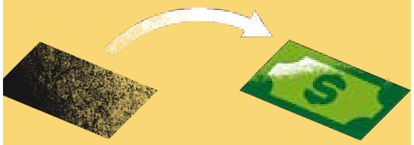
To ensure fair and transparent pricing, SIPEF applies local FFB pricing formulas that align with market conditions. Additionally, smallholders receive advanced monthly payments during the immature phase of plantation development, allowing them to maintain financial stability before their crops become productive. These payments, along with development costs, are gradually recovered through a structured purchase agreement, ensuring a sustainable, long-term supply partnership.

AGRONOMIC AND LOGISTICAL SUPPORT

Direct management and quality inputs to boost productivity

FAIR AND TRANSPARENT PRICING

Fresh fruit bunches pricing set by the government linked to world market benchmarks



ADVANCED PAYMENTS

Early monthly payments to support smallholders until crops become productive

DEVELOPMENT COSTS GRADUALLY RECOVERED

Payments, along with development costs, are gradually recovered through a structured purchase agreement, ensuring a sustainable, long-term supply partnership.

Actions

Through its smallholder programmes, SIPEF supports smallholders by sharing Best Management Practices, providing seedlings of the same provenance as SIPEF's at cost price, supplying fertiliser and equipment, assisting with obtaining and maintaining RSPO certification, and offering agronomic and logistical support for crop transport.

Smallholder support in Papua New Guinea

All smallholders working with Hargy Oil Palms and supplying its three mills have maintained RSPO certification since 2009.

Hargy Oil Palms engages with associated smallholders to enhance productivity and financial stability, providing agronomic training, logistical assistance, and RSPO certification support. Additionally, financial literacy training is offered to help smallholders manage income effectively and improve long-term financial security.

As part of its commitment to fair compensation, Hargy Oil Palms purchases FFB at global market prices in accordance with a government formula.

The company also grants smallholders an annual bonus, calculated based on the total sustainability premiums received and allocated proportionally to the FFB supplied by each smallholder. The annual sustainability bonus paid to smallholders in 2025 was PGK 3 614 023.

Hargy Oil Palms works with smallholders both directly and through a local planning committee, which ensures that their concerns are voiced and addressed. The committee comprises representatives from the Oil Palm Industry Corporation (OPIC), the Bialla Oil Palm Growers Association (BOPGA), the Oil Palm Research Association (OPRA), and Hargy Oil Palms.

RSPO CERTIFIED SMALLHOLDERS
All smallholders supplying Hargy Oil Palms' three mills have been certified since 2009

FAIR FFB PRICING
Fresh fruit bunches are purchased from smallholders at global market prices using a government formula

ANNUAL SUSTAINABILITY PREMIUMS
The annual bonus provided to smallholders is based on the total sustainability premiums received

Hargy Oil Palms supports smallholder productivity and financial stability through agronomic training, logistical assistance, RSPO certification support, financial literacy training, and sustainability premiums.

To help manage material impacts related to secure livelihoods and adequate wages and income, SIPEF supports smallholders by helping them to improve yields, ensuring fair financing and pricing, offering transparent payment terms, providing capacity building and access to inputs and resources, and facilitating access to markets and premium opportunities through sustainability certification.

Direct and indirect support for smallholders in Papua New Guinea

HARGY OIL PALMS

LOCAL PLANNING COMMITTEE

HARGY OIL PALMS
- → Oil Palm Industry Corporation
- → Bialla Oil Palm Growers Association
- → Oil Palm Research Association
- → East Nakanai Local Level Government

Oil Palm Industry Corporation

Oil Palm Research Association

DIRECT SUPPORT:
- → smallholder crop collection
- → road and bridge maintenance for crop collection
- → interest-free loans for tools, fertiliser, and seedlings
- → management, procurement, and supply of fertiliser
- → management of pest control teams for project areas

SUPPORT PROVIDED:
- → research and development
- → agronomic services
- → training and education
- → community development projects

Annual contribution to capacity building and research

SIPEF and the smallholders associated with Hargy Oil Palms invest in capacity building and research initiatives aimed at consistently increasing smallholder yields over time. In 2025, these investments collectively amounted to a total of PGK 4 300 345.

SIPEF's investments are allocated to Hargy Oil Palms' direct smallholder support initiatives. Smallholders' contributions are channelled into OPRA, OPIC, and BOPGA. This entitles the smallholders to access the development services offered by these organisations, as well as extension and research support.

An extension officer from Hargy Oil Palms' smallholder department visits a smallholder during a routine block inspection in Papua New Guinea.

Targets and progress

Targets	Country	Progress 2025
RSPO CERTIFICATION		
SCHEME SMALLHOLDERS: By 2030, 100% of scheme smallholders to be RSPO certified (Agro Kati Lama, Agro Muara Rupit and Agro Rawas Ulu)	Indonesia	89% of the total scheme smallholder planted area within SIPEF's supply base is RSPO certified.
INDEPENDENT SMALLHOLDERS: By 2029, nineteen cooperatives of independent smallholders to be RSPO certified	Indonesia	Two cooperatives of independent smallholders achieved RSPO certification in 2025.
ISPO CERTIFICATION		
By 2029, all scheme and independent smallholders to be ISPO certified	Indonesia	New target set in 2025.

TRAINING AND SKILLS DEVELOPMENT

SIPEF recognises that training and skills development are essential for worker safety, productivity, and the long-term success of smallholders. Without adequate training, smallholders face greater safety risks and may struggle to meet sustainability standards, implement Best Management Practices, and access premium markets. Progress is tracked by the smallholder teams through participation rates and attendance records.

Actions

Indonesia

SIPEF is primarily supplied by scheme smallholders, whose production areas are managed by Tolan Tiga Indonesia and are subject to the same training and compliance requirements as SIPEF's own operations, in line with RSPO standards. In 2025, SIPEF also trained twenty independent smallholder groups to strengthen awareness of its policies and requirements and to assist their preparation for RSPO certification.

Papua New Guinea

SIPEF conducts an intensive, year-round training programme for associated smallholders in Papua New Guinea. Each session focuses on one or two topics, allowing for in-depth discussions and improved knowledge retention. Multiple meetings are held in the same area throughout the year, covering interrelated subjects, with key topics revisited to reinforce learning.

In 2025, Hargy Oil Palms conducted 623 training sessions, reaching 12 106 participants on topics including RSPO certification, Best Management Practices, fertiliser application, crop quality, land management, pest control, chemical requirements, and FFB price calculations. Training engagement increased, with 80% of smallholder blocks reached at least once in 2025, compared to 77% in 2024.

Targets and progress

Targets	Country	Progress 2025
TRAINING ON RESPONSIBLE PURCHASING POLICY		
Training on Responsible Purchasing Policy for twenty independent smallholder groups in Indonesia by 2025	Indonesia	Twenty independent smallholders groups completed trainings in 2025.
Training on Responsible Purchasing Policy for all scheme smallholders in Papua New Guinea by 2026	Papua New Guinea	Coordination to support the rollout of smallholder training schemes commenced in 2025.

HEALTH AND SAFETY

SIPEF is committed to ensuring safe working conditions for smallholders supplying its mills and implements training and monitoring measures. These measures ensure that health and safety practices align with RSPO standards, as well as with SIPEF's Responsible Purchasing Policy and Occupational Health and Safety Policy.

Actions

SIPEF supports and monitors smallholder health and safety through regular training, inspections, and audits. Training covers PPE use, pesticide application, and safe handling of fertilisers, with compliance checked through routine inspections. Where applicable, compliance is verified through third-party RSPO audits, and similar measures also apply to smallholders who have yet to achieve RSPO certification.

Additionally, scheme smallholders in Indonesia, whose production areas are managed by SIPEF, follow the same requirements and monitoring procedures as the Group's own operations, in line with RSPO and ISPO standards.

NO EXPLOITATION

While SIPEF prohibits child labour in its operations, the Group recognises potential risks among its smallholders, particularly in Indonesia and Papua New Guinea, where social and economic factors may increase vulnerability. To mitigate these risks, SIPEF enforces strict monitoring and compliance measures to prevent child labour within its smallholder supply base. These measures include regular audits, age verification during screening procedures, and training and awareness programmes.

Additionally, SIPEF's grievance mechanism is available to all stakeholders, including smallholders and their workers, to report concerns related to child labour, ensuring transparent resolution and accountability. Together, these measures ensure compliance with SIPEF policies, national laws, and RSPO requirements.

A nursery worker tends to oil palm seedlings in Papua New Guinea.

Community members selecting fresh produce from a local farmer in Indonesia.

3. AFFECTED COMMUNITIES

SIPEF recognises that communities depend on land, natural resources, and healthy ecosystems to sustain their livelihoods. It therefore works to protect community rights by respecting legal, customary and land use rights, particularly those of Indigenous peoples, and by applying Free, Prior, and Informed Consent (FPIC), alongside broader human rights safeguards. SIPEF also strives to avoid environmental harm that could affect the well-being of local communities. These commitments are set out in its Responsible Plantations Policy, Responsible Purchasing Policy, and Human Rights Policy.

The types of communities affected by material impacts and included in scope are:

- **Local communities:** communities living near or within SIPEF's operating sites who may be affected by operational activities, including areas where land ownership conflicts could arise
- **Indigenous peoples:** inheritors and practitioners of unique cultures and ways of relating to people and the environment, who maintain social, cultural, economic, and political characteristics distinct from those of the dominant societies in which they live

SIPEF engages directly with affected communities or their legitimate representatives throughout the lifecycle of its operations. Engagement is tailored to the local context and includes participatory land-use planning, community consultations, and grievance mechanisms.

Community engagement is led by regional sustainability teams, with oversight from the Group's head of sustainability, who reports to the executive committee. This structure ensures that engagement is systematic, context-sensitive, and informs decision-making at the highest level. A separate community engagement department has also been established by Hargy Oil Palms in Papua New Guinea to focus on addressing community-related issues.

Further details on the basis for preparation, methodologies, and assumptions are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5.

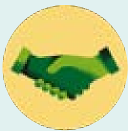
COMMUNITY RIGHTS

Actions

Before any new development in Indonesia and Papua New Guinea, SIPEF undertakes a structured, participatory, and transparent process to secure FPIC of local communities, in line with RSPO requirements. This process is designed to ensure that the Group respects land and resource rights, and that individuals have the right to representation, to withhold consent, and to receive compensation where applicable.

Social impact assessments are conducted in line with the RSPO's New Planting Procedure (NPP), alongside High Conservation Value and High Carbon Stock Approach (HCV-HCSA) assessments. These processes evaluate actual and potential social impacts and involve community members in designing any required mitigation or management plans. External experts are engaged to carry out FPIC and social impact assessment processes.

SIPEF'S APPROACH TO SUSTAINABLE LAND USE AND COMMUNITY RIGHTS



ONGOING ENGAGEMENT

Prioritise ongoing engagement with landowners to ensure that concerns are identified early and addressed appropriately, while upholding legitimate land use and respecting both statutory and customary tenure rights.

MONITORING

Monitoring and oversight of management plans are carried out through internal checks and third-party audits led by regional sustainability teams and certification bodies.

In addition to assessments related to new developments, SIPEF's regional sustainability teams also regularly engage with local communities through social impact assessments and consultations as part of ongoing operational monitoring. These activities occur at least annually, or more frequently if concerns arise.

RESPONSIBLE LAND AND RESOURCE RIGHTS MANAGEMENT

Before any new development, SIPEF initiates a structured, participatory, and transparent process to secure FPIC from local communities. This ensures legitimate land use that respects statutory and customary tenure rights. The FPIC process ensures communities can withhold consent.

ADDRESSING LAND AND RIGHTS ISSUES

SIPEF's grievance mechanism enables local and Indigenous communities to raise concerns related to land rights or other issues. In cases of land disputes, participatory mapping is used to identify the area in question, and the process includes documenting compensation agreements in line with FPIC principles.

Entrance of the Lumen 1 site of Plantations J. Eglin in Côte d'Ivoire.

In Cote d'Ivoire, land acquisitions have been limited to previously cultivated plantation areas under long-established lease agreements, and the potential for significant impacts is mitigated through the implementation of management measures outlined in SIPEF's environmental impact assessments. Operations prioritise ongoing engagement with landowners to ensure that concerns are identified early and addressed appropriately, while upholding legitimate land use and respecting both statutory and customary tenure rights.

COMMUNITY DEVELOPMENT

SIPEF carries out participatory land-use planning with local communities prior to new developments as part of the FPIC process. During this process, food and water provisioning needs are assessed, and key areas for food production are identified and mapped. All areas important for growing food are excluded from any future development plans. SIPEF also initiates community development projects across its operations to support local communities and strengthen their livelihoods.

Community development projects in Papua New Guinea, Indonesia, and Côte d'Ivoire

INDONESIA

Initiatives to increase alternative livelihoods

Under the SIPEF Biodiversity Indonesia (SBI) programme, SIPEF supports 376 farmers from nearby communities through technical assistance and the provision of seedlings to establish food gardens and tree crops. The initiative aims to diversify incomes while promoting forest protection within SBI's 12 656 hectare conservation area. In 2025, SIPEF supported four farmer groups, representing 102 farmers, to register with the Indonesian Ministry of Environment and Forestry. Two groups were approved, while two are still awaiting provincial approval.

PAPUA NEW GUINEA

New Britain Sustainable Landscapes Initiative (NBSLI)

SIPEF is developing partnerships to protect a forest habitat located in a volcanic caldera at the edge of its production landscape, while supporting alternative livelihoods for surrounding communities. Key activities include identifying traditional landowners, participatory mapping of conservation-priority zones, and promoting locally relevant, conservation-compatible income opportunities. The programme aims to strengthen community resilience while safeguarding a unique ecosystem, and to serve as a replicable model for responsible collaboration between business, communities, and nature.

PAPUA NEW GUINEA

Empowerment of youth and marginalised groups

SIPEF invests in youth empowerment and livelihood initiatives in communities affected by land-use constraints. Led by the community engagement department, youth engagement is a central focus of these efforts. Hargy Oil Palms' youth programme mobilises young people through community service activities, financial literacy training, and vocational skills development to improve employability. The programme also supports youth groups in registering as formal associations, enabling them to open corporate bank accounts and become eligible for contract work.

The community engagement department currently supports 21 youth groups across its operational areas. Progress is monitored through regular field assessments conducted by community engagement, sustainability, and smallholder teams in Papua New Guinea, as well as through feedback from youth leaders and community representatives.

CÔTE D'IVOIRE

Fairtrade projects

Since achieving its first Fairtrade certification in 2019, Plantations J. Eglin has worked with employee unions to allocate the Fairtrade Premium from banana sales to support employee-led community projects. The Fairtrade Premium is an additional payment on top of the price for Fairtrade-certified products, intended for workers to invest in social, economic, and environmental development initiatives that benefit their communities.

Across all locations, residential areas have local stores or canteens operated by employees or their family members. SIPEF supports these businesses by subsidising the transportation of goods and providing capital where needed. Cost-control measures are also applied to help ensure prices remain competitive within the local context.

Classrooms for schools have also been built to serve surrounding communities, alongside accommodation for teachers, to improve access to education in remote areas. These facilities were subsequently handed over to the local government for operation and management.

COMMUNITY INVESTMENTS BY PLANTATIONS J. EGLIN IN 2025

EDUCATION

Constructed and opened a new school at the Azaguié plantation, which has welcomed its first cohort of students and is also accessible to the local community. The company also built a school canteen at the public school in Motobé village. This supports child nutrition and improves learning conditions by helping students attend school regularly and concentrate better in class.

HEALTH AND SAFETY

Purchased a new ambulance for the Akoudié plantation, enhancing emergency response capacity and access to timely healthcare for employees and surrounding communities.

TRAINING

Provided literacy training to 317 workers with no prior reading or writing skills, equipping them with basic literacy foundations. In addition, income-generating training on poultry farming techniques was delivered to 515 workers, enabling them to create an additional livelihood, as well as household income opportunities by establishing their own poultry farms.

4. CONSUMERS AND END USERS

SIPEF stands out for its leadership in supplying fully traceable and high-quality palm oil products and bananas, with a commitment to achieving 100% sustainability certification. While these products are ultimately used in consumer markets, end users are not included in the scope of this disclosure because SIPEF does not manufacture or distribute finished consumer goods. The Group's role is limited to the upstream supply of raw materials, which are further processed and incorporated into consumer products by downstream entities. Within this context, this section describes SIPEF's approach to sustainability certification, traceability, and product quality for its direct customers.

Guided by the Group's Responsible Plantations Policy, SIPEF aims to deliver reliable and transparent information while protecting privacy, and to uphold rigorous quality standards to safeguard health and safety.

The Group also adheres to all applicable regulatory requirements set by destination markets and authorities, including those of the European Food Safety Authority (EFSA). Through its Human Rights Policy, SIPEF is committed to respecting the human rights of all individuals across its upstream and downstream value chain. It also expects customers and other parties directly linked to its operations, products, and services to respect human rights in line with this policy.

SIPEF engages regularly with direct customers, including palm oil refiners and banana ripeners and retailers, to address consumer-related objectives, such as minimising contamination risks from 3-monochloropropane-1,2-diol (3-MCPD), mineral oil saturated hydrocarbons (MOSH), and mineral oil aromatic hydrocarbons (MOAH), which are key concerns in the European edible oils sector. Customer engagement is led by the marketing department for palm oil and the fruits department for bananas. These departments ensure that customer insights inform SIPEF's quality management approach and market compliance strategies.

Further details on the basis for preparation, methodologies, and assumptions used for the reported metrics are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5. For information on processes to remediate negative impacts, please refer to the good business conduct section.

ACCESS TO QUALITY INFORMATION

Transparency is central to SIPEF's approach to quality information. It is underpinned by reliable sustainability reporting, which informs decision-making, supports risk management, and builds trust with customers and stakeholders. Traceability further strengthens transparency by improving visibility across the supply chain and among business partners, ensuring compliance with sustainability commitments and regulatory requirements, and enabling informed choices throughout global value chains.

PALM OIL TRACEABILITY AT SIPEF

FULL TRACEABILITY

- SIPEF maintained 100% traceability in 2025, with all volumes sold traceable to their place of production, either a SIPEF-managed estate or a mapped smallholder plot.
- Nine out of ten mills are RSPO certified: eight Identity Preserved (IP) and one Mass Balance (MB). The remaining newly commissioned mill is being prepared for certification.
- SIPEF's two kernel crushing plants, managed by Hargy Oil Palms in Papua New Guinea, are 100% RSPO certified under the Segregated (SG) supply chain model, with all supply bases fully mapped.
- SIPEF's palm oil mills source exclusively from company-owned plantations and from smallholders whose production locations are known and mapped.

RSPO TRACEABILITY SUPPLY CHAIN

As an RSPO member, SIPEF uses *prisma*, RSPO's certification, trade, and traceability system, to track certified volumes across the supply chain, using recognised models:

IDENTITY PRESERVED

Roundtable on Sustainable Palm Oil certified material originates from a single certified mill and its supply bases and is kept physically separate throughout the supply chain.

SEGREGATED

Roundtable on Sustainable Palm Oil certified material may come from different certified IP sources but is kept physically separate from non-certified material throughout the supply chain.

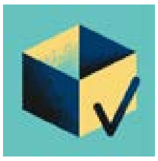
MASS BALANCE

Roundtable on Sustainable Palm Oil certified and non-certified palm oil may be mixed at any stage in the supply chain, provided that the overall site quantities of certified material are controlled.

As traceability and compliance expectations increase, SIPEF prioritises data privacy to maintain trust and ensure the application of ethical business practices, particularly in dealings with smallholders. SIPEF implements data protection measures to safeguard smallholder information and ensure compliance with evolving traceability requirements. Sensitive data, including land parcel details, financial information, and agreements or memorandums of understanding, is held within relevant departments and accessible only to designated staff, with databases protected by login-restricted access.

To support European Union Deforestation Regulation (EUDR) compliance and transparency, SIPEF continually enhances its GeoSIPEF platform by strengthening monitoring capabilities and enabling secure data sharing. This includes a customer login portal that allows shipments to be traced in real time to plot-level sources, together with corresponding proof of legality.

GEOSIPEF INTERACTIVE MAPPING PLATFORM



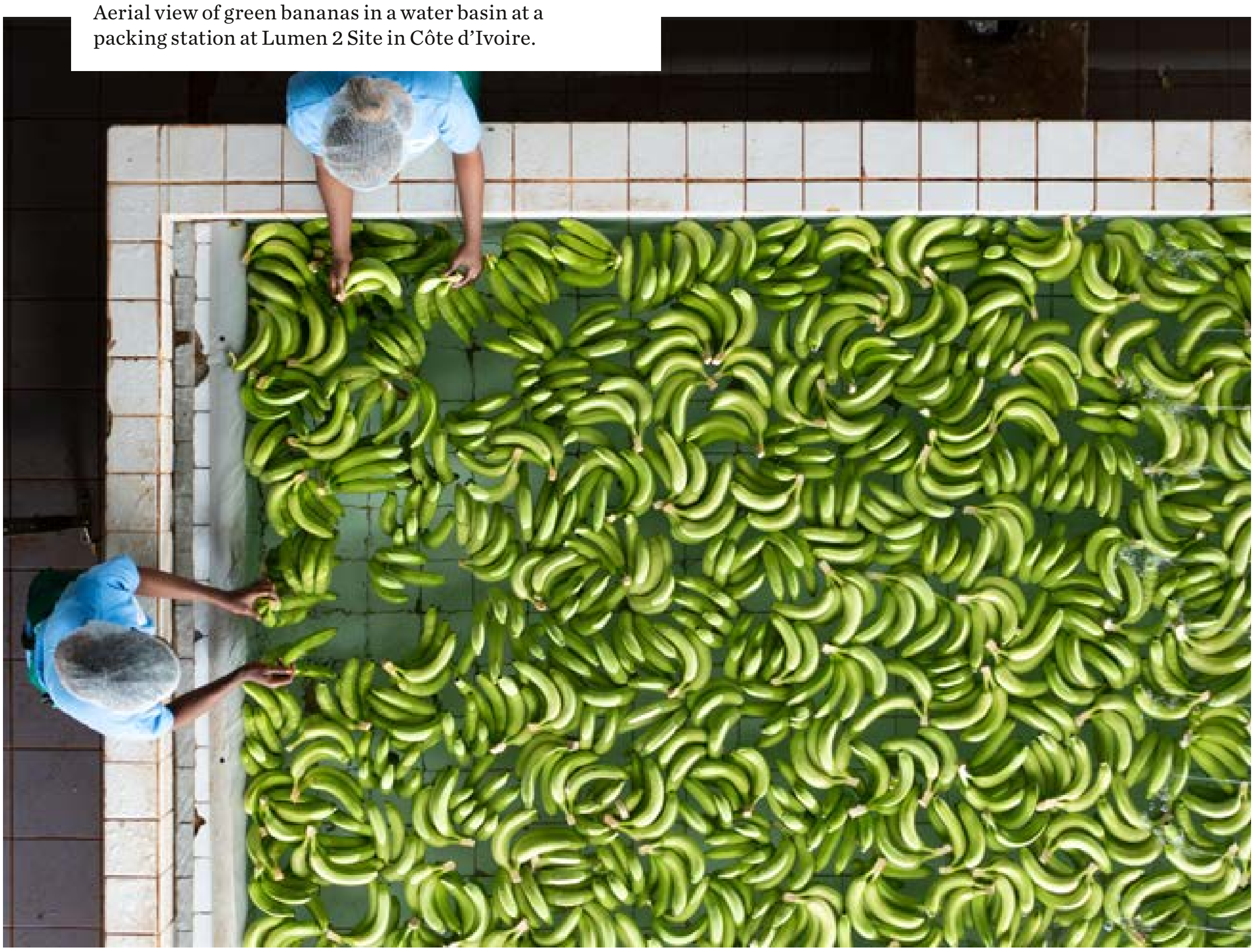
CERTIFIED VOLUMES
Displays sustainability certified volumes per mill

FIRE AND DEFORESTATION MONITORING
Provides map layers for monitored fire and deforestation incidents

DEDICATED CUSTOMER PORTAL
Offers advanced traceability insights that enable customers to track their purchased volumes securely

DATA PROTECTION
Databases are securely protected with restricted access to selected data

Aerial view of green bananas in a water basin at a packing station at Lumen 2 Site in Côte d'Ivoire.



100% traceable banana supply

In 2025, SIPEF maintained 100% traceability for all banana volumes sold.

All banana plantations and packing stations at Plantations J. Eglin, SIPEF's subsidiary in Côte d'Ivoire, are certified under the IP supply chain model in accordance with Rainforest Alliance certification requirements. Traceability is ensured through unique traceability numbers, enabling SIPEF to track each shipment — including each box — back to its origin, from the packing station to the production plot. In parallel, a new traceability system is being tested to enhance the current system. The company is also fully certified under GLOBALG.A.P. and Fairtrade, confirming compliance with the traceability requirements of these standards.

Transparency in reporting

SIPEF reports annually on its sustainability progress, aiming to enhance transparency and align its disclosures with evolving sustainability standards. Since 2024, the Group has reported in accordance with the European Union (EU) Corporate Sustainability Reporting Directive (CSRD) and its sustainability statement has undergone external limited assurance, further enhancing the credibility and accuracy of the disclosed information.

SIPEF also participates in sustainability ratings and benchmarks relevant to its operations, such as SPOTT, CDP, and Forest 500. These assessments are used to identify areas for improvement, support strategic decision-making, and progressively enhance transparency practices.

In 2025, Forest 500 ranked SIPEF 1st out of 500 companies, with a score of 84%, reflecting a significant improvement in its overall assessment. This increase follows earlier engagement with the assessor regarding the expanded assessment scope, which included additional forest-risk commodities such as rubber, cocoa, and coffee. As SIPEF neither produces nor is involved in these commodities within its supply chain, the Group clarified this to the assessor, resulting in a more accurate reflection of its activities in the 2025 assessment.

Further information is available via https://forest500.org.

BENCHMARK SCORES IN 2025

FOREST 500

1st

out of 500 companies in 2025

SIPEF achieved a score of 84% in 2025, a score increase of 38% from 2024.

www.forest500.org

SPOTT

12th

out of 100 palm oil companies in 2025

SIPEF achieved a score of 91.8% in 2025, up from 88.8% in 2024, reflecting continued year-on-year improvement.

www.spott.org/palm-oil

CDP

B Forests (Management)

C Climate change (Awareness)

out of 100 palm oil companies in 2025

SIPEF has maintained steady progress in its 2025 disclosure performance, with scores holding firm compared with 2024. Climate change remains at 'C', demonstrating continued awareness and a solid foundation for improvement, while Forests stays at 'B', reflecting sustained management practices.

www.cdp.net

HEALTH AND SAFETY OF CONSUMERS AND END USERS

Consumer health and safety is a fundamental priority for SIPEF, with food safety and quality ensured from the agricultural production level through rigorous controls on product quality, safe handling, contaminant management, and residue control.

Actions

While SIPEF's products undergo further processing, distribution, and regulatory checks before reaching end markets, the Group remains committed to protecting product integrity at every stage under its oversight through robust quality assurance, strict hygiene practices, and internationally recognised food safety management systems.

By anticipating evolving regulatory requirements, especially in the EU, and meeting tightening contaminant detection standards, SIPEF reduces the likelihood of product defects and liability, limits exposure to restrictions in other markets, and strengthens trust with customers and stakeholders. This approach helps contain compliance costs, supports resilient demand, and enables market differentiation through robust quality assurance from plantation to delivery, alongside continued investment in processing innovations.

In 2025, SIPEF made significant progress in strengthening food safety and quality across its palm oil operations. All mills in Indonesia and Papua New Guinea are preparing for Hazard Analysis and Critical Control Point (HACCP) certification, reinforcing systematic hazard control and continuous improvement. The Group is advancing its HACCP planning, including gap assessments, audit preparation, and employee training. In Indonesia, the rollout of the HACCP system has started with awareness training at Perlabian Mill in North Sumatra, followed by a gap assessment of all palm oil mills, conducted with independent expertise and involving relevant internal functions. In Papua New Guinea, discussions have commenced with potential consultants to start the gap assessments and training in preparation for the audit.

Beyond HACCP, SIPEF has also strengthened certification frameworks that support market access and consumer requirements. In 2025, all mills in Indonesia obtained Halal certification in 2025, further strengthening traceability and hygiene controls. In Côte d'Ivoire, SIPEF is working to strengthen GLOBALG.A.P. certification for its banana operations, aligning with stricter food safety criteria to meet additional requirements across destination markets and customers.

FOOD SAFETY AND QUALITY CERTIFICATIONS IN 2025

PREPARING FOR HACCP CERTIFICATION

All mills in Indonesia and Papua New Guinea are getting ready for HACCP certification.

Enhancing hazard control and continuous improvement

HALAL CERTIFICATION ACHIEVED

All mills in Indonesia are now Halal certified.

Strengthening traceability and hygiene controls

Food safety and quality in SIPEF's palm oil production

REFINING- AND PROCESS-RELATED CONTAMINANTS

During palm oil refining, exposure to high temperatures can lead to the formation of process-related contaminants, such as 3-MCPD and glycidyl esters (GE). Elevated chloride levels in CPO are a key precursor, increasing the likelihood of these compounds forming during refining.

Health considerations

3-monochloropropane-1,2-diol is considered a contaminant of concern, as excessive dietary exposure may pose potential health risks, particularly for younger population groups. Glycidyl esters are regarded as genotoxic and carcinogenic at elevated exposure levels.

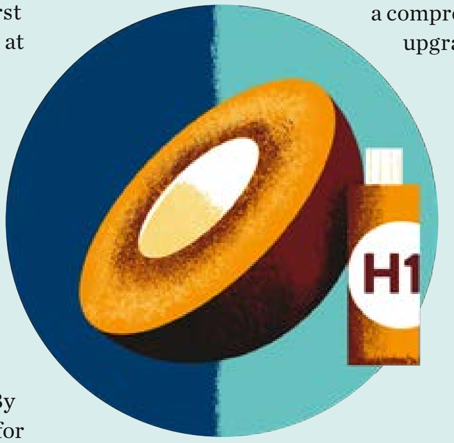
SIPEF'S ACTIONS

Prevention of 3-MCPD and GE formation

SIPEF has initiated a structured programme to reduce chloride levels in CPO through investment in dedicated CPO washing facilities. The first CPO washing facility was commissioned at the Muko Muko palm oil mill in 2024, marking an important milestone in enhancing CPO quality.

In 2025, SIPEF began constructing three additional CPO washing units across its Indonesian operations to meet growing customer demand for premium, low-chloride CPO. Three more CPO washing plants have been budgeted for implementation in 2026, with commissioning expected by 2027. By the second quarter of 2027, SIPEF aims for all its Indonesian mills to produce fully washed CPO with the lowest achievable chloride content, ensuring consistent compliance with premium customer specifications and significantly reducing the risk of 3-MCPD and GE formation during downstream refining.

SIPEF works closely with selected refining customers to test and externally validate outcomes, sharing data and participating in joint reviews to drive continuous improvement.



MINERAL OIL HYDROCARBONS

Mineral oil hydrocarbons, including MOSH and MOAH, may enter palm oil at various points along the value chain. Potential sources include hydraulic oils and lubricants used in plantation and mill operations, as well as incidental contamination during cultivation, processing, storage, or transportation.

Health considerations

Mineral oil saturated hydrocarbons (MOSH) may accumulate in the liver and lymphoid system and has been linked to inflammatory effects following long-term exposure. Mineral oil aromatic hydrocarbons (MOAH) is of particular concern due to its potential carcinogenicity.

SIPEF'S ACTIONS

Control and reduction of MOSH and MOAH

SIPEF has completed the full conversion to H1 food-grade lubricants across its operations and implemented a comprehensive programme to refurbish, upgrade, or replace critical processing equipment. These measures are reinforced by strict engineering controls and preventive maintenance practices designed to eliminate lubricant leaks and minimise contamination risks at the source.

Together, these initiatives strengthen overall product integrity and reinforce high operational standards throughout the palm oil production chain.

In collaboration with customers, SIPEF established a monthly CPO sampling and testing regime to monitor MOSH and MOAH levels against standard requirements. In 2025, all CPO produced showed a significant reduction in MOSH and MOAH contamination. Internal benchmarks are defined in line with European Food Safety Authority (EFSA) guidance values, ensuring robust monitoring.

To further reduce long-term exposure risks, SIPEF continues to diversify its product portfolio and invest in research and development, including low-contaminant and value-added applications such as premium food ingredients, cosmetics, speciality oils, and biofuel-related products. These efforts are undertaken in close partnership with customers, with a strong focus on continuous quality improvement and regulatory compliance.

FOOD SAFETY AND QUALITY IN SIPEF'S BANANA OPERATIONS

DESTINATION MARKETS FOR SIPEF'S BANANAS

SIPEF's bananas are primarily exported to Europe, making them subject to strict food safety controls, including legally binding maximum residue levels (MRL) for pesticide residues in food and feed applicable in the destination markets.

HOW SIPEF ENSURES COMPLIANCE

- Compliance is ensured through a structured, risk-based pesticide residue monitoring programme, with testing conducted at least twice a year.
- Approved pesticides are selected and applied in line with Rainforest Alliance and GLOBALG.A.P. certification standards, destination market regulations, and customer specifications.
- SIPEF uses a digital compliance platform to ensure transparent pesticide management, submitting its plant protection products list for verification against relevant MRL regulations. Approved plant protection products lists and residue analysis reports are regularly shared with customers and downstream retailers.

PROTOCOLS FOR FOOD SAFETY INCIDENTS

SIPEF's fruits department conducts regular simulations at Plantations J. Eglin, testing response readiness against hypothetical food safety or non-conformity incidents, such as the detection of foreign objects or consumer-reported health concerns. These tests evaluate the robustness, timeliness, and functionality of SIPEF's traceability system. Simulated incidents are thoroughly traced to their origin, assessed for treatment methods, and linked to involved personnel, ensuring internal and customer communications are completed within 24 hours.

In 2025, multiple residue analyses were conducted across farms to verify compliance with relevant MRL standards and customer specifications. No food safety or quality incidents were recorded, confirming the effectiveness of SIPEF's preventive and detection mechanisms and supporting the consistent delivery of high-quality bananas in compliance with food safety and residue regulations.

Targets and progress

Targets	Country	Progress 2025
CONSUMERS: HEALTH AND SAFETY		
Achieve food safety certification for all palm oil mills in Indonesia and Papua New Guinea by 2028	Papua New Guinea Indonesia	Preparation for HACCP certification in Indonesia and Papua New Guinea has commenced and is on track to be achieved.
Chloride reduction programme: Install three new CPO washing plants by 2026		One CPO washing facility was operational, and construction began on three more.

Boxes of bananas are stacked and prepared for transport at a packing station at the Azaguié site in Côte d'Ivoire.

Good business conduct

Good governance is essential for ethical and sustainable business practices globally. It ensures transparency, accountability, and compliance to enable responsible decision-making and long-term resilience. For SIPEF, conducting business with integrity is central to its Balanced Growth Strategy, building stakeholder confidence, and supporting sustainable development in the tropical agricultural sector.

SIPEF's approach to good business conduct is founded on full respect for laws, regulations, ethical principles, and standards, all of which begin with strong corporate governance. SIPEF upholds strong corporate governance by applying the principles of the 2020 Belgian Corporate Governance Code (the Code). The principles of the Code are reflected in SIPEF's Corporate Governance Charter, its Remuneration Policy, and the Group Code of Conduct, which set out norms and expectations for responsible and ethical management and governance best practices.

Further details on the basis for preparation, methodologies, and assumptions are provided in annex 4, while a list of incorporation by reference requirements can be found in annex 5. For details on the role of management and their expertise in business conduct matters, please refer to the corporate governance statement.

1. CORPORATE CULTURE

SIPEF operates with a diverse workforce across different continents and is committed to upholding a strong corporate culture. This commitment is guided by the Group Code of Conduct, which outlines the ethical and responsible business behaviours expected of all SIPEF staff members, suppliers, subsidiaries, and other business partners. In addition to the Group Code of Conduct, SIPEF's corporate culture is defined by the seven Guiding Principles of SIPEF's Balanced Growth Strategy. Together, they provide a foundation for responsible business practices across the Group.

Further information is available in the corporate governance statement. The seven Guiding Principles are presented in SIPEF at a Glance under the company report.

Actions

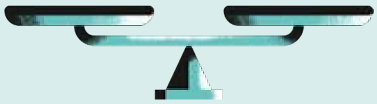
Group Code of Conduct revision in 2025

In 2025, a policies review workstream was established to coordinate a Group-wide review aimed at updating SIPEF's Group policies. The goal was to enhance alignment across policies and retain consistency with the Group's environmental, social, and governance (ESG) priorities and the European Union's (EU) latest legislative requirements, as well as those of the countries in which SIPEF operates. As part of this process, SIPEF revised the Group Code of Conduct, and the updated version was formally approved by the board of directors in August 2025. The revised Group Code of Conduct now encapsulates several other policies, including the smoke-free workplace, sexual harassment, and freedom of association policies. Training workshops were conducted for key employees identified in Indonesia, Papua New Guinea, and Côte d'Ivoire to align the country-level Codes of Conduct with the Group Code of Conduct and ensure they meet national legal requirements.

Grievance management and remediation

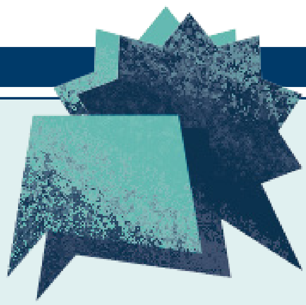
SIPEF maintains a Group-wide grievance mechanism that is accessible and confidential, allowing all stakeholders, including employees, value chain workers, smallholders, communities, and consumers to raise concerns. The grievance process also enables the expression of concerns through chosen representative institutions, including those specific to indigenous communities, to support accessibility.

SIPEF's grievance mechanism includes explicit protection against retaliation, as outlined in SIPEF's Grievance Policy. This policy aims to provide employees and stakeholders with a process for raising and resolving grievances in a transparent and impartial manner. SIPEF investigates reported grievances including business conduct incidents promptly, objectively, independently, and takes appropriate action where needed. Significant grievances are published on the Grievances Dashboard on SIPEF's website. This dashboard provides status updates on cases through to resolution. Training is provided to relevant employees as part of policy dissemination and based on identified needs by the operations, to support understanding and consistent implementation.



SIPEF Grievance Solution, a digital platform that consolidates all grievances across the Group, offers visibility across governance layers, serving as a Group-wide grievance monitoring tool that enables systematic oversight of all issues raised and actions taken.

SIPEF'S GRIEVANCE MECHANISM



1. Grievance submission
Grievances can be submitted through the following channels:
- in person at any SIPEF office
- email at grievances@sipef.com or online form
- via the hotline number in Indonesia
- via the SIPEF Grievance Solution

2. Grievance review and investigation
Grievance is received by grievance manager, independent grievance committee is assembled, and investigation begins.

3. Decision and resolution
The committee proposes a resolution, which is reviewed and approved in line with SIPEF's Grievance Policy and ethical standards.

4. Monitoring and oversight
- Cases are categorised and reviewed by type, including land disputes, health and safety, human rights, and environmental concerns.
- The managing director, Group head of sustainability, and legal counsel ESG oversee grievance management.
- Country-level teams handle case documentation, investigation, and compliance.
- SIPEF Grievance Solution tracks the response time of cases received and indicates which ones are overdue or closed on time. It also records all actions and messages for each case, improving transparency and accountability.

A meeting being held at Plantations J. Eglin in Côte d'Ivoire. Employee engagement supports effective governance and informed decision-making across SIPEF's operations.

Awareness and stakeholder engagement

SIPEF promotes awareness of its grievance mechanism through training, policy publications, site noticeboards, and morning muster sessions. SIPEF also engages community stakeholders through social impact assessments and regular consultations, as required by the various sustainability certification standards it complies with.

SIPEF periodically assesses employee awareness of, and trust in, its grievance mechanism through surveys, engagement sessions, and other feedback initiatives, supporting continuous improvement. The effectiveness and accessibility of the mechanism are also evaluated annually through certification audits, including Roundtable on Sustainable Palm Oil (RSPO), Indonesian Sustainable Palm Oil (ISPO), Rainforest Alliance, and Fairtrade, to ensure the process remains independent and transparent. Any cases of non-compliance with United Nations (UN) and International Labour Organization (ILO) standards can be reported and are required to be resolved. SIPEF has not yet assessed consumer awareness of, or trust in, its grievance mechanism as an effective channel for raising and resolving concerns.

Summary of own workforce grievances in 2025

In 2025, 228 grievances were filed through SIPEF's Grievance Solutions channel from the Group's own workforce. None of these grievances were related to severe human rights incidents, and thus no related fines, penalties, or damages were issued.*

From the total grievances reported, those specifically concerning SIPEF's own workforce are presented in the following table.

Protection of whistleblowers

SIPEF's grievance mechanism supports integrity, accountability, and transparency by allowing any stakeholder, including whistleblowers, to report misconduct confidentially or anonymously, without fear of reprisal. This reporting system not only aids in identifying and mitigating misconduct but also strengthens stakeholder trust. Furthermore, SIPEF guarantees that all concerns regarding ethical misconduct are thoroughly investigated, and appropriate corrective and preventive actions are carried out.

* SIPEF also identified zero confirmed cases of non-respect involving affected communities and consumers and end users under the UN Guiding Principles, the ILO Declaration, or the OECD Guidelines.

SUMMARY OF GRIEVANCES RELATED TO SIPEF'S OWN WORKFORCE	2025
INCIDENT DESCRIPTION	
Grievances filed by own workforce through the grievance channels across the Group	228
Severe human rights incidents (forced labour, human trafficking, child labour)	0
Incidents of discrimination (including harassment)	0
Severe human rights violations related to UN Guiding Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines	0
Complaints filed to national contact points (NCP) for OECD Multinational Enterprises*	0
Number of severe human rights incidents where the undertaking played a role securing remedy for those affected	0

2. CORRUPTION AND BRIBERY

SIPEF implements strict compliance measures, robust control mechanisms, targeted training, and leadership oversight to prevent and address corruption and bribery risks. SIPEF's Anti-Corruption and Anti-Bribery Policy sets out a strong group wide framework applying to employees, non-employees and suppliers to prevent bribery and corruption and promote ethical, transparent business practices. The policy is supported by an effective grievance mechanism and risk prevention measures, ensures legal compliance and promotes responsible business conduct. The Anti-Corruption and Anti-Bribery Policy aligns with the United Nations Convention Against Corruption (2003).

Actions

In 2025, SIPEF strengthened its anti-corruption and anti-bribery measures through a multi-faceted strategy focused on prevention, detection, and investigation measures.

Governance training programmes in 2025

SIPEF implemented a comprehensive Group Anti-Corruption and Anti-Bribery Policy annual training programme led by the legal counsel ESG. The trainings covered policy requirements, definitions, detection, reporting, and whistleblowing procedures, alongside case exercises, with content adapted to country-specific risks, delivered through a combination of in-person and online sessions. Functions at risk were identified and prioritised for training, with particular focus on those with decision-making authority and oversight responsibilities, including SIPEF's executive committee.

Incidents

In 2025, SIPEF recorded 0 convictions and 0 USD in fines or financial penalties for violations of anti-corruption or anti-bribery laws across its operations in Belgium, Singapore, Papua New Guinea, Côte d'Ivoire, and Indonesia.

* Only Belgium has an OECD NCP. Indonesia, Papua New Guinea, and Côte d'Ivoire do not participate in this initiative, as they are not OECD country members.

Procedures for prevention, detection, and investigation

SIPEF has established comprehensive procedures to prevent, detect, and address corruption and bribery. These include:

- → strict processes to ensure all contracts and purchases are governed and monitored transparently across departments
- → internal monitoring mechanisms, such as regular compliance audits and whistleblowing channels
- → clear reporting pathways through SIPEF's grievance mechanism for employees and external stakeholders to report concerns confidentially
- → mandatory anti-corruption and anti-bribery training for all employees in functions-at-risk

Process for reporting investigation outcomes

When a suspected violation is identified, an internal investigation is conducted in accordance with company policies and applicable legal frameworks in each country. In cases of breaches, the severity of the violation may result in contract termination, in line with SIPEF's Anti-Corruption and Anti-Bribery Policy. Outcomes are reported to and overseen by the relevant internal audit committees on a regular basis. See the corporate governance statement for further information.

Targets and monitoring

Targets	Country	Progress 2025
ANTI-CORRUPTION AND ANTI-BRIBERY TRAINING		
Annual training to be carried out for functions-at-risk within own operations	Papua New Guinea Indonesia Côte d'Ivoire Singapore Belgium	100% training coverage for all functions-at-risk employees.

Operational performance is monitored at estate level to support transparency, efficiency, and continuous improvement in agricultural activities.

At a palm oil mill, the engine room operator ensures the stable and proper distribution of electricity generated by steam turbines.

3. Corporate governance statement

General

This corporate governance statement provides factual information regarding the good governance practices of SIPEF NV (the Company) and its subsidiaries for the 2025 financial year.

The Group has a strong corporate governance structure focused on responsible business, proper management, and the implementation of ever-evolving sustainability commitments.

Its good governance guidelines are summarised, among other things, in the Corporate Governance Charter, the Remuneration Policy, and the Group Code of Conduct, that includes the policy to promote and support responsible and ethical behaviour. Collectively, these policies set out the Group's commitment to ethical business conduct and corporate governance best practices. The latest versions can be consulted on www.sipef.com.

BASIC ELEMENTS OF SIPEF'S CORPORATE GOVERNANCE STRUCTURE	
Corporate Governance Charter	The Corporate Governance Charter (Charter) defines the structure, powers, and operations of the Company's governing bodies, and the obligations of the members of the board of directors and of the Company's various committees. It also contains the rules of conduct applicable to the Company's executives and staff when they carry out transactions involving SIPEF financial instruments. The Charter was approved for the first time by the board of directors in 2005 and is regularly updated in line with the evolution of the applicable regulations and good corporate governance practices. It was last amended on 18 November 2025 to reflect evolutions in the Company's governance structure and internal organisation.
Remuneration Policy	The Remuneration Policy 2025–2028 (the Remuneration Policy) outlines the various components of the remuneration of the directors, the managing director, and the other members of the executive committee. It contains the criteria and methods for calculating this remuneration. It aims to (i) attract, reward, and retain the necessary talent; (ii) achieve the Company's strategic objectives; and (iii) promote sustainable value creation.
Group Code of Conduct	The Group Code of Conduct sets out the principles of conduct regarding responsible and ethical behaviour for all staff, including consultants and contractors of SIPEF. It states that SIPEF is committed to integrity, transparency, and compliance with applicable legal and regulatory requirements, respect for human rights and fair labour practices, combating bribery and corruption, and managing conflicts of interest. Through this Group Code of Conduct, SIPEF promotes a culture of ethical conduct and accountability throughout the Group. It has been implemented across all countries in which the SIPEF group operates.

Moreover, the Company applies the principles of the Belgian Corporate Governance Code 2020 (the Code), which it uses as a reference code. The Code is available on the website of the Belgian Corporate Governance Committee: www.corporategovernancecommittee.be.

The Company's corporate governance deviates from a limited number of recommendations of the Code:

- **REMUNERATION OF THE NON-EXECUTIVE DIRECTORS:**
  Pursuant to Article 7.6 of the Code, non-executive board members should receive part of their remuneration in the form of shares in the Company, which must be held for at least one year after the end of their term of office and a minimum of three years after their award. This requirement is designed to align non-executive directors with the perspective of a long-term shareholder. However, non-executive directors are entrusted with representing the interests of all stakeholders, not solely those of shareholders. Moreover, SIPEF's activities and strategy are inherently driven by a long-term vision. The Company is therefore of the opinion that it is unnecessary to extend such a vision to the Remuneration Policy.

- **REMUNERATION OF THE EXECUTIVE COMMITTEE:**
  Pursuant to Article 7.9 of the Code, the board of directors should set a minimum threshold of shares to be held by the members of the executive committee. No such minimum is imposed, as the members of the executive committee are always driven by a long-term vision that is inextricably bound to the agro-industrial activities of the Group. These activities can only be evaluated in the long term, as evidenced by the strategy and business model of SIPEF. Moreover, the remuneration of the members of the executive committee is already linked to the Company's performance through the variable remuneration and the granting of share options, which remain valid for a period of ten years.

- **COMPOSITION OF THE NOMINATION COMMITTEE:**
  Pursuant to Article 4.19 of the Code, the majority of the members of the nomination committee should be independent non-executive directors. At SIPEF, the full board of directors serves as the nomination committee. The Company is of the opinion that the whole board, rather than a smaller nomination committee, is best suited to preparing and managing the composition and succession planning of the board and its committees. Moreover, the board's size does not hamper efficient deliberation and decision-making.

Corporate governance structure on 31 December 2025

Strong corporate governance is supported by a clear governance structure that defines the role of the highest management bodies. It is also reinforced by the Company's stable shareholder structure, characterised by the presence of two reference shareholders, i.e. Ackermans & van Haaren (AvH) and the Bracht Group (see the section 'shareholder structure' in this corporate governance statement).

Despite this shareholder structure, no single director or group of directors exercises a dominant influence over the board's operation.

1. BOARD OF DIRECTORS

ROLE

The Company has adopted a one-tier governance structure, consisting of the board of directors, which acts a collegial body and is authorised to perform all acts that are necessary or useful to achieve the object of the Company, except for those for which the general meeting is authorised by law. The board of directors pursues sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible, and ethical leadership, and monitoring the Company's performance. As a rule, the board of directors is responsible for the general management of the Company and for the supervision of the daily management, which is the responsibility of the executive committee.

The responsibilities of the board of directors are further detailed in the Company's articles of association and Charter.

GENERAL RULES GOVERNING THE COMPOSITION

The Company's board of directors must consist of at least three members, at least half of which shall be non-executive directors and at least three of which shall be independent. Moreover, at least one-third of the directors must be of a different gender than the remaining directors.

The composition of the board of directors must ensure efficient decision-making while also comprising members with diverse backgrounds, expertise, and skills. Its size must allow the board to accommodate changes in composition without disrupting operations.

Directors are appointed by the general meeting for a maximum term of four years and may be reappointed. They may be terminated at any time by the general meeting. The board of directors elects a chairman from among its non-executive members.

The rules governing the composition of the board of directors are further detailed in the Company's articles of association and Charter.

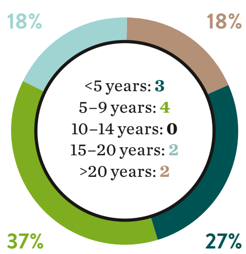
					Audit Committee		Remuneration Committee		Nomination Committee		Executive Committee
		Term of office	Executive / independent member	Meetings of the Board of Directors attendance	Members	Attendance	Members	Attendance	Members	Attendance	Members
Number of meetings in 2025				6	4		2		2		
Luc Bertrand	Chairman	2025–2026		6/6					Chairman	2/2	
Petra Meekers	Managing Director	2024–2028	Executive	6/6					Member	2/2	Chairman
Tom Bamelis	Director	2022–2026		6/6	Chairman	4/4			Member	2/2	
Priscilla Bracht	Director	2022–2026		5/6					Member	2/2	
Alexandre Delen	Director	2022–2026		6/6					Member	2/2	
Antoine Friling	Director	2023–2027		6/6	Member	4/4	Chairman	2/2	Member	2/2	
Gaëtan Hannecart	Director	2024–2028		4/6					Member	1/2	
Yu-Leng Khor	Director	2025–2029	Independent	6/6			Member	2/2	Member	2/2	
Giulia Stellari	Director	2023–2027	Independent	6/6	Member	4/4	Member	2/2	Member	2/2	
Nicholas Thompson	Director	2023–2027	Independent	5/6	Member	4/4			Member	1/2	
François Van Hoydonck	Director	2023–2027		6/6					Member	2/2	
Robbert Kessels	Chief Commercial Officer										Member
Bart Cambré	Chief Financial Officer										Member

The term during which directors have a seat on the committees coincides with the term of their directorship.

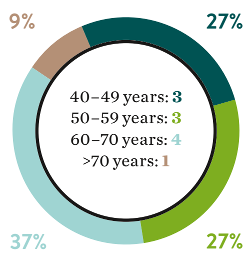
COMPOSITION ON 31 DECEMBER 2025

On 31 December 2025, the board of directors comprised the following eleven members:

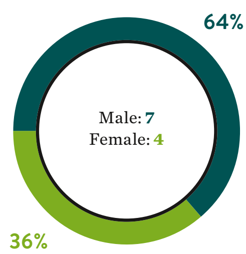
BOARD OF DIRECTORS – from left to right – Antoine Friling, Yu-Leng Khor, Tom Bamelis, Giulia Stellari, Nicholas Thompson, Petra Meekers, Luc Bertrand, Priscilla Bracht, Gaëtan Hannecart, François Van Hoydonck, Alexandre Delen



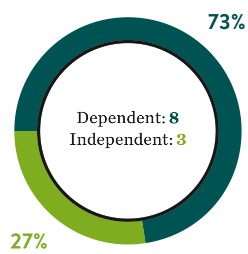
TERM OF OFFICE



AGE PROFILE*



GENDER DIVERSITY



INDEPENDENT DIRECTORS**

* The age limit is set at 70 years, but in the interest of the Company, the board of directors can request a director to continue his or her mandate after the age of 70 years.

** These directors fulfil all independence criteria stated in Article 7:87§1 of the Belgian Companies and Associations Code and in Principle 3 of the Belgian Corporate Governance Code 2020.

CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2025

Pursuant to the decisions of the board of directors of 13 November 2024 and the ordinary general meeting of 11 June 2025, the mandate of Luc Bertrand as non-executive director and chairman of the board of directors was renewed for a term of one year.

At the same ordinary general meeting, the mandate of Yu-Leng Khor as independent non-executive director was renewed for a term of four years.

Renewal of directorships in 2026

The mandates of Luc Bertrand, Tom Bamelis, Alexandre Delen, and Priscilla Bracht will expire at the ordinary general meeting to be held on 10 June 2026. The board of directors will propose to that meeting the renewal of (i) the mandate of Luc Bertrand as non-executive director for a term of one year and (ii) the mandates of Tom Bamelis, Alexandre Delen, and Priscilla Bracht as non-executive directors for a term of four years.

DIVERSITY

POLICY	APPLICATION
The board can only deliberate and make decisions efficiently when the number of members is limited and the appropriate diversity is present on the board. The Company applies various criteria when appointing directors: experience, knowledge, training, age, gender, and nationality. The board also gives special attention to the complementary competencies of its members, which are often associated with the diverse backgrounds of the directors. The Company also endeavours to protect the interests of all stakeholders through the presence of independent directors. SIPEF does not tolerate any form of discrimination.	The background and professional experience of the members are very diversified within the board. They extend across the agricultural, biochemical, financial, manufacturing, marketing, and information technology sectors. As sustainability is a key aspect of all activities of the SIPEF group, the Company ensures that the necessary expertise in this area is also present on the board. At 31 December 2025, five nationalities were represented by the members of the board: Belgian, British, Dutch, Italian, and Malaysian. Women have sat on SIPEF's board of directors for many years. Priscilla Bracht was the first female director, appointed in 2004, followed by Sophie Lammerant-Velge in 2011. In 2017, the number of female directors increased to three, when Petra Meekers was co-opted to replace Antoine de Spoelberch. In 2021, Petra Meekers transitioned from the board to the executive committee and was succeeded by a new female director, Yu-Leng Khor. In 2023, Sophie Lammerant-Velge left the board and was succeeded by Giulia Stellari, as a new female director. Throughout this period, women have consistently held three of the ten director positions. With the appointment of Petra Meekers as executive director and, subsequently, managing director, the number of women on SIPEF's board of directors increased to four out of eleven as of 12 June 2024. SIPEF also aspires to have a sufficient number of independent directors on its board of directors. At the end of 2025, three of the eleven directors were independent.

DIRECTORSHIPS IN OTHER LISTED COMPANIES

The Belgian Corporate Governance Code 2020 limits the number of directorships that a non-executive director is permitted to hold in listed companies to a maximum of five.

As of 31 December 2025, the following non-executive directors hold directorships in listed companies other than SIPEF:

Luc Bertrand:

- Ackermans & van Haaren NV
- Aannemingsmaatschappij CFE Group NV
- DEME Group NV

Tom Bamelis:

- DEME Group NV

Gaëtan Hannecart:

- Financière de Tubize NV

ACTIVITY REPORT

General rules governing the functioning of the board of directors

The board of directors meets at least six times a year, and additionally whenever the interests of the Company so require, or upon the request of at least two directors.

The board of directors may validly deliberate if the majority of its members are present or represented at the meeting. Decisions are validly adopted by a simple majority of the votes. In the event of a tie, the chairman exercises a casting vote.

The rules governing the functioning of the board of directors are further detailed in the Company's articles of association and Charter.

Meetings of the board of directors in 2025

The Company's board of directors met six times in 2025.

At the meetings in February and August, the board of directors established the annual and semi-annual financial statements and dealt with respective press releases. The meeting in September deliberated on the Group strategy and material environmental, social, and governance (ESG) topics, including SIPEF's greenhouse gas (GHG) reduction strategy and targets.

Each meeting of the board of directors receives a report drawn up by the executive committee on the development of the activities of the various subsidiaries. In addition, sustainability briefing papers are submitted to every board meeting, covering critical sustainability topics, such as certification, biodiversity projects, preparation for sustainability reporting frameworks (including the European Union (EU) Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS), and the implementation of the EU Deforestation Regulation (EUDR)), occupational health and safety reporting, and regulatory and jurisprudential developments.

In addition, the board addressed, among other matters, the following specific subjects:

- the future strategy of SIPEF, including value creation and supply chain opportunities for the Group;
- short-term budgets and long-term business plans for the Group;
- risk analysis, internal audit, and internal control within the Group;
- double materiality assessment of business and sustainability risks and impacts in accordance with CSRD and ESRS;
- remuneration of directors and executive committee members;
- succession planning within the Group;
- the Integrated Annual Report (IAR) 2024, including the remuneration report;
- organising and convening the ordinary general meeting of 11 June 2025;
- the 2025 share option plan;
- SIPEF's GHG reduction strategy and targets;
- review and approval of various policies, including the Human Rights Policy;
- various corporate governance topics;
- ongoing implementation of the new enterprise resource planning (ERP) software in the Group.

ASSESSMENT

The Company has a rigorous and transparent procedure for evaluating its governance, including the following assessments:

- **GOVERNANCE STRUCTURE REVIEW:**
  At least once every five years, the board of directors reviews whether the chosen governance structure remains appropriate. If deemed no longer suitable, the board proposes a new governance structure to the general meeting. In 2025, the board of directors assessed and reconfirmed the one-tier governance structure as the most appropriate for the Company, as reflected in the latest version of the Charter.

- **BOARD AND COMMITTEE ASSESSMENTS:**
  At least every three years, the board of directors — potentially assisted by external experts — evaluates its size, composition, and functioning, and that of its committees, as well as its performance. The latest assessment took place in 2024, concluding that the current composition and functioning of the board and its committees are appropriate to the Company's needs and that the board's performance was rated positively overall.

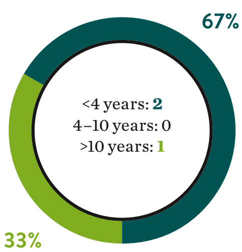
- **BOARD OF DIRECTORS–EXECUTIVE COMMITTEE RELATIONSHIP EVALUATION:**
  Every year, the non-executive directors review the relationship between the board of directors and executive committee, in the absence of the managing director. The evaluation in 2025 confirmed a transparent and good relationship between the executive committee and the board of directors.

- **DIRECTOR EVALUATION:**
  At the end of a director's term, the board of directors — acting as the nomination committee and in the absence of the director concerned — assesses that director's attendance, individual contribution to the functioning, deliberation, and decision-making of the board, and alignment with evolving circumstances.

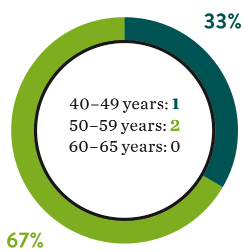
The board acts on the outcomes of these assessments, taking appropriate measures, including proposing new appointments, reconsidering re-appointments, or making other adjustments deemed appropriate for the effective operation of the board of directors.

2. EXECUTIVE COMMITTEE

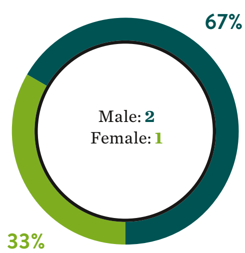
EXECUTIVE COMMITTEE – from left to right – Bart Cambré (chief financial officer), Petra Meekers (managing director), Robbert Kessels (chief commercial officer)



TERM OF OFFICE*



AGE PROFILE**



GENDER DIVERSITY

* The executive committee was established in 2014.

** The age limit is set at 65 years, but in the interest of the Company, the board of directors can request a member of the executive committee to continue his or her mandate after the age of 65 years.

ROLE

The executive committee is a collegial body to which the board of directors has delegated the daily management. It has the appropriate operational freedom and resources to perform its responsibilities properly. In practice, the committee prepares all decisions of the board of directors and ensures all decisions made are implemented. The executive committee reports to the board of directors on the performance of its responsibilities throughout the year.

The responsibilities of the executive committee are further detailed in the Company's articles of association and Charter.

GENERAL RULES GOVERNING THE COMPOSITION

The executive committee is chaired by the managing director, Petra Meekers.

The board of directors appoints and dismisses the members of the executive committee. They are, in principle, appointed for an indefinite term. This ensures continuity in the functioning of the executive committee.

The board of directors endeavours to limit the membership of the executive committee to ensure efficient deliberation and decision-making, while ensuring that it comprises individuals of integrity with diverse expertise in management, finance, and law, possessing the necessary knowledge and complementary skills to fulfil their duties properly.

The rules governing the composition of the executive committee are further detailed in the Company's articles of association and Charter.

COMPOSITION ON 31 DECEMBER 2025

On 31 December 2025, the executive committee comprised the following three members:

- Petra Meekers: managing director
- Bart Cambré: chief financial officer
- Robbert Kessels: chief commercial officer

CHANGES TO THE COMPOSITION OF THE EXECUTIVE COMMITTEE IN 2025

During 2025, the composition of the executive committee was reduced from four to three members. Following his retirement as fruits department manager, Thomas Hildenbrand ceased to be a member of the executive committee, effective 1 September 2025. He was succeeded in his role as fruits department manager but was not replaced on the executive committee.

DIVERSITY

POLICY	APPLICATION
The Diversity Policy, on which basis the composition of the board of directors is determined, also applies to the executive committee. A balanced and varied composition is important for the committee, which must be composed of a limited number of people with the knowledge and experience to be able to handle all aspects of the Company's activities. When appointing the members of the executive committee, the Company is primarily focused on the experience, knowledge, and training of the candidates to ensure sufficient complementary competence is present. Age, gender, and nationality are also considered to ensure diversity in perspectives and approaches. No form of discrimination is tolerated.	All members of the executive committee possess specific competence in various fields, including agrarian management, sustainability, commercial and administrative management, finance, legal, and information technology. Where necessary, the members have the required experience in countries where SIPEF is active, including those in tropical and subtropical regions. The committee comprises members of two different nationalities: Dutch and Belgian. SIPEF is committed to gender diversity at all levels of the Company, with women holding key positions both in Belgium and abroad. This commitment was reaffirmed in 2021 with the appointment of Petra Meekers to the executive committee and further strengthened with her appointment as managing director and chairman of the executive committee, effective 1 September 2024.

ACTIVITY REPORT

General rules governing the functioning of the executive committee

As a general rule, the executive committee meets weekly and whenever needed for urgent decisions.

It may validly deliberate when a majority of its members are present or represented at the meeting. Decisions are validly adopted by a simple majority of the votes.

The rules governing the functioning of the executive committee are further detailed in the Company's articles of association and Charter.

Meetings of the executive committee in 2025

In practice, the executive committee prepares all decisions of the board of directors and ensures their implementation. Each year, it prepares the individual and consolidated financial statements, as well as the Group's quarterly figures, and drafts the press releases to be published. The committee also establishes the short-term budgets and long-term business plans that are submitted to the board for approval. Additionally, it prepares the necessary sensitivity analyses for the strategic plan and the annual budget to assess the appropriate risk profile of the decisions to be made. It monitors the operational, financial, and sustainability developments of the Group and provides related presentations for the board of directors. It also formulates proposals concerning the future strategy.

The executive committee also regularly reviews SIPEF's sustainability progress and performance, receiving ongoing reports from the Group's head of sustainability. These reports cover various ESG topics and updates, including certification progress, SIPEF's GHG calculations, fire and tree cover loss monitoring, and health and safety metrics.

Specifically, in 2025, the committee engaged in, among other things:

- proposals on innovation and value chain opportunities for the SIPEF group;
- ongoing implementation of the new ERP software;
- critical sustainability topics, including certification, biodiversity projects, EUDR implementation, occupational health and safety monitoring and reporting, and fire and tree loss monitoring;
- calculation and evaluation of the Group's GHG emissions, as well as preparation of the emissions reduction strategy and targets;
- preparation of double materiality analysis and assessment of business and sustainability risks and impacts in accordance with CSRD and ESRS;
- various draft texts, including those of the half-year report and the IAR 2025, including the remuneration report;
- periodic reviews of various Group policies, including the Grievance Policy, the Anti-Corruption and Anti-Bribery Policy, the Responsible Plantations Policy, and the Responsible Purchasing Policy;
- revision and further development of various policy frameworks, including the Human Rights Policy;
- national, international, and European legislative initiatives on sustainability and their impact on the Group.

ASSESSMENT

The Company has a rigorous and transparent procedure for evaluating its governance, including the following assessments:

- **EXECUTIVE COMMITTEE EVALUATION:**
  The remuneration committee assesses the composition, operation, and performance of the executive committee. Each year, together with the managing director, it evaluates each executive committee member's contribution to the development of the Group's activities and results. The managing director, as chairman of the executive committee, does not participate in the evaluation of his or her own performance.

- **EVALUATION RELATIONSHIP BOARD OF DIRECTORS–EXECUTIVE COMMITTEE:**
  Every year, the non-executive directors review the relationship between the board of directors and executive committee, in the absence of the managing director. The evaluation in 2025 confirmed a transparent and good relationship between the executive committee and the board of directors.

- **ONGOING PERFORMANCE REVIEW:**
  Throughout the year, the board of directors evaluates the executive committee based on its work and preparations for the board.

The board acts on the outcomes of these assessments, taking appropriate measures, including proposing new appointments, reconsidering re-appointments, or any other adjustments deemed appropriate for the effective operation of the executive committee.

3. COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

Role

The audit committee supports the board of directors in the fulfilment of its monitoring responsibilities for the purposes of control in the broadest sense, including risk oversight. The audit committee's supervisory mandate and related reporting obligations apply to the Company and all subsidiaries belonging to the Group.

The audit committee regularly reports to the board of directors on the execution of its duties, and at a minimum when the board prepares the individual and consolidated financial statements and related financial and sustainability reporting.

The specific responsibilities of the audit committee are further detailed in the Charter.

General rules governing the composition

The audit committee comprises at least three members, all of whom are non-executive directors. At least one member is an independent director and at least one has accounting and auditing expertise. The members collectively have expertise in the Company's field of activities.

The board of directors appoints the members of the audit committee from among its directors for a term not exceeding their (remaining) directorship term. The audit committee designates one of its members as chairman, who may not simultaneously serve as chairman of the board of directors.

The rules governing the composition of the audit committee are further detailed in the Charter.

Composition on 31 December 2025

On 31 December 2025, the audit committee comprised the following four members:

- Tom Bamelis: chairman
- Antoine Friling: member
- Giulia Stellari: member
- Nicholas Thompson: member

Changes to the composition of the audit committee in 2025

At its meeting in November 2024, the board of directors appointed Giulia Stellari, independent director, as a member of the audit committee with effect from 1 January 2025. With extensive experience in sustainability within the industrial agricultural sector, the board considered her well qualified to support the audit committee in fulfilling its enhanced responsibilities under the CSRD.

Activity report

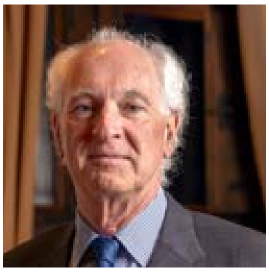
General rules governing the function of the audit committee

The audit committee meets at least four times a year and additionally whenever it deems it necessary to properly perform its duties. The rules governing the functioning of the audit committee are further detailed in the Charter.

Meetings of the audit committee in 2025

In February and August 2025, the audit committee focused on the review of the annual and semi-annual financial statements, respectively, including the related draft press releases. In April 2025, the committee received an update from the statutory auditor on the audit of the sustainability statement included in the IAR 2024. In November 2025, the committee addressed the Group's enterprise risk management and double materiality assessment, and the sustainability key performance indicators (KPIs) for the IAR 2025. At each of these meetings, the statutory auditor presented its related audit reports and findings.

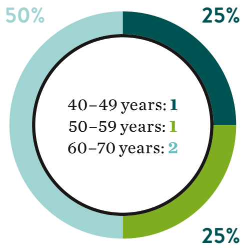
Tom Bamelis
Chairman



Antoine Friling
Member

Giulia Stellari
Member

Nicholas Thompson
Member



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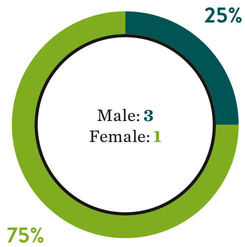
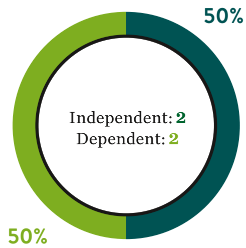


GENDER DIVERSITY



INDEPENDENT DIRECTORS*

In addition, the following matters were also explained and discussed during the various meetings:

- various accounting topics and processing;
- financial covenant on the long-term loan and its evolution;
- existing risks and their classification;
- corporate tax strategy;
- reports of the internal audit committees of the various subsidiaries;
- evaluation of the auditor's relationship with management and the finance department.

The external auditor attended all the meetings of the audit committee in 2025.

The meetings of the audit committee were also attended by the Company's managing director and chief financial officer. A representative of the reference shareholder, AvH, also attended all meetings in 2025.

The internal auditors of the Company's operational subsidiaries did not attend the meetings of the audit committee. The managing director and chief financial officer held meetings with the local internal audit managers in in Indonesia, Papua New Guinea, and Côte d'Ivoire, during the financial year 2025.

* These directors fulfil all independence criteria stated in Article 7:87§1 of the Belgian Companies and Associations Code and in Principle 3 of the Belgian Corporate Governance Code 2020.

REMUNERATION COMMITTEE

Role

The remuneration committee advises the board of directors on the remuneration of the members of the board and the executive committee. The specific responsibilities of the remuneration committee are further detailed in the Charter.

General rules governing the composition

The remuneration committee comprises at least three members, all of whom are non-executive directors and the majority of which are independent directors. The members of the remuneration committee possess the required expertise in remuneration policy.

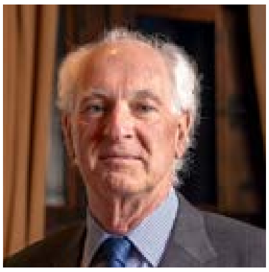
The board of directors appoints the members of the remuneration committee from among its directors for a term not exceeding their (remaining) directorship term. The chairman of the remuneration committee is also designated by the board of directors.

The rules governing the composition of the remuneration committee are further detailed in the Charter.

Composition on 31 December 2025

On 31 December 2025, the remuneration committee comprised the following three members:

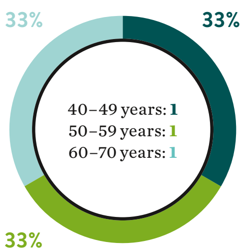
- Antoine Friling: chairman
- Yu-Leng Khor: member
- Giulia Stellari: member



Antoine Friling
Chairman

Yu-Leng Khor
Member

Giulia Stellari
Member



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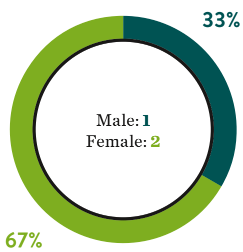

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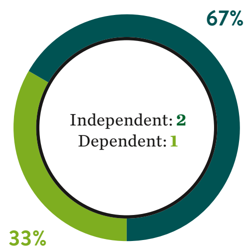


INDEPENDENT DIRECTORS*

* These directors fulfil all independence criteria stated in Article 7:87§1 of the Belgian Companies and Associations Code and in Principle 3 of the Belgian Corporate Governance Code 2020.

Activity report

General rules governing the function of the remuneration committee

The remuneration committee meets at least twice a year and additionally whenever it deems it necessary to properly perform its duties. The rules governing the functioning of the remuneration committee are further detailed in the Charter.

Meetings of the remuneration committee in 2025

In 2025, the remuneration committee considered the following matters:

- benchmarking of the compensation of the Group's expatriates, managers, and directors;
- setting of the fixed remuneration of managers and directors;
- determination of the Group's bonus pool;
- assessment of individual management performance and proposal of variable remuneration payable in 2025;
- revision of the Remuneration Policy and draft of the remuneration report;
- evaluation of, and updates to, succession planning;
- the draft of the share option plan 2025 for the Group's managers.

The managing director also attended the meetings of the remuneration committee. A representative of each of the reference shareholders, AvH and the Bracht Group, was also present at all meetings in 2025.

NOMINATION COMMITTEE

Role

The board of directors, in its capacity as the nomination committee, strives to organise an objective and professional appointment process. The specific responsibilities of the nomination committee are further detailed in the Charter.

Composition

The nomination committee comprises all members of the board of directors and is chaired by the chairman of the board of directors. The rules governing the composition of the nomination committee are further detailed in the Charter.

Activity report

General rules governing the function of the nomination committee

The board of directors, in its capacity as the nomination committee, meets at least twice a year and additionally whenever it deems it necessary to properly perform its duties. The rules governing the functioning of the nomination committee are further detailed in the Charter.

Meetings of the nomination committee in 2025

In 2025, the board of directors, in its capacity of the nomination committee, considered the following issues:

- interaction between the board of directors and the executive committee, in the absence of the managing director;
- renewal of mandates of non-executive directors.

ASSESSMENT OF THE COMMITTEES OF THE BOARD OF DIRECTORS

The Company has a rigorous and transparent procedure for evaluating its governance. This includes, at least every three years, an evaluation by the board of directors — potentially assisted by external experts — of the size, composition, functioning, and performance of its committees. The latest assessment took place in 2024, concluding that the current composition and functioning of the board and its committees are appropriate for the Company's needs.

Remuneration report

1. INTRODUCTION

This remuneration report has been prepared in accordance with Article 3:6, §3 of the Belgian Companies and Associations Code. It also takes into account Principle 7 of the Belgian Corporate Governance Code 2020 relating to the remuneration of directors and members of the executive management of listed companies, as well as the principles set out in Directive 2007/36/EC, as amended by Directive (EU) 2017/828, aimed at encouraging long-term shareholder engagement.

The report provides a comprehensive overview of all elements of remuneration, including benefits of any kind, granted during the financial year 2025 to the non-executive directors, the managing director, and the other members of the executive committee. It includes a detailed disclosure of the remuneration of each individual member of the executive committee, the body entrusted with the Company's day-to-day management.

The remuneration relating to performance during the 2025 financial year is determined within the framework of the Remuneration Policy 2025–2028 (the Remuneration Policy), as approved by the ordinary general meeting on 11 June 2025. The full text of the Remuneration Policy is available on the Company's website (www.sipef.com).

All members of the executive committee received variable remuneration in 2025 in respect of their performance during the 2024 financial year. This variable remuneration was determined in accordance with the Remuneration Policy 2021–2024 approved by the ordinary general meeting on 9 June 2021, taking into account the consolidated recurring result for 2024 and the individual and collective performance of management during that year.

2. TOTAL REMUNERATION OF THE DIRECTORS

Overview of the total remuneration of the directors

The directors receive a fixed remuneration that is not linked to the Company's results. This remuneration consists of fees for the meetings of the board of directors and, where applicable, additional fees for membership of a committee.

In 2025, the directors received the following remuneration:

ON AN ANNUAL BASIS PER PERSON	MEMBER	CHAIRMAN
Board of directors	EUR 40 000	EUR 120 000
Audit committee	EUR 7 500	EUR 12 750
Remuneration committee	EUR 4 000	EUR 5 200

The outgoing and incoming directors are remunerated in accordance with the number of months they served as director in the financial year.

IN KEUR	BOARD OF DIRECTORS		AUDIT COMMITTEE		REMUNERATION COMMITTEE		NOMINATION COMMITTEE	
	2024	2025	2024	2025	2024	2025	2024	2025
Luc Bertrand	120.00	120.00	0.00	0.00	0.00	0.00	120.00	120.00
Petra Meekers (member of board of directors from 12 June 2024)	20.00	40.00	0.00	0.00	0.00	0.00	20.00	40.00
Tom Bamelis	40.00	40.00	9.75	12.75	0.00	0.00	49.75	52.75
Priscilla Bracht	40.00	40.00	0.00	0.00	0.00	0.00	40.00	40.00
Alexandre Delen	40.00	40.00	0.00	0.00	0.00	0.00	40.00	40.00
Antoine Friling	40.00	40.00	7.50	7.50	5.20	5.20	52.70	52.70
Gaëtan Hannecart	40.00	40.00	0.00	0.00	0.00	0.00	40.00	40.00
Yu-Leng Khor	40.00	40.00	0.00	0.00	4.00	4.00	44.00	44.00
Giulia Stellari (member of audit committee from 1 January 2025)	40.00	40.00	0.00	7.50	4.00	4.00	44.00	51.50
Nicholas Thompson	40.00	40.00	7.50	7.50	0.00	0.00	47.50	47.50
François Van Hoydonck	40.00	40.00	0.00	0.00	0.00	0.00	40.00	40.00
TOTAL	**500.00**	**520.00**	**24.75**	**35.25**	**13.20**	**13.20**	537.95	**568.45**

The non-executive directors do not receive any variable remuneration or options. Neither is part of their remuneration paid out in the form of shares of the Company. They benefit from director liability insurance.

Changes affecting the remuneration of the directors

As regards the composition of the board of directors and its committees, Giulia Stellari, independent director, joined the audit committee in 2025. The impact of this change on the remuneration of the directors is detailed above, and no other changes occurred during the year that affected directors' remuneration.

Following a benchmarking exercise against comparable companies in November 2024, the remuneration of the members and chairmen of the board of directors, the remuneration committee, and the audit committee for financial year 2025 remained unchanged, except for the chairman of the audit committee. The remuneration of the latter was increased to align with market practice, as the benchmarking exercise indicated that the remuneration level was below prevailing standards for comparable roles.

3. TOTAL REMUNERATION OF THE MEMBERS OF THE EXECUTIVE COMMITTEE

Overview of the total remuneration of the members of the executive committee

The members of the executive committee, consisting of the managing director and other managers of the Company, receive a combination of fixed remuneration, variable remuneration, and long-term incentives in the form of share options.

The Company has not set any minimum number of shares that must be held by the members of the executive management. No shares were awarded to the members of the executive committee in 2025.

2025

IN KEUR	PM**	FVH**	BC**	CDW**	TH**	RK**	JN**	TOTAL	%
Board remuneration	40	0	0	0	0	0	0	40	1.3%
Fixed remuneration	709	0	331	0	212	366	0	1 618	53.6%
Variable remuneration	290	261	198	38	170	215	0	1 172	38.8%
Pension contribution	22	0	45	0	29	0	0	96	3.2%
Other	52	0	7	0	7	26	0	92	3.0%
SUBTOTAL	**1 113**	**261**	**581**	**38**	**418**	**607**	**0**	**3 018**	**100.0%**
Market value vested share option (begin exercise period)*	0	141	0	47	47	47	0	282	
TOTAL REMUNERATION	**1 113**	**402**	**581**	**85**	**465**	**654**	**0**	**3 300**	
Subtotal	100%	n/a	100%	n/a	100%	100%	n/a	100%	
Fixed	74%	n/a	66%	n/a	59%	65%	n/a	61%	
Variable	26%	n/a	34%	n/a	41%	35%	n/a	39%	

2024

IN KEUR	PM**	FVH**	BC**	CDW**	TH**	RK**	JN**	TOTAL	%
Board remuneration	20	40	0	0	0	0	0	60	1.5%
Fixed remuneration	767	365	319	78	308	358	0	2 195	54.8%
Variable remuneration	239	365	66	177	164	166	200	1 377	34.3%
Pension contribution	48	167	46	12	43	0	0	316	7.9%
Other	5	12	6	3	11	24	0	61	1.5%
SUBTOTAL	**1 079**	**949**	**437**	**270**	**526**	**548**	**200**	**4 009**	**100.0%**
Market value vested share option (begin exercise period)*	0	0	0	0	0	0	0	0	
TOTAL REMUNERATION	**1 079**	**949**	**437**	**270**	**526**	**548**	**200**	**4 009**	
Subtotal	100%	100%	100%	100%	100%	100%	n/a	100%	
Fixed	78%	62%	85%	34%	69%	70%	n/a	66%	
Variable	22%	38%	15%	66%	31%	30%	n/a	34%	

* For more details on the respective share option plans (respectively, share option plan 2022 and share option plan 2021) see below.

** PM: Petra Meekers; FVH: François Van Hoydonck; BC: Bart Cambré; CDW: Charles Dewulf; TH: Thomas Hildenbrand; RK: Robbert Kessels; JN: Johan Nelis.

Fixed remuneration

The members of the executive committee receive a fixed remuneration and benefit from Group insurance with fixed contributions. These include a supplementary pension plan, as well as disability and life insurance. In addition, the Company provides hospitalisation insurance and global assistance insurance. Members of management also benefit from a company car and meal vouchers.

The managing director further receives emoluments for the meetings of the board of directors, in addition to the fixed remuneration paid in respect of her executive duties.

Variable remuneration

The variable remuneration — short-term incentive (STI) — paid to both staff and members of the Company's executive committee is capped at 2% of the consolidated recurring result before tax (Group share). For each member of the executive committee, the STI is further capped at an amount equal to two times the fixed annual remuneration. Within these limits, the individual amount of variable remuneration is determined by the board of directors, at its discretion, acting on the recommendation of the remuneration committee, based on financial and non-financial performance criteria as set out in the Remuneration Policy 2025–2028.

In accordance with this Remuneration Policy, 80% of the STI is linked to the Group's financial performance, measured by the consolidated recurring result before tax (Group share), while the remaining 20% is linked to non-financial, ESG-based KPIs determined annually by the board of directors upon the proposal of the remuneration committee and selected from the Group's ESG KPIs set out in annex 1 to this IAR. The annual determination of ESG KPIs ensures that these objectives remain dynamic, relevant, and aligned with the Company's evolving sustainability strategy, while maintaining appropriate oversight and accountability at the highest governance level. Moreover, the annual performance assessment reflects the inherent volatility of the Group's agro-industrial activities, in particular within the palm oil sector, where results are significantly influenced by fluctuations in agricultural commodity prices. Linking variable remuneration to performance over a single financial year is therefore considered appropriate and consistent with the Company's long-term strategy, in a manner comparable to the variability of shareholder dividends.

The following ESG KPIs were determined by the board of directors, upon the proposal of the remuneration committee, for the assessment of executive performance in respect of the 2025 financial year:

ESG KPI	TARGET	RESULT 2025
Food safety (S) Strengthen food safety standards across Indonesian and Papua New Guinean operations.	Roll-out of food safety certification across palm oil mills and implementation of key process improvements to advance the chloride reduction programme.	**Achieved**
Climate (E) Advance emissions reduction initiatives across operations.	Progression of methane capture projects at selected mills.	**Achieved**
Health and safety (S) Improve safety performance across operations.	Implementation of targeted safety improvement measures, including initiatives aimed at reducing lost time injuries.	**Achieved**
Smallholder engagement (S) Advance smallholder inclusion and certification.	Initiation of smallholder certification programme, including programme set-up and delivery of initial training activities.	**Achieved**
Compliance (G) Reinforce compliance culture across functions at risk.	Completion of annual compliance training programme for identified functions at risk.	**Achieved**

In line with the Remuneration Policy, no variable remuneration is awarded if the consolidated recurring result before tax (Group share) is negative. This principle is applied consistently and ensures alignment between executive remuneration, staff incentives, and the Company's overall financial performance. In addition to the STI, the members of the executive committee do not receive any long-term variable remuneration in cash. Long-term incentives are provided exclusively through share option plans as described in this remuneration report.

For the avoidance of doubt, the variable remuneration paid out in 2025 relates to performance delivered during the 2024 financial year and was determined in accordance with the Remuneration Policy 2021–2024 applicable to that financial year. The variable remuneration relating to performance during the 2025 financial year is assessed by the board of directors in accordance with the current Remuneration Policy 2025–2028 and will be paid in 2026.

No exceptional or one-off bonuses were awarded to members of the executive committee in respect of specific accomplishments in 2025.

Clawback

All members of the executive committee have signed a clawback clause. This means that the Company is entitled to demand variable net remuneration is returned if it was awarded based on incorrect financial data.
The Company did not trigger this clawback clause in 2025.

Share option plan

Overview of the 2025 share option plan

Share options have been offered to members of the executive committee every financial year since 2011. The board of directors, on the recommendation of the remuneration committee, again decided to offer share options in the SIPEF share option plan 2025, which have the following characteristics:

- type: options on existing Company shares (i.e. one option grants the holder the right to subscribe to one Company share, with the same rights as the other existing Company shares).
- time of the offer: mid-November.
- exercise price: the lower of (i) the closing price of the share on the day preceding the date of the offer, and (ii) the average closing price of the share during the 30 days preceding the date of the offer.
- term of the plan: ten years.
- exercise term: from 1 January of the year following the third anniversary of the grant, up to and including the end of the tenth year after the date of the offer.
- no performance criteria have been set for the granting or exercise of share options.

Options granted to the members of the executive committee in 2025

On 19 November 2025, a total of 10 000 options were granted by the Company to the members of the executive committee. These options were accepted by the beneficiaries as follows:

	NUMBER
Petra Meekers	6 000
Bart Cambré	2 000
Robbert Kessels	2 000
TOTAL	10 000

Another 6 000 options were granted to the general managers of the foreign subsidiaries.

The options granted in 2025 have the following characteristics:

- exercise price: EUR 78.52
- expiry date: 18 November 2035
- exercise period: at any time from 1 January 2029, up to and including 18 November 2035

BREAKDOWN OF THE SIPEF STOCK OPTION PLAN (SOP)								VESTED			NOT VESTED
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Offer	28/11/15	07/12/16	23/11/17	20/11/18	23/11/19	19/11/20	18/11/21	17/11/22	15/11/23	14/11/24	19/11/25
Vesting	28/11/18	07/12/19	23/11/20	20/11/21	23/11/22	19/11/23	18/11/24	17/11/25	15/11/26	14/11/27	19/11/28
Exercise period begin:	01/01/19	01/01/20	01/01/21	01/01/22	01/01/23	01/01/24	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
Exercise period end:*	27/11/25	06/12/26	22/11/27	19/11/28	22/11/29	18/11/30	17/11/31	16/11/32	14/11/33	13/11/34	18/11/35
Exercise price (in EUR)	49.15	53.09	62.87	51.58	45.61	44.59	58.31	57.70	52.70	56.88	78.52
Market price begin exercise period (in EUR)	48.80	54.80	43.20	56.90	58.90	53.00	56.80	81.20			

* Latest exercise date.

Fluctuations in the financial year 2025

In 2025, two members of the executive committee exercised a total of 4 000 of the 20 000 options granted under the 2015 share option plan. Of the remaining 16 000 options under that plan, which had been granted to general managers of subsidiaries and former members of the executive committee, 12 000 options were exercised in 2025, 2 000 had already been exercised prior to 2025 and 2 000 had expired before 2025. In addition, 2 000 options from the 2015 option plan were not exercised by the expiry date of 28 November 2025, having already lapsed in previous years following the departure of the beneficiary general managers of subsidiaries.

In 2025, managers of subsidiaries and former members of the executive committee exercised 14 000 options under the 2016 option plan, 12 435 options under the 2017 option plan, 8 000 options under the 2018 option plan, and 5 982 options under the 2019 option plan.

PETRA MEEKERS								VESTED				NOT VESTED
SHARE OPTION PLAN	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	TOTAL
Offer not yet vested	0	0	0	0	0	0	0	0	2 000	6 000	6 000	**14 000**
Vested before end of 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Exercised in 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Expired in 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Total share options at the end of the year	0	0	0	0	0	0	0	0	2 000	6 000	6 000	**14 000**
Vested at exercise price (in EUR)							0	0				
Vested at market price (in EUR)							0	0				
Latent capital gain at vesting date (in EUR)							0	0				

BART CAMBRÉ								VESTED				NOT VESTED
SHARE OPTION PLAN	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	TOTAL
Offer not yet vested	0	0	0	0	0	0	0	0	0	2 000	2 000	**4 000**
Vested before end of 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Exercised in 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Expired in 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Total share options at the end of the year	0	0	0	0	0	0	0	0	0	2 000	2 000	**4 000**
Vested at exercise price (in EUR)							0	0				
Vested at market price (in EUR)							0	0				
Latent capital gain at vesting date (in EUR)							0	0				

ROBBERT KESSELS								VESTED				NOT VESTED
SHARE OPTION PLAN	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	TOTAL
Offer not yet vested	0	0	0	0	0	0	0	0	2 000	2 000	2 000	**6 000**
Vested before end of 2025	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	0	0	0	**16 000**
Exercised in 2025	-2 000	0	0	0	0	0	0	0	0	0	0	**-2 000**
Expired in 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Total share options at the end of the year	0	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	**20 000**
Vested at exercise price (in EUR)							116 620	115 400				
Vested at market price (in EUR)							113 600	162 400				
Latent capital gain at vesting date (in EUR)							0	47 000				

THOMAS HILDENBRAND (MEMBER OF THE EXECUTIVE COMMITTEE UNTIL 1 SEPTEMBER 2025)								VESTED				NOT VESTED
SHARE OPTION PLAN	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	TOTAL
Offer not yet vested	0	0	0	0	0	0	0	0	2 000	2 000	0	**4 000**
Vested before end of 2025	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	0	0	0	**16 000**
Exercised in 2025	-2 000	-2 000	-435	0	0	0	0	0	0	0	0	**-4 435**
Expired in 2025	0	0	0	0	0	0	0	0	0	0	0	**0**
Total share options at the end of the year	0	0	1 565	2000	2 000	2 000	2 000	2 000	2 000	2 000	0	**15 565**
Vested at exercise price (in EUR)							116 620	115 400				
Vested at market price (in EUR)							113 600	162 400				
Latent capital gain at vesting date (in EUR)							0	47 000				

Changes affecting the remuneration of the executive committee

During 2025, the composition of the executive committee was reduced from four to three members. Following his retirement as fruits department manager, Thomas Hildenbrand ceased to be a member of the executive committee, effective 1 September 2025. He was succeeded in his role as fruits department manager, but was not replaced on the executive committee. The impact of this change on the remuneration of the members of the executive committee is detailed above.

It is further recalled that Charles De Wulf stepped down as a member of the Company's executive committee, effective 1 April 2024, to assume the role of general manager of the subsidiary in Côte d'Ivoire, Plantations J. Eglin. In addition, François Van Hoydonck retired as managing director and chairman of the executive committee on 1 September 2024 and transitioned to a non-executive director role. Both received variable remuneration in 2025 in respect of their performance as members of the executive committee during the 2024 financial year.

Following a benchmarking exercise against a peer group of comparable companies, the board of directors decided in November 2024 to limit any increase in the fixed remuneration of the members of the executive committee, including the managing director, for the 2025 financial year to the contractual adjustment based on the health index.

4. COMPARATIVE INFORMATION ON CHANGES TO THE REMUNERATION AND THE COMPANY'S PERFORMANCE OVER A FIVE-YEAR PERIOD – INCLUDING THE RATIO BETWEEN THE HIGHEST AND LOWEST REMUNERATION AT SIPEF

YEARLY CHANGE IN REMUNERATION (IN PERCENTAGE)

	2021	2022	Δ	2023	Δ	2024	Δ	2025	Δ
Total board of directors remuneration(1) (in KEUR)	359	443	23%	443	0%	538	21%	568	6%
Total fixed remuneration executive committee(2) (in KEUR)	2 424	2 901	20%	3 154	9%	2 632	-17%	1 845	-30%
Total variable remuneration executive committee(3) (in KEUR)	272	1 463	438%	2 362	61%	1 377	-42%	1 172	-15%

YEARLY CHANGE IN THE PERFORMANCE OF THE COMPANY

	2021	2022	Δ	2023	Δ	2024	Δ	2025	Δ
Crude palm oil market price (in USD/tonne CIF Rotterdam)	1 195	1 345	13%	964	-28%	1 084	12%	990	-9%
Produced crude palm oil volumes (in tonnes)	384 187	403 927	5%	391 215	-3%	362 404	-7%	441 866	22%
Result, share of the Group (recurring) (in KUSD)	82 746	108 157	31%	72 735	-33%	71 913	-1%	127 367	77%

YEARLY CHANGE IN THE AVERAGE REMUNERATION OF THE EMPLOYEES

	2021	2022	Δ	2023	Δ	2024	Δ	2025	Δ
Average fixed remuneration of employees at SIPEF Head Office(4) (in KEUR/month)	5 165	4 913	-5%	5 452	11%	5 735	5%	6 007	5%
Average variable remuneration of employees at SIPEF Head Office(5) (in KEUR/year)	4 955	23 613	377%	38 213	62%	19 923	-48%	18 315	-8%

RATIO OF HIGHEST TO LOWEST REMUNERATION ON A FULL-TIME EQUIVALENT (FTE) BASIS

	2021	2022	2023	2024	2025
Ratio of total fixed remuneration of the highest-paid member of the executive committee to the lowest-paid employee at Head Office(6)	9.1	15.6	15.1	12.2	11.2

(1) Remuneration as included under 2. Total remuneration of the directors.
(2) Fixed remuneration as included under 3. Total remuneration of the members of the executive committee.
(3) Variable remuneration as included under 3. Total remuneration of the members of the executive committee.
(4) Average gross salary (full-time equivalent) in January of the respective year.
(5) Average variable remuneration (full-time equivalent) paid.
(6) Total fixed cost of the highest individual remuneration of the executive committee/total fixed cost (full-time equivalent) of the lowest employee remuneration at Head Office.

5. CONSISTENCY BETWEEN REMUNERATION AND REMUNERATION POLICY AND APPLICATION OF THE PERFORMANCE CRITERIA

The Company ensures ongoing, timely, and transparent communication with its shareholders, management, employees, and other stakeholders regarding developments in its activities, sustainability, performance, and corporate governance. Since 2020, this transparency has been further enhanced in this report, particularly with respect to the remuneration of the members of the executive committee. Clear communication and transparency are key drivers of engagement, motivation, and trust, and contribute to sustainable long-term performance by supporting the continued commitment of staff and management to the Group's long-term objectives.

The total remuneration of the directors and the members of the executive committee is fully aligned with the applicable remuneration policy and is determined and applied in a transparent manner. The fixed remuneration of the members of the board of directors and the executive committee is reviewed and benchmarked on an annual basis against market practice and is therefore considered to be in line with the market.

As from 1 January 2025, the variable remuneration of the members of the executive committee is linked to the annual performance of the Group, measured primarily by the consolidated recurring result before tax (Group share), and complemented by sustainability-related, non-financial KPIs, in accordance with the Remuneration Policy 2025–2028. This approach reflects, on the one hand, the volatility of the Group's agro-industrial activities, which are significantly influenced by fluctuations in agricultural commodity prices, and, on the other hand, reinforces sustainable long-term value creation and supports SIPEF's Balanced Growth Strategy.

6. DEVIATIONS FROM THE REMUNERATION POLICY IN 2025

In 2025, remuneration was awarded to the directors and the members of the executive committee in compliance with the applicable remuneration policy.

7. INFORMATION ON THE GENERAL MEETING VOTES ON THE REMUNERATION POLICY AND REPORT

The current Remuneration Policy 2025–2028 was approved with a majority of 93.94% of votes by the ordinary general meeting of 11 June 2025. It was applied for the first time to the 2025 financial year.

The remuneration report for the 2024 financial year was welcomed by the ordinary general meeting of 11 June 2025. The current remuneration report for the 2025 financial year is submitted for approval to the ordinary general meeting on 10 June 2026.

External and internal audit

1. EXTERNAL AUDIT

The ordinary general meeting of 12 June 2024 renewed the appointment of EY Bedrijfsrevisoren BV, represented by Christoph Oris, as external auditor of SIPEF for a term of three years. The annual remuneration for this mandate was set at USD 120 196, excluding indexation and value-added tax (VAT). This follows its initial appointment for a term of three years by the ordinary general meeting of 9 June 2021.

In addition, subject to the transposition of the CSRD into Belgian law, the ordinary general meeting of 12 June 2024 entrusted the Company's external auditor with the provision of assurance on the consolidated sustainability information for a three-year term (covering the financial years 2024, 2025 and 2026). Following the transposition of the CSRD into Belgian law by the Law of 2 December 2024 (published in the Belgian Official Gazette on 20 December 2024), the ordinary general meeting of 11 June 2025 approved the remuneration for this mandate, consisting of an annual fee of EUR 121 101 (excluding VAT, subject to annual indexation), together with a one-off fee of EUR 25 000 (excluding VAT) for the assurance readiness assessment relating to the 2024 financial year.

The external auditor conducts the audit of SIPEF's individual and consolidated financial statements and provides assurance on the consolidated sustainability information. He reports to the audit committee and the board of directors at least twice a year.

For the 2025 financial year, the remuneration of the external auditor for the audit of the individual and consolidated financial statements of SIPEF amounted to USD 130 625 and the remuneration for the assurance on the consolidated sustainability information amounted to EUR 126 550. The remuneration for non-audit services in 2025 totalled USD 0.

The total cost of the external control of the financial statements of the SIPEF group by the EY network for the 2025 financial year amounted to USD 608 737. The fees paid for advice from the same external auditor and related companies amounted to USD 0. Full details of fees paid to EY can be found in note 33 to the financial statements.

2. INTERNAL AUDIT

Internal audit departments have been set up in the SIPEF group's operations in Indonesia and Papua New Guinea. These departments report at least four times per year to the local audit committees, which review the internal audit reports and subsequently submit their findings to SIPEF's audit committee. As of 2024, a similar internal audit department has also been set up in Côte d'Ivoire.

At SIPEF's Head Office in Belgium and its Singapore subsidiary, internal audits are conducted by a Group controller, who reports annually to SIPEF's audit committee.

Report in connection with internal control and risk management systems

The SIPEF board of directors is responsible for assessing the inherent risks of the Group and the effectiveness of its internal control systems.

SIPEF's internal control systems were set up in accordance with the Belgian legal requirements for risk management and internal control, the principles stated in the Belgian Corporate Governance Code 2020, and the EU CSRD, and are organised based on the Committee of Sponsoring Organisations (COSO) of the Treadway Commission model.

A Group-level analysis forms the basis of SIPEF's internal control and risk management system, an important pillar of which is the reliability of financial reporting, sustainability reporting, and the communication process.

Control environment

The board of directors has set up two internal committees, the audit committee and the remuneration committee, and collectively functions as the nomination committee. It has also delegated the daily management of the Company to the executive committee. The role and responsibilities of these bodies are further detailed in the Company's articles of association and Charter.

The Group is divided into several departments. Each department has specific functions and each person in that department has a specific job description. The required level of education and/or experience is established for each job and duty. There is a well-defined policy for delegating powers.

The board of directors has also drawn up the necessary policies, including a Responsible Plantations Policy and a Responsible Purchasing Policy, which apply to all plantation activities and raw materials, as well as a Grievance Policy and an Anti-Corruption and Anti-Bribery Policy, which apply throughout the Group. The board reviews these policies every year to adapt them to the latest legal, social, and environmental standards.

To facilitate and encourage further growth in the day-to-day management of its activities, SIPEF pursues clear sustainability regulations that exceed the legal requirements of the countries in which the Company operates. This commitment is documented through certificates and generally accepted standards.

The internal controls exercised by SIPEF monitor compliance with all prescribed procedures, guidelines, and rules to protect the assets, staff, and activities of the Group, and to optimise their management.

Since 2024, SIPEF has implemented a cohesive sustainability impacts, risks, and opportunities (IROs) assessment approach and reporting system in compliance with CSRD. The system involves cross-departmental collaboration and is continuously refined based on identified IROs. The Group applies internal and external controls to minimise errors, improve data quality, and ensure compliance with evolving sustainability regulations. Detailed information on this can be found in the sustainability statement.

The corporate structure, corporate philosophy, and management style of the SIPEF group can be generally described as 'flat', reflecting the limited number of decision-making layers in the hierarchy.

This structure, combined with low staff turnover, enhances social oversight within the Company.

Lastly, SIPEF monitors the strict application of the rules set out in its Corporate Governance Charter and Group Code of Conduct to ensure that the directors, all persons discharging managerial responsibilities, and all Group staff act honestly and ethically, and in accordance with the applicable rules and principles of good governance.

Risk analysis and control activities

Every year, the board of directors approves SIPEF's strategic plan, which sets out the Group's strategic, operational, financial, sustainability, fiscal, and legal objectives. To ensure the appropriate management of internal or external risks that could influence the achievement of these objectives, the board annually identifies and classifies these risks based on the audit committee's annual risk assessment. This process forms part of the Group's enterprise risk management framework, which builds on the historical 'top risk review' introduced in 2009 and provides a structured approach for identifying, assessing, and monitoring the principal risks affecting the Group.

With the introduction of the CSRD, the board of directors has, since 2024, established an integrated IROs materiality assessment process, in which the risk review forms a part of a double materiality assessment, extending beyond external risk monitoring. This double materiality assessment consists of a 'financial materiality' review (an outside-in perspective), which builds on the Group's risk management review, and an 'impact materiality' review (an inside-out perspective). Detailed information on the double materiality assessment can be found in the sustainability statement.

Required actions prescribed by the board of directors are followed up by SIPEF's management to ensure the appropriate mitigation, management, and monitoring procedures are being carried out by the relevant departments in the Group.

The IROs assessed as material for SIPEF's own operations and its value chain, following the 2025 review of the double materiality assessment, are set out under the general information section of the sustainability statement.

These topics were first determined as material from an impact perspective. The financial material topics were then determined as:

- climate change: climate change adaptation
- biodiversity and ecosystems: direct impact drivers of biodiversity loss
- consumers and end users: personal safety of consumers and/or end users
- business conduct: corporate culture
- corruption and bribery: incidents

These topics are therefore material from both the impact and financial points of view.

Detailed descriptions of the specific material IROs, along with their relevance in the context of SIPEF, and all information required under the ESRS 2 General Disclosures requirement, are provided in the ESG sections of the sustainability statement.

Information and communication

A set of internal and external operational and financial reports ensures the appropriate information is available at the relevant levels on a periodic basis (daily, weekly, monthly, quarterly, every six months, or annually), enabling responsibilities to be properly executed.

Supervision and monitoring

It is the responsibility of every employee to report potential failings in the internal controls to the appropriate person.

In addition, the internal audit departments at the operating units in Indonesia and in Papua New Guinea, are responsible for the constant supervision of the effectiveness and compliance of the existing internal controls in their respective activities. They propose the appropriate adjustments based on their findings. A local audit committee discusses the internal audit department reports at least quarterly. A summary of the most recent findings is submitted quarterly to SIPEF's audit committee. As of 2024, an internal audit department has been set up in in Côte d'Ivoire and the activities there are subject to the same monitoring procedure.

At SIPEF Head Office, where no separate internal audit department exists, one of the SIPEF group's controllers conducts an internal audit of the Company's operations and reports annually to the SIPEF audit committee. The subsidiary in Singapore is also subject to an annual internal audit by a Group controller of SIPEF.

In addition, the financial statements of every Group subsidiary are checked by an external auditor at least every year. Any remarks ensuing from this external audit are submitted to the board of directors in the form of a management letter. No major failures in the internal control systems have been established during the year.

Internal control and risk management systems related to financial reporting

The process for drawing up financial reports is led by the corporate finance department, under the direct supervision of the chief financial officer and is organised as follows:

- a schedule is prepared based on the applicable internal and external deadlines. This is given to every reporting entity and the external auditor at the start of the year. External deadlines are also published on the Company's website.
- the first step in the annual reporting cycle is drawing up a budget for the following year. This is carried out between September and November and submitted to the board of directors for approval in November. The strategic options in this budget also align with the long-term plan strategy that is updated and approved by the board of directors annually. Sensitivity analyses for the strategic plan and the annual budget are prepared to ensure the appropriate risk profile is considered when making decisions.
- the monthly financial reporting comprises an analysis of the volumes of initial stock, production, sales, and end stock; the operational result; and a summary of the other items on the income statement, i.e. financial result and tax, a balance sheet, and cash flow analysis. The accounting policies used for the monthly reporting are identical to those used for the legal consolidation under International Financial Reporting Standards (IFRS). The monthly figures are compared with the budget and the same period a year earlier for each reporting entity, and significant differences are investigated. The corporate finance department consolidates these (summary) operational and financial figures (in functional currency) monthly to the reporting currency (USD) and checks once again that they are consistent with the budget or the previous period. The consolidated monthly reporting is submitted to the managing director and the executive committee.
- the board of directors receives this report on a periodic basis, i.e. three, six, nine, and twelve months, in preparation for the board meeting. This report is accompanied by a memorandum with a detailed description of the operational and financial trends of the preceding quarter.
- in the event of exceptional events, the board of directors is also notified immediately.
- an external audit verifies the individual financial statements and the technical consolidation at the end of June (limited assurance) and the end of December (full assurance). The audit of the subsidiaries is done based on the audit scope as decided by the external auditor and presented to the audit committee of the SIPEF group. The consolidated IFRS financial statements are then submitted to the audit committee for review. Based on the advice of the audit committee, the board of directors gives its opinion on the correctness of the consolidated figures before publishing the financial statements on the market.

- an interim management report is published twice a year, after the first and third quarters, stating the trends in production volumes, global market prices, and any changes in the pipeline.
- the corporate finance department is responsible for monitoring any amendments to IFRS reporting standards and implementing these amendments in the Group.

The monthly management reports and the legal consolidation are prepared using separate consolidation software, with data input from SIPEF's subsidiaries. Appropriate care is also given to anti-virus and security applications, uninterrupted backups, and steps to ensure the continuity of the service.

Internal control and risk management systems related to sustainability reporting

Sustainability due diligence: risk identification and management

SIPEF's due diligence system integrates policies, processes, and tools to ensure the Group complies with international sustainability standards, ethical practices, and human rights frameworks. It is designed to identify, assess, mitigate, and monitor ESG impacts and risks throughout the Company's operations and supply chain.

KEY COMPONENTS	KEY RELEVANT SECTION IN THE REPORT
Integration of due diligence in governance, strategy, and business model	SIPEF at a glance → SIPEF's corporate governance and management structure → Balanced Growth Strategy → SIPEF's value chain
Impacts and risks identification and assessment	Sustainability statement → Double materiality assessment
Mitigation measures and continuous improvement Monitoring, evaluation, and reporting Addressing actual adverse impacts	Sustainability statement → Environmental, social, and governance: disclosed throughout each section under actions and targets → Grievance management
Engaging with affected stakeholders	Sustainability statement → Double materiality assessment SIPEF at a glance → Balanced Growth Strategy

SIPEF's sustainability risk assessment is embedded within its double materiality assessment, which entails the identification and assessment of sustainability-related impacts, risks and opportunities. Within this assessment, the global sustainability team collaborates closely with regional sustainability teams and internal data owners to identify risks and uphold a robust reporting framework.

Standard operating procedures (SOPs) are written and implemented to mitigate these risks and incorporate relevant regulatory and voluntary certification requirements. Continuous reporting of KPIs, accidents and incidents, grievances, external audits, and policy changes provide the basis to assess whether mitigation measures are effective or need adjustments. Required changes to SOPs are implemented by the country programme management teams on an ongoing basis, and an annual sustainability management system review is conducted with SIPEF's executive committee to assess and enhance the effectiveness of the group risk management system at the enterprise level.

Further information on SIPEF's double materiality assessment is provided in the sustainability statement and in annex 3.

Internal controls

SIPEF's SOPs outline clear roles and responsibilities, support consistent methodologies, and ensure that the Group and regional teams follow a structured and aligned approach. They cover key aspects of sustainability management, including risk oversight, policy review, operational control, incident and non-compliance handling, management review, and data governance. To ensure the SOPs remain aligned with evolving ESG reporting requirements, support is provided by an ESG legal counsel who monitors regulatory developments, while data governance is strengthened through the dedicated roles of an ESG data manager and a GHG manager.

SIPEF is also transitioning to a more structured and automated data collection system as part of its long-term plan to strengthen the reliability and efficiency of its sustainability reporting. During this transition, several internal controls have been introduced to maintain high reporting quality as detailed in its data management procedure.

External controls

SIPEF's IAR is subject to an annual limited assurance by its external auditor, covering both the double materiality assessment and overall compliance with ESRS disclosure requirements. In addition to this process, SIPEF continues to undergo independent sustainability certification audits, including with key environmental and social schemes, such as Roundtable on Sustainable Palm Oil (RSPO), Rainforest Alliance and Fairtrade. These combined external reviews provide ongoing assurance of the quality, reliability, and compliance of SIPEF's sustainability reporting and implementation.

The outcome of the limited assurance process of this report can be found in the auditor's statement.

Rules of conduct concerning conflicts of interest

The Charter sets out the policy on transactions between the Company, or one of its affiliated companies, and a member of the board of directors, the executive committee, or an associated person that could give rise to a conflict of interest, within the meaning of the Belgian Companies and Associations Code or otherwise. It also specifies the legal procedures laid down in Articles 7:96 and 7:97 of the Belgian Companies and Associations Code.

In 2025, transactions giving rise to a conflict of interests within the meaning of Article 7:96 of the Belgian Companies and Associations Code were reported to the board of directors on 11 February 2025 and 18 November 2025. The legal procedure provided for by this article was applied to the related decisions of the board. The Company's external auditor was given the minutes of the meeting in which these board decisions were made. Excerpts of the minutes relating to the decisions in question are reproduced in full below:

EXCERPT FROM THE MINUTES OF 11 FEBRUARY 2025

"The Chairman of the Remuneration Committee, Antoine Friling, summarises the advice of the Committee as follows: [...]

Individual evaluation of the management and bonus proposals

Evaluation and bonus proposals for the Managing Director:

Prior to the deliberation and decision on the individual evaluation of the members of the Executive Committee and the variable remuneration to be allocated, F. Van Hoydonck (as Managing Director until 1 September 2024) and P. Meekers (as Chief Operating Officer APAC until and Managing Director as from 1 September 2024), each declare that, in accordance with Article 7:96 of the Companies and Associations Code, they have direct personal interest of a financial nature in the proposed decision, as this concerns part of their remuneration. In compliance with the applicable procedure, they leave the meeting and refrain from participating in the deliberation and voting on this item.

The Board acknowledges this declaration and proceeds with the deliberation and decision on the share option plan in the absence of F. Van Hoydonck and P. Meekers. The Board further instructs the Company Secretary to include this declaration in the minutes of the meeting and to ensure the necessary disclosure in the Company's annual report, in accordance with the applicable legal and regulatory requirements.

The Board of Directors takes note of and discusses the evaluation and variable remuneration proposed and recommended by the Remuneration Committee for F. Van Hoydonck (as Managing Director until 1 September 2024) and P. Meekers (as Chief Operating Officer APAC until and Managing Director as from 1 September 2024) for the financial year 2024. The Board of Directors unanimously approves the recommendation by the Remuneration Committee.

Following the Board's deliberation and decision on this matter, F. Van Hoydonck and P. Meekers rejoin the meeting and resume participation in the discussions on the remaining agenda items. [...]"

EXCERPT FROM THE MINUTES OF 18 NOVEMBER 2025

"A. Friling, as chairman of the Remuneration Committee, summarises the recommendations of the Remuneration Committee to the Board of Directors as follows: [...]

Prior to the deliberation and decision on the 2025 share option plan, P. Meekers, as Managing Director, declares that, in accordance with Article 7:96 of the Companies and Associations Code, she has a direct personal interest of a financial nature in the proposed decision, as she is a potential beneficiary of the share option plan under discussion. In compliance with the applicable procedure, *she leaves the meeting and refrains from participating in the deliberation and voting on this item.*

The Board acknowledges this declaration and proceeds with the deliberation and decision on the share option plan in the absence of P. Meekers.

The Board further instructs the Company Secretary to include this declaration in the minutes of the meeting and to ensure the necessary disclosure in the Company's annual report, in accordance with the applicable legal and regulatory requirements.

The Remuneration Committee conducted a thorough review of the Company's share option plan and in line with established governance principles, regulatory requirements, and market practices. The Committee recommends the continued offering of share options to executive management as a long-term incentive mechanism, independent of short-term financial results, aimed at enhancing shareholder value and ensuring executive retention. The 2025 share option plan shall be structured in line with the historical offering, ensuring continuity and alignment with past grants.

The 2025 share option plan shall be offered to the current members of the Executive Committee and the country directors. The key terms of the proposed grant are as follows:

- *Option Term: 10 years, with a vesting period of 3 years and an exercise period of 7 years.*
- *Exercise Price: Determined as the lower of the average closing price of the share during 30 days preceding the date of the offer or the last closing price of the share prior to the date of the offer (expected to range between EUR 72.20 and EUR 77.50 per share).*
- *Exercise Period: All year round, except during the legally defined closed periods.*

The Committee recommends maintaining the following rules governing the treatment of unexercised share options in the event of termination of employment:

- *Death, retirement, or disability: Full rights to the granted options shall remain, including the full 10-year exercise period.*
- *Dismissal for urgent cause: Immediate forfeiture of all unexercised options.*
- *Standard dismissal: Full retention of all granted options and exercise rights.*
- *Voluntary resignation: Vested options may be exercised for a maximum period of one year following departure.*

The Committee notes that the Company currently holds 147 667 own shares, acquired at an average price of EUR 54.17 per share. Under the 2015 share option plan, which expires on 27 November 2025, no options remain outstanding for exercise. In order to fully cover the 2025 share option plan, the Company will therefore need to acquire an additional 16 000 shares.

The Committee accordingly recommends that management ensures that, following the expiry of the 2015 share option plan, the Company repurchases the required number of shares on the market, so as to ensure full coverage without giving rise to significant future cash outflows for the Company.

Following the recommendation of the Remuneration Committee, the Board of Directors, after a thorough review of the proposed 2025 share option plan and due deliberation, unanimously approves its implementation in accordance with the proposed terms and conditions.

In addition, the Board of Directors grants full authority to B. Cambré, Chief Financial Officer, to proceed, on behalf of the Company, with the repurchase of 16 000 own shares, in order to ensure full coverage of the 2025 share option plan, in compliance with all applicable legal and regulatory requirements.

Following the Board's deliberation and decision on this matter, P. Meekers rejoins the meeting and resumes participation in the discussions on the remaining agenda items."

There were no other conflicts of interest in 2025.

Policy concerning financial transactions

The board of directors has set out in the Charter its policy aimed at preventing market abuse and the rules of conduct that directors, employees, and self-employed staff of SIPEF must observe when carrying out financial transactions in the Company's securities.

Shareholder structure

SIPEF's shareholder structure is characterised by the presence of two reference shareholders, Ackermans & van Haaren (AvH) and Bracht Group, comprising Priscilla, Theodora, and Victoria Bracht, and their respective companies (Cabra P, Cabra T, and Cabra V), as well as Cabra NV. These parties act together in mutual consultation under a shareholder agreement originally concluded in 2007 for a fifteen-year term, which was amended and renewed for a further fifteen years on 3 March 2017.

This shareholder agreement aims to create a stable shareholding structure for the Company, promoting the balanced development and profitable growth of SIPEF and its subsidiaries. Among other provisions, it includes voting arrangements regarding the appointment of directors and arrangements regarding share transfers.

1. SHAREHOLDER STRUCTURE ON 31 DECEMBER 2025

SIPEF's shareholder structure, on 31 December 2025, was as follows , based on the latest transparency notification:

SHAREHOLDER	NUMBER OF SHARES	%
Ackermans & van Haaren NV	4 362 701	41.24%
Bracht Group	1 303 032	12.32%
SIPEF (treasury shares)*	155 512	1.47%
Free float	4 758 083	44.98%
TOTAL	**10 579 328**	**100.00%**

* Shares acquired to cover share option plans and as part of the share buyback programme approved by the board of directors.

2. TRANSPARENCY NOTIFICATION

On 26 February 2025, the Company received a notification from AvH indicating that, on 24 February 2025, AvH had crossed the 55% voting rights threshold in SIPEF. This development resulted from various acquisitions of SIPEF shares by AvH between the previous notification of 8 December 2023 and the threshold crossing date. Following these acquisitions, AvH, together with Bracht Group, holds 55.02% of the voting rights in SIPEF, of which 41.24% is directly held by AvH, 12.32% is directly held by Bracht Group, and an additional 1.47% is attached to treasury shares held by the Company.

The relevant details of the transparency notification are published on the Company's website: www.sipef.com/hq/investors/shareholders-information/shareholders-structure.

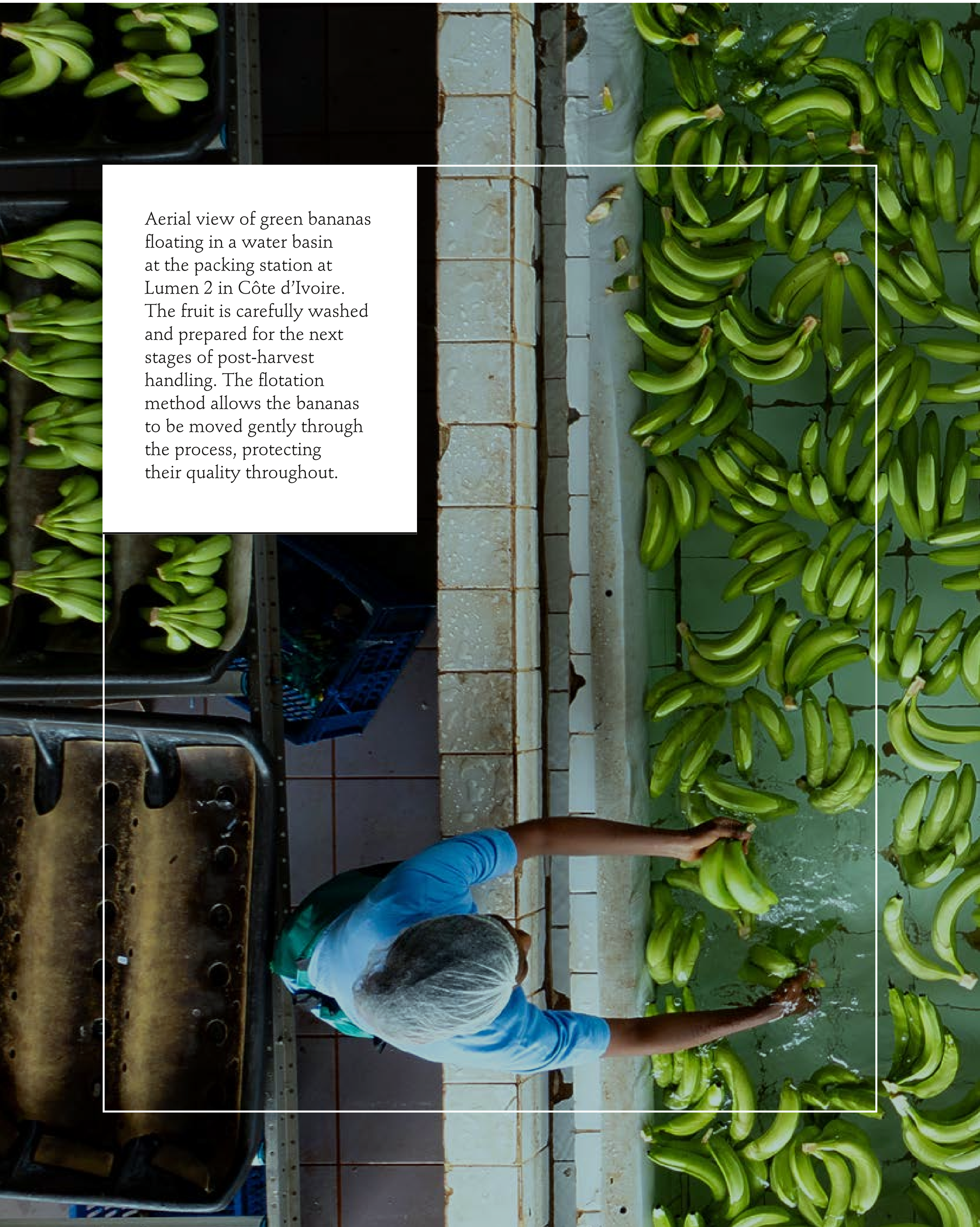
The Company has not received any further transparency notifications indicating that any other shareholder holds more than 5% of the voting rights.

Events after the balance sheet date

There are no significant post-balance sheet events that have a specific impact on the SIPEF group's activities and consolidated financial statements.

In accordance with Article 8:4 of the Royal Decree of 29 April 2019 executing the Belgian Companies and Associations Code, SIPEF discloses on its website, information related to the execution of its share buyback program, announced on December 5, 2025.

SIPEF continues to closely monitor developments related to geopolitical tensions, including the situation in the Middle East, and trade measures such as recent tariff announcements, although the current financial impact remains uncertain.



Aerial view of green bananas floating in a water basin at the packing station at Lumen 2 in Côte d'Ivoire. The fruit is carefully washed and prepared for the next stages of post-harvest handling. The flotation method allows the bananas to be moved gently through the process, protecting their quality throughout.

4. Financial statements

SIPEF on the stock market

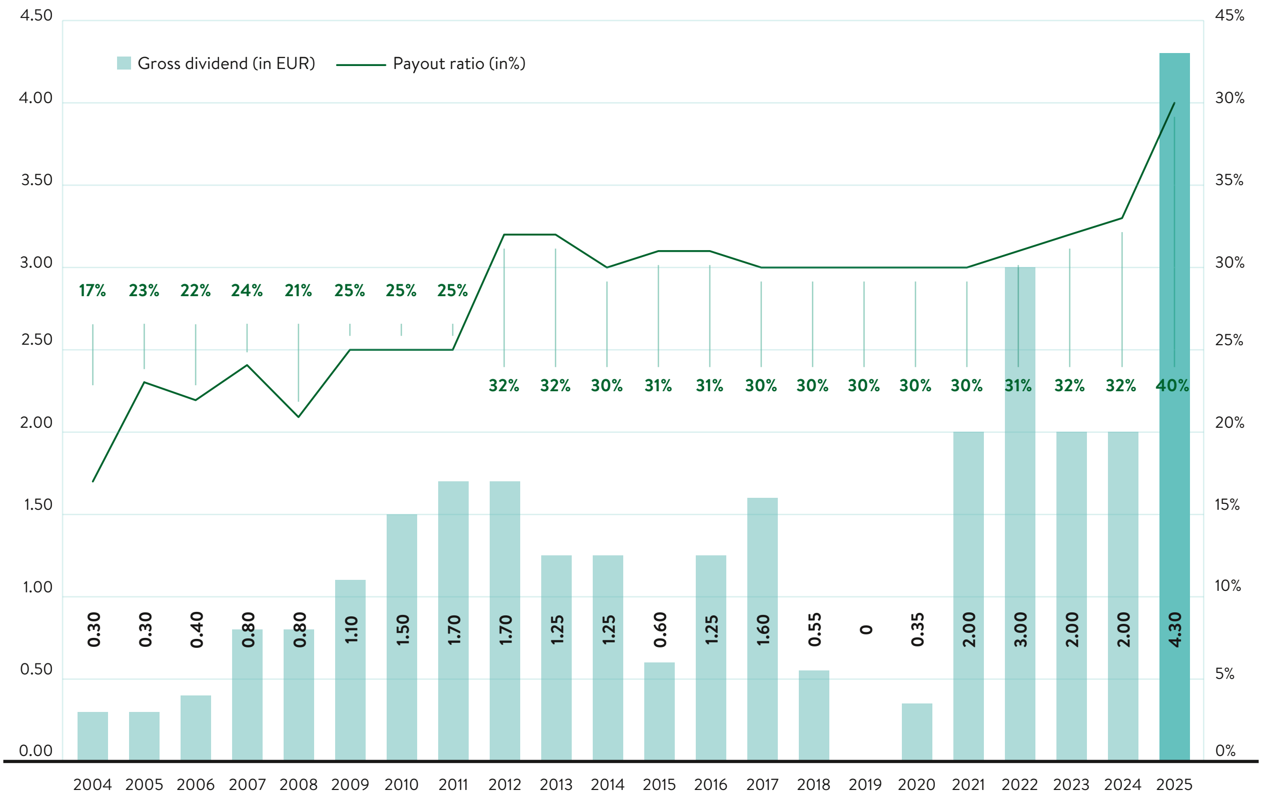
Stock market listing

SIPEF shares are listed on the continuous market of Euronext Brussels (share code: SIP, ISIN code: BE0003898187).

Stock market data on the SIPEF share

EVOLUTION OF STOCK MARKET DATA OF THE SIPEF SHARE (IN EUR)	2025	2024	2023	2022	2021
Highest stock price of the year	83.40	58.80	62.30	70.80	60.80
Lowest stock price of the year	55.40	48.40	51.30	52.70	43.85
Closing stock price per 31 December	81.20	56.80	53.00	58.90	56.90
Market capitalisation per 31 December (KEUR)	859 041	600 906	560 704	623 122	601 964
Number of shares per 31 December	10 579 328	10 579 328	10 579 328	10 579 328	10 579 328
Average number of shares traded per trading day	3 771	2 362	2 151	5 441	5 277
Average turnover per trading day (KEUR)	264	130	122	338	263

EVOLUTION OF THE DIVIDEND AND PAYOUT RATIO



Dividend policy

It is SIPEF's intention to continue its dividend policy with an increased payout ratio of approximately 40% (versus 30% in previous years) of the recurring profit from the previous financial year and to reinvest the balance in the further growth of the Company.

Analysts covering SIPEF

ANALYSTS COVERING SIPEF	
Bank Degroof Petercam	Frank Claassen
KBC Securities	Michiel Declercq

Financial calendar

FINANCIAL CALENDAR	
23 April 2026	Quarterly information Q1
10 June 2026	Ordinary general meeting
13 August 2026	Half-yearly financial report
15 October 2026	Quarterly information Q3
February 2027	Annual announcement

The periodical and occasional information relating to the Company and to the Group will be published before opening hours of the stock exchange.

In accordance with the applicable legal requirements, each major event that could affect the Company's and the Group's result is the subject of a separate press release.

Financial service

The main paying agent is Bank Degroof Petercam.

Corporate website

The website (www.sipef.com) plays a key role in SIPEF financial communication. Therefore, a substantial part of the corporate website is reserved for investor relations.

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1. COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for fiscal year 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS). These consolidated financial statements are part of the Integrated Annual Report 2025 (IAR 2025) and should be read together with the other chapters of the IAR 2025, including the non-financial information included in:

- Chapter 1: company report
- Chapter 2 : sustainability statement
- Chapter 3: corporate governance statement
- Annex 1 to 3

This sustainability statement has been prepared on a consolidated basis and in accordance with the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). Its scope aligns with the financial statements of the SIPEF group, and it complies with the European Union (EU) Taxonomy disclosures requirements under Article 8 of Regulation (EU) 2020/852 (the EU Taxonomy Regulation).

BALANCE SHEET

The total assets of the SIPEF group have increased to KUSD 1 210 344. The Group's Net Financial Position (NFP) concluded at KUSD 88 362 compared to a NFP of KUSD -18 087 at 31 December 2024. Even after covering these capital expenditures and tax and dividend payments, the NFP improved by KUSD 106 449. The capital expenditures of KUSD 89 404 are mainly related to the expansion in South Sumatra, mill upgrades, and replanting programme. The major movements in the balance sheet over the course of 2025 should be seen as a consequence of the positive results and strategy of the Group, resulting in expanding assets, supported primarily by an increase in equity.

The increase in biological assets – bearer plants and other property, plant, and equipment by KUSD 31 776 during 2025 was mainly due to investments in intangible and tangible fixed assets (KUSD 89 404) exceeding depreciation (KUSD 54 333).

The receivables over one year decreased by KUSD 4 197, mainly due to the reclassification of expected smallholders' repayments in 2026 to short-term receivables (KUSD -9 838) and the foreign exchange impact on the Indonesian rupiah (IDR)-denominated receivables (KUSD -2 057). This was offset by new loans granted to smallholders in South Sumatra (KUSD 7 118) and an additional loan to the joint venture, Verdant Bioscience Pte Ltd (KUSD 1 710), to further finance its research and development activities.

IN KUSD	2025	2024
Inventories	48 224	46 135
Biological assets	13 783	13 547
Trade receivables	24 523	47 353
Other receivables	44 802	32 859
Current tax receivables	3 042	7 547
Derivatives (assets)	799	0
Other current assets	4 279	1 950
Trade payables	-26 628	-28 512
Advances received	-7 503	-3 934
Other payables	-16 246	-20 373
Income taxes	-14 129	-6 605
Derivatives (liabilities)	0	-1 053
Other current liabilities	-18 500	-11 226
NET CURRENT ASSETS, NET OF CASH	**56 446**	**77 688**

Net current assets, net of cash, decreased in 2025 compared to the previous year. The main drivers are:

- The methodology used to measure the fair value of the biological assets remained unchanged compared to 2024. The overall value of the biological assets also stayed stable, as the world market prices at the times of closing were comparable and productions remained stable.
- Trade receivables decreased by KUSD 22 830 following significant export payments received shortly before year-end. Most of the trade receivables relate to the export sales from SIPEF's subsidiary in Papua New Guinea, Hargy Oil Palms Ltd. Trade receivables at the end of 2024 were considered high, as two shipments took place in December 2024, whereas only one shipment was recorded in 2025.
- The other receivables increased by KUSD 11 943, mainly due to the reclassification of the smallholders' loan from long-term to short-term (KUSD 9 838). As the areas managed by smallholders become more mature and productive, they are better able to repay their loans. Therefore, a larger amount of these loans is expected to be repaid during 2026.
- The net tax position (current tax receivable and income tax payable) shifted to a net tax payable of KUSD 11 087 compared to a net tax receivable of KUSD 942 on 31 December 2024. In Indonesia, tax payments made during 2025 were based on the 2024 results, most of which were lower than the 2025 results of the Indonesian subsidiaries. Taxes paid during 2025 (KUSD 46 171) were lower than the current income tax charge of the year (KUSD 58 166).
- Other current liabilities have increased compared to the prior year, mainly due to a higher provision for variable remuneration following the Group's record results in 2025

The assets held for sale of KUSD 5 108 relates to the estimated net sales value of the Group's stake in PT Melania, pending the fulfilment of all conditions required for the final sales transaction.

The net deferred tax liability remained relatively stable, from KUSD 36 212 at the end of 2024 to KUSD 34 325 at the end of 2025. This balance mainly relates to accelerated tax depreciation at Hargy Oil Palms Ltd.

IN KUSD	2025	2024
Other investments and deposits	1	1
Cash and cash equivalents	93 373	19 880
Leasing liabilities > 1 year	-1 263	-1 448
Financial liabilities	-2 935	-35 894
Leasing liabilities	-812	-626
NET FINANCIAL POSITION	**88 362**	**-18 087**

The Group's NFP increased by KUSD 106 449, reaching KUSD 88 362 at year-end 2025.

RESULT

The Group's total revenue amounted to KUSD 570 432 for the year ended 31 December 2025, representing an increase of KUSD 129 233 compared to the previous year.

The palm segment's revenue increased with KUSD 125 777, mainly because of increased palm productions (+21.3%) and higher crude palm oil (CPO), palm kernel (PK), and palm kernel oil (PKO) unit selling prices in 2025 compared to 2024. The 2025 CPO ex-mill gate unit selling price was USD 863 per tonne for Indonesia (2024: USD 816 per tonne), USD 1 144 per tonne for Papua New Guinea (2024: USD 964 per tonne) and USD 955 per tonne for the Group (2024: USD 867 per tonne).

The banana segment revenue, expressed in EUR, (the functional currency), rose by 4.8% mainly due to an increase in the average unit selling price (+1.5%) and higher volumes produced and sold (+2.2%). This reflects the maturation of the expansion area in Akoudié, as well as the strengthening of the EUR against the USD.

The total cost of sales increased by KUSD 35 560, or + 12.5%, compared with 2024. The main reasons for this increase were:

- Operating costs for the Group's own palm plantations and mills increased by KUSD 24 328 or +14.4% compared with 2024. Estate operating costs rose by KUSD 17 601 or +13.0%. This rise was primarily driven by the maturing estates in South Sumatra (KUSD 7 729), resulting in expenses that are no longer capitalised but instead recognised directly in the profit and loss statement. Additional contributing factors include higher variable remuneration, reflecting improved overall profitability, and increased depreciation charges as more estates reach maturity.

  Moreover, a 13.9% increase in own fresh fruit bunch (FFB) production volumes led to higher harvesting costs across the Group. Processing costs also rose by KUSD 6 726, in line with the 16.6% increase in processed FFB volumes. These increases were offset by the devaluation of local currencies, the IDR and the Papua New Guinea Kina (PGK) against the USD, which had a positive effect on local cost prices.

- Purchases of third-party FFB increased by KUSD 18 070 compared to previous year. This was mainly due to a 20.7% rise in purchased FFB volumes, particularly in Hargy Oil Palms Ltd (+15.5%) and South Sumatra (+42.6%). The higher purchase cost was further amplified by stronger FFB prices, which are linked to the global increase in CPO market prices.

- Operating costs in the banana activities at Plantations J. Eglin SA (Côte d'Ivoire) increased by KUSD 3 141 following the expansions in Akoudié and the revaluation of the EUR, the functional currency against the USD, which has a negative effect on local cost prices.

- In the prior year, cost of sales included the final expenses related to the rubber, tea, and horticulture segment amounting to KUSD 7 737, mainly driven by the disposal of the remaining rubber assets, while the commissions related to the tea sales and cost of sales are now classified under nonoperating income and expenses.

- Increased stock level per 31 December 2025 at KUSD 2 325.

The changes in the fair value of biological assets relate to the effects of valuing the hanging fruits at fair value (IAS41R).

Gross profit increased from KUSD 159 488 at the end of 2024 to KUSD 250 971 at the end of 2025, representing an increase of 57.4%.

The palm segment's gross profit increased by KUSD 85 925 to KUSD 242 698, mainly due to the combined impact of increased CPO, palm kernels (PK), and crude palm kernel oil (CPKO) production volumes, combined with higher selling prices. The average realised net ex-mill gate CPO price of USD 955 per tonne was 10.2% higher than that of USD 867 per tonne in 2024.

The gross profit of the Group's banana activities rose from KUSD 5 799 to KUSD 6 804, driven by higher selling prices (+1.5%) and increased production volumes (+2.2%).

Despite the increase in the overall cost of sales, the average ex-mill gate unit cost for own mature oil palm plantations decreased by 5.5% in 2025 compared with 2024, mainly due to improved productions compared to previous year.

The average ex-farm gate cost for the mature banana plantations over the same period, expressed in EUR, the functional currency, increased by 1.6%, following normal cost inflation, but was offset by slightly better productions compared to last year.

General and administrative expenses increased in comparison with 2024, mainly because of the further deployment of the Singapore branch office to centralise the Group's internal IT services and further digitalise the Group's production processes, higher variable remuneration due to the Group's increased profitability, and general inflation.

Other operating income/expenses have decreased from KUSD -7 051 in 2024 to KUSD -5 662 in 2025. The operating expenses in 2025 mainly comprised the fair value adjustment on the sale of PT Melania of KUSD -2 018 and the disposal of biological assets – bearer plants (KUSD 3 809), following the scheduled replanting activities at Hargy Oil Palms Ltd, PT Umbul Mas Wisesa, and PT Agro Muko in 2025. The amount of KUSD -7 051 in 2024 mainly related to the fair value adjustment on the sale of Melania of KUSD 6 394.

The operating result amounts to KUSD 187 689 compared with KUSD 104 105 in 2024.

The financial income of KUSD 2 480 primarily includes interest on receivables from smallholders in South Sumatra (KUSD 1 227) and interest income on short-term bank deposits (KUSD 1 211).

Financial costs of KUSD 2 543 were mainly related to interest on short-term financing (KUSD 1 434) and the discounting of the non-interest-bearing long-term loan to SIPEF's joint venture, Verdant Bioscience Pte Ltd (KUSD 726).

The positive exchange differences (KUSD 2 732) reflected the realised effect of the hedged 2025 dividend and the unrealised effect of hedging the expected 2026 dividend payable in EUR. Additional contributors included the devaluation of the PGK against the USD on tax and VAT receivables in Papua New Guinea, the revaluation of the EUR against the USD affecting loans denominated in EUR to Plantations J. Eglin SA, and the exchange impact of the revaluation of smallholders' receivables and pension provisions denominated in IDR in Indonesia.

The result before tax amounted to KUSD 190 448 for 2025, compared with KUSD 97 464 at the end of 2024.

The effective tax rate amounted to 29.5%. This is higher than the theoretical tax rate of 24.8%. The tax expense (KUSD 56 751) increased compared with 2024 due to improved profitability across all Group entities. It includes a withholding tax of USD 9.0 million on the USD 60 million dividend distribution by Hargy Oil Palms Ltd in 2025, non-deductible interest charges due to the thin cap in Indonesia for an amount of KUSD 361, and Corporate Income Tax (CIT) penalties related to a historical CIT case in Indonesia for an amount of KUSD 644. This impact was partially mitigated by a tax gain of KUSD 1 167 related to the reversal of previously impaired deferred tax assets related to fiscal losses.

The share of profit and loss of associated companies and joint ventures (KUSD -1 482) included the limited negative contribution of the research activities centralised at PT Timbang Deli Indonesia and Verdant Bioscience Pte Ltd.

The result for the period for 2025 amounted to KUSD 132 215, an increase of 88.2% compared with previous year.

CASH FLOW

In line with the increase in operating result, cash flow from operating activities before change in net working capital increased from KUSD 162 900 on 31 December 2024 to KUSD 253 200 on 31 December 2025.

Depreciations amounted to KUSD 54 333, slightly lower than 2024 (KUSD 55 846), as the 2024 figure included accelerated depreciation of rubber assets that have been converted to palm oil.

The changes in fair value of biological assets (KUSD -464) include the changes in the fair value in accordance with IAS 41 (KUSD -236), as well as the non-cash effect in the valuation of the palm oil stock at year-end (KUSD -228).

The variation in working capital of KUSD 13 463 mainly relates to a decrease in trade receivables, following the payment for a large palm oil export shipment just before year-end 2025. This was partly offset by an increase in other receivables, driven by higher Goods and Services Tax (GST) receivables.

Tax prepayments in Indonesia managed under prevailing local regulations were predominantly calculated on the results of 2024, which were lower than those achieved in 2025. In Papua New Guinea, tax prepayments are determined based on the best estimate of the current year's results and are therefore more closely aligned with the tax expense for the year. As a result, the total amount of taxes paid (KUSD 46 171) remained below the current income tax expense for the year (KUSD 58 166).

The acquisitions of intangible and tangible assets (KUSD -89 404) related to the usual replacement investments in the existing operations, replanting programmes across the Group, and new developments in South Sumatra (KUSD -25 797). In addition to the continued expansion of planted areas and supporting infrastructure such as housing, bridges, and roads, substantial investments were made across the Group's mills. These upgrades aim to enhance product quality, improve processing efficiency, and reduce environmental impact through lowering greenhouse gas (GHG) emissions. Projects included the installation of CPO washing units, new highefficiency boilers, biogas plants, and other mill improvement initiatives.

Additional loans (KUSD -1 363) were also made during the year to surrounding smallholders in South Sumatra and Bengkulu.

The proceeds from sales of property, plant, and equipment (KUSD 262) related to the sale of minor property, plant, and equipment.

The proceeds from sales of financial assets (KUSD -1 668) relate to payments made to fulfil the conditions for the sale of PT Melania, mainly to finance the ongoing operations of the tea plantation.

Free cash flow for the year 2025 amounted to KUSD 130 086, compared with KUSD 38 295 for the same period last year.

The cash flow from financing activities (KUSD -56 594) include buy-back and sale transactions in treasury shares (net KUSD 1 674), repayments of long-term and short-term financing (KUSD -32 957) relating to straight loans and commercial paper debts as well as the leasing debts, dividend payments to SIPEF shareholders (KUSD -22 881), and dividend payments to minority shareholders (KUSD -2 451).

The net increase in investments, cash, and cash equivalents amounted to KUSD 73 492, a new record for the SIPEF group.

2. CONSOLIDATED BALANCE SHEET

IN KUSD	NOTE	2025	2024
Non-current assets		**972 411**	**945 975**
Intangible assets	8	69	119
Goodwill	8	104 782	104 782
Biological assets - bearer plants	9	334 813	320 851
Other property, plant, and equipment	10	475 535	457 720
Investments in associates and joint ventures	24	0	331
Financial assets		129	112
Other financial assets		129	112
Receivables > 1 year		41 385	45 581
Other receivables	11	41 385	45 581
Deferred tax assets	23	15 699	16 478
Current assets		**237 933**	**176 397**
Inventories	12	48 224	46 135
Biological assets	13	13 783	13 547
Trade and other receivables		69 325	80 212
Trade receivables	26	24 523	47 353
Other receivables	14	44 802	32 859
Current tax receivables	23	3 042	7 547
Investments		1	1
Other investments and deposits	19	1	1
Derivatives	26	799	0
Cash and cash equivalents	19	93 372	19 880
Other current assets		4 279	1 950
Assets held for sale	30	5 108	7 126
TOTAL ASSETS		**1 210 344**	**1 122 372**

IN KUSD	NOTE	2025	2024
Total equity		**1 043 194**	**935 782**
Shareholders' equity	15	1 001 584	898 427
Issued capital		44 734	44 734
Share premium		107 970	107 970
Treasury shares (-)		- 8 959	-10 633
Reserves		868 366	767 753
Translation differences		- 10 527	-11 396
Non-controlling interests	16	41 610	37 355
Non-current liabilities		**80 396**	**78 368**
Provisions > 1 year		1 538	427
Provisions	17, 24	1 538	427
Deferred tax liabilities	23	50 024	52 690
Leasing liabilities > 1 year	27	1 263	1 448
Pension liabilities	18	27 571	23 803
Current liabilities		**86 754**	**108 222**
Trade and other liabilities < 1 year		64 506	59 424
Trade payables	26	26 628	28 512
Advances received	26	7 503	3 934
Other payables	14	16 246	20 373
Income taxes	23	14 129	6 605
Financial liabilities < 1 year		3 747	36 519
Financial liabilities	19	2 935	35 894
Leasing liabilities < 1 year	27	812	626
Derivatives	26	0	1 053
Other current liabilities		18 500	11 226
TOTAL EQUITY AND LIABILITIES		**1 210 344**	**1 122 372**

3. CONSOLIDATED INCOME STATEMENT

IN KUSD	NOTE	2025	2024
Revenue*	7	570 432	441 199
Cost of sales*	7	-319 697	-284 136
Changes in fair value of biological assets	7	236	2 425
Gross profit		**250 971**	**159 488**
General and administrative expenses	7	-57 620	-48 450
Other operating income/(expenses)*	20	-5 662	-6 933
Operating result		**187 689**	**104 105**
Financial income		2 480	1 589
Financial expenses		-2 453	-2 953
Exchange differences		2 732	-5 277
Financial result	21	**2 759**	**-6 640**
Result before tax		**190 448**	**97 464**
Tax expense	23	-56 751	-25 851
Result after tax		**133 697**	**71 613**
Share of results of associated companies and joint ventures	24	-1 482	-1 366
Result from continuing operations		**132 215**	**70 247**
Result from discontinued operations		0	0
Result for the period		**132 215**	**70 247**
Attributable to:			
- Non-controlling interests	16	6 766	4 409
- Equity holders of the parent		125 449	65 838

* Comparative figures have been adjusted to reflect the reclassification of the tea result, with an impact of KUSD 2 611 on turnover and KUSD -2 493 on cost of sales. The remaining net impact of KUSD 118 has been reclassified to other operating income/expenses, following the decision to no longer treat tea as a core segment within the Group. The impact for 2025 on turnover is KUSD 3 607 and on cost of sales is KUSD 3 650. The remaining amount is reclassified to other operating income/expenses.

EARNINGS PER SHARE (IN USD)	NOTE	2025	2024
From continuing operations			
Weighted average shares outstanding	31	10 413 607	10 405 284
Basic operating result per share	31	18.02	10.00
Basic earnings per share	31	12.05	6.33
Diluted earnings per share	31	12.02	6.32
Cash flow from operating activities after tax	31	21.34	12.79

4. STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

IN KUSD	NOTE	2025	2024
Profit for the period		**132 215**	**70 247**
Other comprehensive income:			
Items that may be reclassified to profit and loss in subsequent periods			
- Exchange differences on translating foreign operations	15	869	-418
- Cash flow hedges – fair value result for the period	26	0	-495
- Income tax effect (cash flow hedges)	26	0	124
Items that will not be reclassified to profit and loss in subsequent periods			
- Defined Benefit Plans – IAS 19	18	-1 565	1 085
- Income tax effect		344	-239
Total other comprehensive income for the year		**-352**	**57**
Other comprehensive income attributable to:			
- Non-controlling interests		-59	54
- Equity holders of the parent		-293	3
Total comprehensive income for the year		**131 863**	**70 305**
Total comprehensive income attributable to:			
- Non-controlling interests		6 706	4 463
- Equity holders of the parent		125 157	65 842

5. CONSOLIDATED CASH FLOW STATEMENT

IN KUSD		NOTE	2025	2024
OPERATING ACTIVITIES				
Profit before tax			**190 448**	**97 464**
Adjusted for:				
Depreciation		8,9,10	54 333	55 846
Movement in provisions		17	2 155	1 990
Stock options			219	201
Unrealised exchange result			1 318	2 032
Changes in fair value of biological assets			- 464	-6 238
Other non-cash results			673	- 69
Hedge reserves and financial derivatives		26	-1 852	1 338
Financial income and expenses			- 27	1 364
(Gain)/loss on disposal of property, plant and equipment			4 380	2 578
Change in fair value of asset held for sale			2 018	6 394
Cash flow from operating activities before change in net working capital		25	**253 200**	**162 900**
Change in net working capital		25	15 230	1 768
Cash flow from operating activities after change in net working capital	a		**268 431**	**164 668**
Income taxes paid	b	23	-46 171	-31 625
Cash flow from operating activities	c= a+b		**222 260**	**133 043**
INVESTING ACTIVITIES				
Acquisition intangible assets		8	0	- 40
Acquisition biological assets		9	-34 037	-31 666
Acquisition property, plant, and equipment		10	-55 367	-55 152
Financing smallholder advances		11	-1 363	-4 282
Proceeds from sale of property, plant, and equipment			262	571
Proceeds from sale of financial assets		30	-1 668	-4 179
Cash flow from investing activities	d		**-92 174**	**-94 747**
Free cash flow	e= c+d		**130 086**	**38 295**
FINANCING ACTIVITIES				
Repayment of treasury shares		22	-1 787	- 118
Proceeds of treasury shares		22	3 461	1 173
Repayment in long-term financial borrowings		19	- 778	-18 924
Proceeds in long-term financial borrowings		19	593	398
Repayment short-term financial borrowings		19	-33 398	- 50
Proceeds short-term financial borrowings		19	626	13 575
Last year's dividend paid during this book year			-22 881	-22 434
Dividends paid by subsidiaries to minorities		16	-2 451	-2 150
Interest received – paid			20	-1 435
Cash flow from financing activities	f		**-56 595**	**-29 965**
Net increase in investments, cash and cash equivalents	g= e+f	19	**73 492**	**8 331**
Investments and cash and cash equivalents (opening balance)		19	19 880	11 550
Investments and cash and cash equivalents (closing balance)		19	93 373	19 880
Of which:		19		
Other investments and deposits		19	1	1
Cash and cash equivalents		19	93 372	19 880

6. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

IN KUSD	ISSUED CAPITAL SIPEF	SHARE PREMIUM SIPEF	TREASURY SHARES	REMEASUREMENT GAIN/(LOSS) DEFINED BENEFIT PLANS IAS19	RESERVES	TRANSLATION DIFFERENCES	SHAREHOLDER EQUITY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
1 JANUARY 2025	44 734	107 970	-10 633	-4 718	772 471	-11 396	898 427	37 355	935 782
Result for the period					125 449		**125 449**	6 766	**132 215**
Other comprehensive income				-1 162		869	**- 293**	- 59	**- 352**
Total comprehensive income	**0**	**0**	**0**	**-1 162**	**125 449**	**869**	**125 157**	**6 706**	**131 863**
Last year's dividend paid					-23 867		**-23 867**	-2 451	**-26 318**
Other			1 674		193		**1 867**		**1 867**
31 DECEMBER 2025	**44 734**	**107 970**	**-8 959**	**-5 880**	**874 246**	**-10 527**	**1 001 584**	**41 610**	**1 043 194**

IN KUSD	ISSUED CAPITAL SIPEF	SHARE PREMIUM SIPEF	TREASURY SHARES	REMEASUREMENT GAIN/(LOSS) DEFINED BENEFIT PLANS IAS19	RESERVES	TRANSLATION DIFFERENCES	SHAREHOLDER EQUITY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
1 JANUARY 2024	44 734	107 970	-11 681	-5 510	729 243	-10 978	853 777	35 042	888 819
Result for the period					65 838		**65 838**	4 409	**70 247**
Other comprehensive income				792	- 371	- 418	**3**	54	**57**
Total comprehensive income	**0**	**0**	**0**	**792**	**65 467**	**- 418**	**65 841**	**4 464**	**70 305**
Last year's dividend paid					-22 434		**-22 434**	-2 150	**-24 584**
Other			1 048		194		**1 242**		**1 242**
31 DECEMBER 2024	**44 734**	**107 970**	**-10 633**	**-4 718**	**772 471**	**-11 396**	**898 427**	**37 355**	**935 782**

7. NOTES

1. IDENTIFICATION

SIPEF (the ‘company’) is a limited liability company (‘naamloze vennootschap’ / ’société anonyme’) incorporated in Belgium and registered at 2900 Schoten, Calesbergdreef 5. The consolidated financial statements for the year ended 31 December 2025 comprise SIPEF and its subsidiaries (together referred to as ‘SIPEF group’ or ‘the Group’). Comparative figures are for the financial year 2024.
The consolidated financial statements have been established by the board of directors on 10 February 2026. The events after the reporting period were updated and approved for issue by the directors on April 21, 2026. These financial statements will be presented to the shareholders at the general meeting of June 10, 2026. A list of the directors and the statutory auditor, as well as a description of the principal activities of the Group, are included in the chapters “Corporate governance statement” and “SIPEF’s operations” of the Integrated Annual Report (IAR).

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) as per 31 December 2025.

The following standards or interpretations are applicable for the annual period beginning on 1 January 2025:

- Amendments to International Accounting Standard (IAS) 21 - Lack of Exchangeability

These changes did not have a significant impact on the equity or net result of the Group.

The Group did not elect for early application of the following new standards and interpretations which were issued at the date of approval of these financial statements but were not yet effective on the balance sheet date:

- amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments, effective January 1, 2026
- amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards, effective January 1, 2026
- amendments to IFRS 7 - Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, effective January 1, 2026
- amendments to IFRS 9 - Financial Instruments, effective January 1, 2026
- amendments to IFRS 10 - Consolidated Financial Statements, effective January 1, 2026
- amendments to IAS 7 - Statement of Cash Flow, effective January 1, 2026
- IFRS 18, ‘Presentation and Disclosure in Financial Statements’, effective January 1, 2027
- IFRS 19, ‘Subsidiaries without Public Accountability: Disclosures’, effective January 1, 2027
- amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency
- disclosures about Uncertainties in the Financial Statements

At present, the Group does not expect the initial adoption of these standards and interpretations to have a material effect on the Group's financial statements, excluding IFRS18.
In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management- defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SIPEF will apply IFRS 18 and related amendments of other standards for the annual reporting period beginning on 1 January 2027. The standard will be applied retrospectively according to IAS 8, which requires a reconciliation for each line item of the prior period presented in the annual report 2027. The interim financial statements in financial year 2027 will be prepared in accordance with the new standard.

The Group is currently working to identify all impacts these amendments will have on the primary financial statements and notes to the financial statements.

Based on the preliminary assessment, some of the initial expected material impacts on the Group’s consolidated financial statements are, as follows:

- earnings from associates and joint ventures and Interests on lendings and short-term deposits, will be classified in the investing activities.
- new disclosure will be added: (a) management-defined performance measures; (b) specified expense by nature; and (c) a reconciliation for each line item in the statement of profit or loss between the restated amounts applying IFRS 18 and the amounts previously presented applying IAS 1.

Expected impacts are based on reasonable information available before this annual report was authorised for issue. They may change due to new information available at a later date.

3. ACCOUNTING POLICIES

Basis of preparation

Starting in 2007, the consolidated financial statements are presented in US dollar (until 2006 this was done in euro), rounded off to the nearest thousand (KUSD). This modification is the result of the changed policy with regard to the liquidity and debt management since the end of 2006, whereby the functional currency of the majority of the subsidiaries has been changed from the local currency to the US dollar.

The consolidated financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: investments in equity instruments measured at fair value through other comprehensive income (FVOCI), financial derivative instruments and biological produce.

The accounting policies have been consistently applied throughout the Group and are consistent with those used in the previous year.

Consolidation principles

Subsidiaries

Subsidiaries are those enterprises controlled by the company. An investor controls an investee if and only if the investor has all of the following elements, in accordance with IFRS 10:

- power over the investee, i.e. the investor has existing rights that give it the ability to direct the relevant activities
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect the amount of the investor's returns

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases (or a date nearby).

Associates

Associates are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognized gains and losses of associates on an equity accounting basis, from the date that significant influence effectively commences until the date that significant influence effectively ceases (or a date nearby). When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealized gains arising on intra-group transactions, are eliminated for companies included using the full consolidation method in preparing the consolidated financial statements.

Unrealized losses are eliminated in the same way as unrealized gains except that they are only eliminated to the extent that there is no evidence of impairment.

Foreign currency

Foreign currency transactions

In the individual Group companies, transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

Financial statements of foreign operations

Functional currency: items included in financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency). Starting from 2007, the consolidated financial statements are presented in US dollar, this is the functional currency of the majority of the Group companies.
To consolidate the Group and each of its subsidiaries, the financial statements of the individual entities are translated as follows:

- assets and liabilities at the closing rate
- income statements at the average exchange rate for the year
- the components of shareholders' equity at the historical exchange rate

Exchange differences arising on translation for consolidation are recognised in other comprehensive income under “Exchange differences on translating foreign operations”. When a foreign entity is sold, such exchange differences are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as local currency assets and liabilities of the foreign entity and are translated at the closing rate.

Biological assets

The biological asset of palm oil is defined as the oil contained in the palm fruit, so that the fair value of this distinct asset can be estimated reliably.
SIPEF group has opted to measure biological assets of rubber at fair value at the point of harvest in accordance with IAS 41.32 and not to measure it at fair value as it grows less costs to sell, as it is of the opinion that all parameters used in any alternative fair value measurement (future productions, determination of the start of the life cycle, cost allocation,…) are clearly unreliable. As a consequence, all alternative fair value measurements are also considered clearly unreliable.

The biological assets of bananas are measured at fair value as it grows less costs to sell, taking into account that all the parameters for the fair value calculation are available and reliable.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated point of sale costs and from the change in fair value less estimated point of sale costs of a biological asset is included in net profit or loss in the period in which it arises.

At the time of harvest, fresh fruit bunches and bananas are measured at their fair value less costs to sell and transferred to inventories.

Goodwill

Goodwill represents the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities acquired in a business combination. Goodwill is not amortized but reviewed for impairment at least annually. For the purpose of testing goodwill for impairment, goodwill is allocated to operating companies which is the lowest level at which the goodwill is monitored for internal management purposes (i.e. cash flow generating unit). Any impairment is immediately recognized in the income statement and is not subsequently reversed.

Negative goodwill represents the excess of the Group's interest in the fair value of the net identifiable assets acquired over the cost of acquisition. Negative goodwill is immediately recognized in the income statement.

Intangible assets

Intangible assets include computer software and various licenses. Intangible assets are capitalized and amortized using the straight-line method over their useful life.

Property, plant and equipment

Property, plant and equipment, including investment property and bearer plants, are stated at cost less accumulated depreciation and any accumulated impairment losses. Borrowing costs attributable to the construction or production of qualifying assets are capitalized. Expenses for the repair of property, plant and equipment are usually charged against income when incurred.
Property held for sale, if any, is stated at the lower of amortized cost and fair value less selling charges.

In accordance with the amendments to IAS 16 and IAS 41, bearer plants are stated at cost less accumulated depreciation and any accumulated impairment losses. All costs relating to the maintenance of the bearer plants, including fertilisation, is capitalised as long as the bearer plants are immature. Depreciation commences when the bearer plants have become mature and the production of biological assets starts.

Depreciation is calculated using the straight-line method based on the estimated useful lives of the related assets:

Buildings	5 to 30 years
Infrastructure	5 to 25 years
Installations and machinery	5 to 30 years
Vehicles	3 to 20 years
Office equipment and furniture	5 to 10 years
Other property, plant and equipment	2 to 20 years
Bearer plants	18 to 25 years

Land and 'construction in progress' are not amortized.

The Group presents the cost of land rights as a part of property, plant & equipment, consistently with practices in the industry and with relevant guidance in that respect. The land rights have indefinite useful life. In addition, the Group closely monitors the situation of each land title in terms of renewal and only depreciates its land rights if there is an indication that the land title might not be renewed. The renewal costs of land rights are also recognized as land rights and are amortized over the term of the renewal. Furthermore, the land rights are part of the yearly impairment testing.

Leases

Assets, representing the right to use the underlying leased asset, are capitalized as property, plant and equipment at cost, comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs. The corresponding lease liabilities, representing the net present value of the lease payments, are recognized as long-term or current liabilities depending on the period in which they are due. Leased assets and liabilities are recognized for all leases with a term of more than twelve months, unless the underlying asset is of low value.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The interest rate implicit in the lease could not be determined. All cash flows relating to the leases are included in the increase/decrease of the short-term or long-term financial borrowings (financing activities) in the cash flow statement.

Lease interest is charged to the income statement as an interest expense.

Leased assets are depreciated, using straight-line depreciation over the lease term, including the period of renewable options, in case it is probable that the option will be exercised.

Lessee accounting
Due to the nature of the Group's business whereby the operations are primarily taking place in relatively remote areas, the Group owns most of the assets used. Therefore, there is only a limited number of leases which qualify for lease accounting. The three main categories consist of:

Office rental
Considering that most of the office rentals are long-term leases, the main areas requiring management action are:

- determining the lease term
- calculating the incremental borrowing rate

Company cars
Company cars in Belgium meet the definition of a lease and therefore the same approach as office rentals will be applied.

Papua-New-Guinea land rights
In the Group's subsidiary Hargy Oil Palms Ltd in Papua-New-Guinea, a part of the land rights includes a fixed annual rental payment for the usufruct of the land, as well as a variable royalty depending on the production levels of the year measured in tonnes FFB. The annual fixed rental payment meets the definition of a lease, whereby the lease term of asset has been determined as the average lifespan of an oil palm (20 years).

Lessor accounting
The Group has no contracts that could lead to lessor accounting.

Impairment of assets

Property, plant and equipment (including bearer plants) and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may be higher than the recoverable amount. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and its value in use. For the purpose of assessing an impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. If the impairment is no longer justified in future periods due to a recovery in assets' fair value or value in use, the impairment reserve is reversed.

Financial instruments

Classification and measurement of financial instruments
Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets include the investments in equity instruments designated at fair value through other comprehensive income, loans to related parties, receivables including trade receivables and other receivables, derivative financial instruments, financial assets at fair value through profit or loss, cash and cash equivalents. The acquisitions and sales of financial assets are recognised at the transaction date.

Financial assets – debt instruments
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt instruments include:

- receivables measured at amortised cost
- trade receivables measured at amortised cost
- cash and cash equivalents
- other investments and deposits

Financial assets – investments in equity instruments
On initial recognition, the Group made an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVOCI. Investments in equity instruments at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment's revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Amortised cost and effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Derivatives
The Group uses financial derivative instruments primarily to manage its exposure to interest rate and foreign currency risks arising from operational, financing and investment activities. The Group applies hedge accounting under IFRS 9 – "Financial Instruments".

Derivative instruments are valued at fair value at initial recognition. The changes in fair value are reported in the income statement unless these instruments are part of hedging transactions, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as hedging instruments in respect interest rate risk in cash flow hedges. Derivatives related to the foreign currency risk are not documented in a hedging relationship.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item along with its risk management objectives and its strategy for undertaking various hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i. e. rebalances the hedge) so that it meets the qualifying criteria again.

The value fluctuations of a derivative financial instrument that complies with the strict conditions for recognition as a cash flow hedge are recorded in other comprehensive income for the effective part. The ineffective part is recorded directly in the profit and loss account. The hedging results are recorded out of other comprehensive income into the profit and loss account at the moment the hedged transaction influences the result.

A derivative with a positive fair value is recorded as a financial asset, while a derivative with a negative fair value is recorded as a financial liability. A derivate is presented as current or non-current depending on the expected expiration date of the financial instrument.

Impairment of financial assets
In relation to the impairment of financial assets an expected credit loss model is applied. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Specifically, the following assets are included in the scope for impairment assessment for the Group:

1) trade receivables
2) non-current receivables and loans to related parties
3) cash and cash equivalents

IFRS 9 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group has applied the simplified approach and records lifetime expected losses on all trade receivables.

IFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. On the other hand, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to twelve month expected credit losses.

For long-term receivables, IFRS 9 provides a choice to measure expected credit losses applying lifetime or a general (three stages of expected credit loss assessment) expected credit losses model. The Group selected the general model. All bank balances are assessed for expected credit losses as well.

Financial liabilities
All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Receivables and payables
The Group initially measures an amount receivable and payable at fair value. For the amount receivables, the transaction price is deemed to be equal to the fair value. Subsequently, these amount receivables are carried at amortized cost using the effective interest method less any allowance for expected credit losses. For amounts payable, the transaction price is deemed to be equal to the fair value. Subsequently, these amount payables are carried at amortized cost using the effective interest method. Amounts receivable and payable in a currency other than the functional currency of the subsidiary are translated at the prevailing Group exchange rates on the balance sheet date.

Cash and cash equivalents
Cash and cash equivalents are measured at their amortised value and include cash and deposits with an original maturity of less than three months. Negative cash balances are recorded as liabilities.

Other investments and deposits
Investments are measured at their amortized value and include short-term deposits with an original maturity of three months or more or other short-term monetary investments that are readily convertible into a known amount of cash and with an insignificant risk of change in value. For the purpose of the consolidated statement of cash flows, these are included in the opening and closing balance because they are considered an integral part of the Group's cash management.

Interest-bearing borrowings
Interest-bearing borrowings are measured at amortised cost price. Borrowings are initially recognized as proceeds received, net of transaction costs. Any difference between cost and redemption value is recognized in the income statement using the effective interest method.

Inventories

Inventories are valued at the lower of cost or net realisable value.

At the time of harvest, agricultural produce are measured at fair value less costs to sell and transferred to inventories. Costs incurred in growing the agricultural produce, including any applicable harvest costs, are recognised as part of cost of sales.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

Assets held for sale

The Group classifies non-current assets and disposal groups as held for sale, if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group-, excluding finance costs and income tax expenses).

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plant to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated income statement.

Shareholders' equity

Dividends of the parent company payable on ordinary shares are only recognized as a liability in the period in which they are approved.

Costs incurred with respect to the issuance of equity instruments are recorded as a deduction in equity.

Non-controlling interest

Non-controlling interests include a proportion of the fair value of identifiable assets and liabilities recognized upon acquisition of a subsidiary, together with the appropriate proportion of subsequent profits and losses.
In the income statement, the minority share in the company's profit or loss is separated from the consolidated result of the Group.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made.

Pensions and other post-employment benefits

Group companies have various pension schemes in accordance with the local conditions and practices in the countries they operate in.

1. Defined benefit plans

The defined benefit plans are generally un-funded but fully provisioned for using the 'projected unit credit'- method. This provision represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in Other Comprehensive Income.

2. Defined contribution plans

The Group pays contributions to publicly or privately administered insurance plans. Since the Group is obliged to make additional payments if the average return on the employer's contribution and on the employees' contributions is not attained, those plans should be treated as "defined benefit plans" in accordance with IAS 19.

Share based payment

Stock option plans exist within the SIPEF group, giving beneficiaries the right to buy SIPEF shares at a predefined price. This price is determined at the time when the options are granted and it is based on the market price or the intrinsic value.

The performance of the beneficiary is measured (at the moment of granting) on the basis of the fair value of the granted options and warrants and recognized in profit and loss when the services are rendered during the vesting period.

Revenue recognition

The SIPEF group's core activity is the sale of goods. SIPEF group recognises revenue at the moment the control over the asset is transferred to the customer. The goods sold are transported by ship and recognized as revenue as soon as the goods are loaded onto the ship. Revenue recognition occurs at the moment when the goods are loaded onto the ship. Revenue is recorded at this point in time for all contracts within the SIPEF group. The payment terms depend on the delivery terms of the contract and can vary between prepayment, cash against documents and forty-five days after handover of the bill of lading. Deliveries are at a fixed price. For each contract there is only one performance obligation which needs to be fulfilled: the delivery of the goods.

The Group has no material incremental costs of obtaining a contract which would fulfil the capitalization criteria as defined by IFRS 15.

Cost of sales

Cost of sales includes all costs associated with harvest, transformation and transport. Purchases are recognized net of cash discounts and other supplier discounts and allowances.

General and administrative expenses

General and administrative expenses include expenses of the marketing and financial department and general management expenses.

Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax liabilities and assets are recognized for temporary differences between the carrying amount in the balance sheet and the tax bases of assets and liabilities and are subsequently adjusted to reflect changes in tax rates expected to be in effect when the temporary differences reverse. Deferred tax assets are included in the consolidated accounts only to the extent that their realization is probable in the foreseeable future.

4. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements in conformity with IFRS requires the Group to use accounting estimates and judgements and make assumptions that may affect the reported amounts of assets and liabilities at the date of the balance sheets and reported amounts of revenue and expense during the reporting periods. Actual results could differ from those estimates.

Below, we present an overview of the most important judgements applicable in the annual report:

- judging that land rights will not be amortized unless there is an indication that the land title might not be renewed.

The main areas in which estimates are used are:

- deferred tax assets (note 23)
- impairment of assets (goodwill impairment – note 8)
- determination of the estimated costs related to the sale of PT Melania

The key estimates used in the calculation of deferred tax assets and impairment of assets (goodwill impairment) testing rely on making an estimate on commodity prices over a longer period. By nature, the commodity prices used in such estimates are volatile and will therefore in reality be different from the estimated amounts. There is no unique independent variable on which a relevant sensitivity can be done on the calculation of the deferred tax assets. We refer to note 8 for the goodwill impairment testing.

The determination of the net selling price of PT Melania includes an estimate of the costs related to the sale as agreed in the conditional sale and purchase agreement (CSPA) and the signed addendum. The main estimates made include:

- the timing and the cost of renewing the permanent concession rights – Hak Guna Usaha (HGU);
- the determination that the net sale proceeds, or alternatively the net asset value, relating to PT Melania’s tea operation provide sufficient support for the recoverability of the value of the asset held for sale;
- the compensation for the accumulated social rights of the employed personnel, who will presumably be taken over almost entirely by the Shamrock Group.

No other accounting estimates and judgments have been identified for the year ended 31 December 2025.

5. GROUP COMPANIES / CONSOLIDATION SCOPE

The ultimate parent of the Group, SIPEF NV, Schoten/Belgium, is the parent company of the following subsidiaries:

	Location	% of control	% of interest
Consolidated companies (full consolidation)			
PT Tolan Tiga Indonesia	Medan / Indonesia	95.00	95.00
PT Eastern Sumatra Indonesia	Medan / Indonesia	95.00	90.25
PT Kerasaan Indonesia	Medan / Indonesia	57.00	54.15
PT Bandar Sumatra Indonesia	Medan / Indonesia	95.00	90.25
PT Mukomuko Agro Sejahtera	Medan / Indonesia	95.00	85.74
PT Umbul Mas Wisesa	Medan / Indonesia	95.00	95.00
PT Citra Sawit Mandiri	Medan / Indonesia	95.00	95.00
PT Toton Usaha Mandiri	Medan / Indonesia	95.00	95.00
PT Agro Rawas Ulu	Medan / Indonesia	100.00	100.00
PT Agro Kati Lama	Medan / Indonesia	100.00	100.00
PT Agro Muara Rupit	Medan / Indonesia	100.00	100.00
Hargy Oil Palms Ltd	Bialla / Papua N.G.	100.00	100.00
Plantations J. Eglin SA	Azaguié / Côte d'Ivoire	100.00	100.00
Jabelmalux SA	Luxembourg / G.D. Luxemburg	100.00	100.00
Sipef Singapore	Singapore / Republic of Singapore	100.00	100.00
PT Agro Muko	Medan / Indonesia	100.00	95.05
PT Dendymarker Indah Lestari	Medan / Indonesia	100.00	95.05
Associates and joint ventures (equity method)			
Verdant Bioscience Pte Ltd	Singapore / Republic of Singapore	38.00	38.00
PT Timbang Deli Indonesia	Medan / Indonesia	38.00	36.10
PT Melania Indonesia (asset held for sale)	Medan / Indonesia	55.00	52.25
Companies not included			
Horikiki Development Cy Ltd	Honiara / Solomon Islands	90.80	90.80

The Group consists of Sipef NV and a total of 21 investees. Of these 21 investees, 17 are fully consolidated and 2 are accounted for under the equity method, 1 has been accounted for as an asset held for sale, while 1 other investee does not meet the criteria of significance.

In accordance with the concept of materiality, companies which are insignificant, have not been included in the consolidation scope. They are measured at cost and tested for impairment on an annual basis, which is considered a good proxy of their fair value.

SIPEF has signed a CSPA with Shamrock Group on the sale of 100% of the share capital of its Indonesian subsidiary, PT Melania. In a first phase, 40% was sold so that the SIPEF group now owns only 55% of the share capital. However, upon signing of the CSPA, SIPEF has lost full control of PT Melania. Subsequently, PT Melania has been accounted for as an asset held for sale as from 30 April 2021. The assets and liabilities of PT Melania have been measured at fair value. The original net selling price amounted to KUSD 23 353.

On 22 January 2025, the purchaser sent a termination letter regarding the CSPA. SIPEF group contested the legal validity of this termination letter. Continued dialogue led to a constructive resolution, taking into account the exceptional circumstances related to the HGU renewal process.

On 3 July 2025, the parties signed an amendment to the original CSPA, reaffirming their mutual commitment to the transaction and outlining several adjusted terms to accommodate ongoing permitting timelines. SIPEF remains committed to completing the sale of PT Melania and continues to closely monitor and manage the process of the land title renewal.

As of 30 April 2021, the results of PT Melania are no longer included in the consolidated profit and loss of the SIPEF group as PT Melania is classified as an asset held for sale and therefore not included in note 24 ‘Investments in associates and joint ventures’.

There are no restrictions to realise assets and settle liabilities of subsidiaries.

6. EXCHANGE RATES

As a result of a revised liquidity- and debt management as from the end of 2006 the functional currency in the majority of the subsidiaries has been changed to US dollar as from January 1, 2007. The following subsidiary has a different functional currency:

Plantations J. Eglin SA *euro* (EUR)

The exchange rates below have been used to convert the balance sheets and the results of these entities into US dollar (this is the currency in which the Group presents its results).

	Closing rate		Average rate	
	2025	2024	2025	2024
EUR	0.8518	0.9627	0.8854	0.9262

7. OPERATIONAL RESULT AND SEGMENT INFORMATION

SIPEF's activities can be classified into segments based on the type of product. SIPEF has the following segments:

- Palm: Includes all palm products, including palm oil (CPO), palm kernels (PK) and palm kernel oil (CPKO), both in Indonesia and Papua New Guinea.
- Rubber: includes the remaining rubber production in Indonesia in 2024. However, this segment is no longer relevant following the completion of the conversion of rubber plantations to palm oil plantations in 2025. It is retained for comparative purposes only and will be removed next year.
- Bananas: includes all sales of bananas from Côte d'Ivoire.
- Corporate: Mainly includes management fees received from non-group companies, commissions charged on sea freight and other commissions which are not covered by the sales contract.

As of 2025, the cut, tear, curl (CTC) tea produced by PT Melania in Indonesia, which the SIPEF group buys and sells, is no longer considered a core segment within the SIPEF group. The tea activities have been stopped and the remaining buy and sell transactions are immaterial to the Group. The amount of last year (KUSD 118) has been reclassified to 'other operating income/expenses'.

Seasonality is applicable to the Group's operating segments. However, opposite trends exist across the different operating segments and production sites. The banana segment experiences a production peak, with an associated stock build-up, in the period January to April, aligned with demand in Europe. On the other hand, the palm oil segment has a 45%/55% ratio, with 45 percent of production realized during the first half of the year and 55 percent during the second half.

Due to seasonality, production volumes may affect the Group's results during the peak season and lead to higher stocks being held. The above seasonality has an impact on the Group's working capital and net financial position. Both are actively managed and closely monitored.

The overview of segments below is based on the SIPEF group's internal management reporting. The executive committee is the chief operating decision maker. The most important difference with IFRS consolidation is:

- instead of revenue the gross margin per segment is used as the starting point
- the fair value adjustment on the assets held for sale (PT Melania) is included in a separate line instead of other operating income/(expenses)

In KUSD	2025	2024
Gross margin per product		
Palm	242 698	156 774
Rubber	0	-5 006
Bananas	6 804	5 799
Corporate	1 469	1 922
Total gross margin*	**250 971**	**159 488**
General and administrative expenses	-57 620	-48 450
Other operating income/(expenses)*	-3 644	- 539
Financial income/(expenses)	27	-1 364
Exchange differences	2 732	-5 277
Result before tax	**192 466**	**103 859**
Tax expense	-56 751	-25 851
Effective tax rate	-29.49%	-24.89%
Result after tax	**135 715**	**78 008**
Share of results of associated companies	-1 482	-1 366
Result for the period (recurring)	**134 233**	**76 642**
- Non-controlling interests (recurring)	6 867	4 729
- Equity holders of the parent (recurring)	127 367	71 913
Result for the period (recurring)	**134 233**	**76 642**
Fair value adjustment on sale PT Melania	-2 018	-6 394
Result for the period (non-recurring)	**132 215**	**70 248**

**Prior year figures have been restated to reflect the reclassification of the tea result, totalling KUSD 118 to other operating income/(expenses), as tea is no longer considered a core segment within the Group. Current year figures have been restated to reflect the reclassification of the tea result, totalling KUSD -43 to other operating income/(expenses),*

Below we present the segment information per product and per geographical region in accordance with the IFRS profit and loss accounts. The segment result is revenue minus expense that is directly attributable to the segment and the relevant portion of income and expense that can be allocated on a reasonable basis to the segment.

Gross profit by product

2025 - KUSD	Revenue	Cost of sales	Changes in the fair value	Gross profit	% of total
Palm	522 047	-279 893	545	242 698	96.7
Rubber	0	0	0	0	0.0
Bananas	46 916	-39 804	- 309	6 804	2.7
Corporate	1 469	0	0	1 469	0.6
Total	**570 432**	**-319 697**	**236**	**250 971**	**100.0**

2024 - KUSD	Revenue	Cost of sales	Changes in the fair value	Gross profit	% of total
Palm	396 270	-242 377	2 881	156 774	98.3
Rubber	129	-5 135	0	-5 006	-3.1
Bananas	42 878	-36 624	- 456	5 799	3.6
Corporate	1 922	0	0	1 922	1.2
Total*	**441 199**	**-284 136**	**2 425**	**159 488**	**100.0**

**Prior year figures have been restated to reflect the reclassification of the tea result, totaling KUSD 118 to other operating income/(expenses), as tea is no longer considered a core segment within the Group.*

The Group's total revenue amounted to KUSD 570 432 for the year ended 31 December 2025, representing an increase of KUSD 129 233 compared to last year.

The palm segment's revenue increased with KUSD 125 777, mainly because of increased palm productions (+21.3%) and higher CPO/PK(O) unit selling prices in 2025 compared to 2024. The 2025 CPO ex-mill gate unit selling price was USD 863 per tonne for Indonesia (2024: USD 816 per tonne), USD 1 144 per tonne for Papua New Guinea (2024: USD 964 per tonne) and USD 955 per tonne for the Group (2024: USD 867 per tonne).

The rubber margin of KUSD -5 006 in the previous year is related to the final disposal of the remaining rubber assets in PT Agro Muko and PT Bandar Sumatra.

Banana segment revenue, expressed in EUR, the functional currency, rose by 4.8% mainly due to an increase in the average unit selling price (+1.5%) and higher volumes produced and sold (+2.2%), reflecting the maturing of the expansion area in Akoudié and the strengthening of the EUR against the USD.

The total cost of sales increased by KUSD 35 560 or +12.5%, in 2025 compared with previous year. The main reasons for this increase were as follows:

- Operating costs for the Group's own palm plantations and mills increased by KUSD 24 328 or +14.4%. Estate operating costs rose by KUSD 17 601 or +13.0%. This rise was primarily driven by the maturing estates in South Sumatra (KUSD 7 729), resulting in expenses that are no longer capitalised but instead recognised directly in the profit and loss statement. Additional contributing factors include higher variable remuneration, reflecting improved overall profitability, and increased depreciation charges as more estates reach maturity.
- Moreover, a 13.9% increase in own FFB production volumes led to higher harvesting costs across the Group. Processing costs also rose by KUSD 6 726, in line with the 16.6% increase in processed FFB volumes. These increases were offset by the devaluation of local currencies, the IDR and the Papua New Guinea Kina (PGK) against the USD, which had a positive effect on local cost prices.
- Purchases of third-party FFB increased by KUSD 18 070 compared to previous year. This was mainly due to a 20.7% rise in purchased FFB volumes, particularly in HOPL (+15.5%) and South Sumatra (+42.6%). The higher purchase cost was further amplified by stronger FFB prices, which are linked to the global increase in CPO market prices.
- Operating costs in the banana activities at Plantations J. Eglin SA (Côte d'Ivoire) increased by KUSD 3 141 following the expansions in Akoudié and the revaluation of the EUR, the functional currency at Plantations J. Eglin SA, against the USD, which has a negative effect on local cost prices.
- In prior year, cost of sales included the final expenses related to the rubber and horticulture segment amounting to KUSD 5 243 mainly driven by the disposal of the remaining rubber assets.
- Increased stock levels per 31 December 2025.

The 'changes in the fair value of biological assets' concerned the effects of valuing the hanging fruits at their fair value (IAS41R).
Gross profit increased from KUSD 159 488 at the end of 2024 to KUSD 250 971 at the end of 2025, representing an increase of 57.4%.

The palm segment's gross profit increased by KUSD 85 925 to KUSD 242 698, mainly due to the combined impact of increased CPO, palm kernels (PK), and CPKO production volumes, combined with higher selling prices. The average realised net ex-mill gate CPO price of USD 955 per tonne was 10.2% higher than that of USD 867 per tonne in 2024.

The gross profit of the Group's banana activities rose from KUSD 5 799 to KUSD 6 804, driven by higher selling prices (+1.5%) and increased production volumes (+2.2%).

Gross profit by geographical region

2025 - KUSD	Revenue	Cost of sales	Other income	Changes in the fair value	Gross profit	% of total
Indonesia	315 410	-165 412	953	- 156	150 795	60.1
Papua New Guinea	206 637	-114 481	0	700	92 857	37.0
Côte d'Ivoire	46 916	-39 804	0	- 309	6 804	2.7
Europe	516	0	0	0	516	0.2
Total	**569 479**	**-319 697**	**953**	**236**	**250 971**	**100.0**

2024 - KUSD	Revenue	Cost of sales	Other income	Changes in the fair value	Gross profit	% of total
Indonesia	240 286	-140 718	715	2 424	102 706	64.4
Papua New Guinea	156 114	-106 794	0	457	49 777	31.2
Côte d'Ivoire	42 878	-36 624	0	- 456	5 799	3.6
Europe	1 207	0	0	0	1 207	0.8
Total	**440 485**	**-284 136**	**715**	**2 425**	**159 488**	**100.0**

Total cost of sales can be split up in the following categories:

1. estate charges – includes all charges relating to the field work to produce the base agricultural products (i.e. fresh fruit bunches, bananas)
2. processing charges – includes all charges relating to the processing of the base agricultural products to the finished agricultural commodities (i.e. palm oil, palm kernel oil, …)
3. FFB/CPO purchases – includes all purchases from third parties (smallholders) or associates;
4. stock movement – includes the variance in stock
5. changes in fair value – includes the changes in the fair value of the biological assets of palm oil and bananas
6. sales charges – includes all direct costs attributable to the sales of the year (i.e. transport charges, palm oil export tax/levy, ...)
7. general and administrative expenses – includes all costs related to the overall organisation (i.e. general management, financial department, marketing, internal audit, sustainability, etc.)

In KUSD	2025	2024
Estate charges	182 168	173 832
Processing charges	39 830	33 595
FFB/CPO purchases	56 897	41 206
Stock movement finished products	-2 926	-2 225
Changes in fair value	236	2 425
Sales charges	43 257	32 877
Cost of sales	**319 461**	**281 711**
General and administrative expenses	57 620	48 450
Total cost of sales and general and administrative expenses	**377 081**	**330 161**

'Estate charges' have increased compared to last year mainly due to:
- the additional mature hectares in the Musi Rawas region, whereby estate charges are now increasing annually
- higher harvesting costs in 2025 due to the increase in FFB production (+13.9%)
- the higher provision for the variable remuneration linked to the higher profitability within the Group
- and compensated by the devaluation of the PGK and IDR against the USD which is beneficial for the unit cost prices

The 'processing charges' increased with 18.6% compared to last year due to the higher volumes of processed FFBs in 2025 (+16.6%).

Purchases of FFB/CPO increased by KUSD 15 691 due to:
- an increase in purchases of FFB from third parties at Hargy Oil Palms Ltd (KUSD 12 284) due to the higher crop volumes from smallholders (+15.5%) which have recovered from the impact of the volcanic eruption in November 2023;
- an increase in purchase of FFB (+42.6%) from third parties in South Sumatra (KUSD 4 080) as the areas start to mature.

Stock levels are higher than last year but valued at similar unit stock values.

For more information on the 'changes in fair value' we refer to note 13 – biological assets.

'Sales charges' rose in line with higher export volumes, driven by increased and higher export levies and taxes applicable to volumes exported from Indonesia in 2025 compared to 2024.

Total depreciation amounts to KUSD 54 333. Most of the depreciation was included in the estate and processing charges (KUSD 48 668) and a total of KUSD 5 665 of depreciation charges is recorded in the 'General and administrative expenses'.

'General and administrative expenses' increased in comparison with 2024, mainly because of the further deployment of the Singapore branch office to centralise the Group's internal Information Technology (IT) services and further digitalise the Group's production processes, higher variable remuneration due to the Group's increased profitability, and general inflation.

Revenue by location of the debtors

In KUSD	2025	2024 *
Indonesia *	260 185	226 128
Switzerland	195 261	162 790
Singapore *	57 494	156
United Kingdom	24 112	19 022
France	12 089	14 834
Belgium	9 713	7 529
Ireland	6 016	5 478
Côte d'Ivoire	4 783	4 797
Mauritania	692	0
The Netherlands *	88	0
Malaysia *	0	466
Total	**570 432**	**441 199**

** Comparative figures have been adjusted to exclude revenue from tea.*

The revenue of the Group is realised against a relatively small number of first-class buyers: per product about 90% of the revenue from contracts with customers is realized with a maximum of 10 clients. For additional information, we refer to note 26 – financial instruments.

Segment information – geographical information

	2025					
In KUSD	**Indonesia**	**PNG**	**Côte d'Ivoire**	**Europe**	**Singapore**	**Total**
Intangible assets	0	0	0	69	0	69
Goodwill	104 782	0	0	0	0	104 782
Biological assets	261 351	73 010	452	0	0	334 813
Other property, plant & equipment	331 420	129 017	13 698	818	582	475 535
Investments in associates and joint ventures	-3 217	0	0	0	3 217	0
Other financial assets	46	0	67	15	0	129
Receivables > 1 year	27 987	0	0	13 398	0	41 385
Deferred tax assets	13 039	0	1 247	1 413	0	15 699
Total non-current assets	**735 409**	**202 026**	**15 464**	**15 714**	**3 799**	**972 412**
% of total	75.63%	20.78%	1.59%	1.62%	0.39%	100.00%

	2024					
In KUSD	**Indonesia**	**PNG**	**Côte d'Ivoire**	**Europe**	**Singapore**	**Total**
Intangible assets	0	0	0	119	0	119
Goodwill	104 782	0	0	0	0	104 782
Biological assets	244 606	75 769	476	0	0	320 851
Other property, plant & equipment	318 810	125 609	12 274	557	471	457 720
Investments in associates and joint venture	-2 173	0	0	0	2 504	331
Other financial assets	46	0	51	15	0	112
Receivables > 1 year	33 893	0	0	11 688	0	45 581
Deferred tax assets	14 068	0	891	1 518	0	16 478
Total non-current assets	**714 034**	**201 377**	**13 692**	**13 897**	**2 975**	**945 975**
% of total	75.48%	21.29%	1.45%	1.47%	0.31%	100.00%

The assets of Indonesia and PNG relate 100% to the palm segment in 2025. The assets of Côte d'Ivoire relate 100% to the bananas. The assets of Singapore relate primarily to Sipef Singapore and Verdant Bioscience Pte Ltd conducting research into and developing high-yielding seeds. The assets of Europe do not relate specifically to one product segment.

8. GOODWILL AND OTHER INTANGIBLE ASSETS

	2025		2024	
In KUSD	Goodwill	Intangible assets	Goodwill	Intangible assets
Gross carrying amount at January 1	**104 782**	**776**	**104 782**	**737**
Acquisitions	0	0	0	40
Sales and disposals	0	0	0	0
Transfers	0	0	0	0
Translation differences	0	0	0	0
Gross carrying amount at December 31	**104 782**	**776**	**104 782**	**776**
Accumulated amortization and impairment losses at January 1	**0**	**- 658**	**0**	**- 599**
Depreciations	0	- 50	0	- 59
Sales and disposals	0	0	0	0
Transfers	0	0	0	0
Remeasurement	0	0	0	0
Accumulated amortization and impairment losses at December 31	**0**	**- 708**	**0**	**- 658**
Net carrying amount January 1	**104 782**	**119**	**104 782**	**138**
Net carrying amount December 31	**104 782**	**69**	**104 782**	**119**

Goodwill impairment analysis

Goodwill is the positive difference between the acquisition price of a subsidiary, associated company or joint venture and the share of the Group in the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date. Under standard IFRS 3 Business Combinations, goodwill is not amortized, but rather tested for impairment.

Goodwill and intangible fixed assets are tested annually by management to see whether they have been exposed to impairment in accordance with the accounting policies in note 3 (regardless of whether there are indications of impairment).

To be able to assess the necessity of an impairment, the goodwill is allocated to a cash-generating unit (CGU). A CGU is the smallest identifiable group that generates cash that is to a large degree independent of the inflow of cash from other assets or groups of assets. This CGU is analysed on each balance sheet date to determine whether the carrying value of the goodwill can be fully recovered. If the realizable value of the CGU is lower in the long-term than the carrying value, an impairment is recognized on the income statement in the amount of this difference.

In the SIPEF model, the CGU is compared with the total underlying asset related to the palm oil segment as of 31 December 2025. This consists of the following items:

Assets (in KUSD)	2025
Biological assets – bearer plants	334 361
Other fixed assets	461 837
Goodwill	104 782
Current assets – current liabilities	73 843
Total	**974 823**

The SIPEF group has defined the CGU as the operational palm oil segment. It consists of all cash flows from the palm oil activities of all plantations in Indonesia and Papua New Guinea. The cash flows from the sale of bananas are not included here, as the goodwill has been allocated exclusively to the whole of the palm oil segment.

The recoverable value of the CGU to which goodwill is allocated was determined by means of a calculation using a discounted cash flow model. The starting point is the operational plans of the Group, which look a decade ahead (to 2035) and have been approved by the board of directors. In this model, the macro-economic parameters, such as palm oil price and inflation, are deemed constant for each year. The constant palm oil price used in the model (USD 870/tonne) is management's best estimate of the long-term palm oil price expressed as Cost, Insurance, and Freight (CIF).

The average palm oil price used in the goodwill impairment amounts to USD 870/tonne, whereas the spot price per 31 December 2025 amounted to USD 1 270/tonne.

In the model, the growth of sales is the same as the normal improvement of the production volumes due to the maturity of the palm trees of the various subsidiaries. Any improvement in the future EBITDA margins in the model is a normal consequence of the same improvement in production volumes.

The current model was established with a weighted average cost of capital (after tax) of 10.72% and utilises the local tax rates of 22%-30%, depending on the countries in the which the cash flows are generated. The terminal value in the discounted cash flow model is based on perpetual growth of 2% in accordance with the Gordon growth model. In the model, we use a sensitivity analysis for various palm oil prices and various weighted average costs of capital (WACC):

Palm oil price (CIF)	
Scenario 1	USD 820/tonne CIF
Scenario 2 (base case)	USD 870/tonne CIF
Scenario 3	USD 920/tonne CIF

WACC	
Scenario 1	9.72%
Scenario 2 (base case)	10.72%
Scenario 3	11.72%

Summary assumptions of 2025:

PO / WACC	9.72%	10.72%	11.72%
USD 820/tonne CIF	Scenario 1	Scenario 4	Scenario 7
USD 870/tonne CIF	Scenario 2	Scenario 5 (base case)	Scenario 8
USD 920/tonne CIF	Scenario 3	Scenario 6	Scenario 9

Summary assumptions of 2024:

PO / WACC	9.82%	10.82%	11.82%
USD 792/tonne CIF	Scenario 1	Scenario 4	Scenario 7
USD 842/tonne CIF	Scenario 2	Scenario 5 (base case)	Scenario 8
USD 892/tonne CIF	Scenario 3	Scenario 6	Scenario 9

The limited decrease in the WACC compared to the previous year is primarily attributable to changes in the country risk premiums, following the updated Damodaran tables.

For the sensitivity analysis, the price is increased and decreased by USD 50/tonne. The WACC is increased and decreased with one percent. A sensitivity matrix is shown below for the total discounted cash flow for various palm oil prices and various WACC.

Sensitivity matrix per 31 December 2025:

WACC/PO price (in KUSD)	9.72%	10.72%	11.72%
USD 820/tonne CIF	1 185 735	1 045 777	934 448
USD 870/tonne CIF	1 308 126	1 157 249	1 036 944
USD 920/tonne CIF	1 417 915	1 257 297	1 128 980
Value of underlying assets	974 823	974 823	974 823

The headroom is the difference between the total discounted cash flows and the value of the underlying asset:

Headroom (in KUSD)	9.72%	10.72%	11.72%
USD 820/tonne CIF	210 912	70 954	- 40 375
USD 870/tonne CIF	333 303	182 426	62 121
USD 920/tonne CIF	443 092	282 474	154 156

Blue = base scenario

We also calculate the breakeven palm oil price based on the various WACCs.

Breakeven price	9.72%	10.72%	11.72%
USD/tonne	USD 742/tonne	USD 783/tonne	USD 834/tonne

Management is of the opinion that the assumptions used in the calculation of the value in use as described above give the best estimates of future developments. The sensitivity analysis shows that goodwill is in most of the cases fully recoverable. As a result, management is of the opinion that there is no indication of any impairment. Future sales prices continue to be difficult to predict over an extended period of time and will be continuously monitored in the future.

9. BIOLOGICAL ASSETS – BEARER PLANTS

Movement schedule biological assets - bearer plants

The balance sheet movements in biological assets – bearer plants can be summarized as follows:

In KUSD	2025	2024
Gross carrying amount at January 1	**462 702**	**460 656**
Change in consolidation scope	0	0
Acquisitions	34 037	31 666
Sales and disposals	- 15 553	- 16 606
Transfers	2 431	- 12 886
Other	0	0
Translation differences	269	- 128
Gross carrying amount at December 31	**483 886**	**462 702**
Accumulated depreciation and impairment losses at January 1	**- 141 850**	**- 134 000**
Change in consolidation scope	0	0
Depreciation	- 18 483	- 21 689
Sales and disposals	11 470	13 745
Transfers	0	0
Other	0	0
Translation differences	- 210	94
Accumulated depreciation and impairment losses at December 31	**- 149 073**	**- 141 850**
Net carrying amount January 1	**320 851**	**326 656**
Net carrying amount December 31	**334 813**	**320 851**

The disposals mainly relate to the disposal of biological assets as part of the replanting programme at PT Agro Muko, PT Umbul Mas Wisesa and Hargy Oil Palms Ltd. These disposals are in line with the normal replanting schedule.

10. OTHER PROPERTY, PLANT AND EQUIPMENT

	2025							
In KUSD	Land, buildings and infrastructure	Installations and machinery	Vehicles	Office equipment, furniture and others	Leasing	In progress	Land rights	Total
Gross carrying amount at January 1	**254 773**	**214 704**	**94 309**	**41 427**	**4 883**	**16 946**	**164 019**	**791 061**
Acquisitions	7 840	5 785	9 315	1 211	605	24 986	5 624	55 367
Sales and disposals	- 609	- 266	- 5 442	- 323	- 281	- 434	- 260	- 7 616
Transfers	12 375	24 351	4 113	- 17 079	0	- 27 721	1 531	- 2 431
Other	0	0	0	0	0	0	0	0
Translation differences	2 647	625	405	225	0	96	49	4 048
Gross carrying amount December 31	**277 026**	**245 200**	**102 699**	**25 461**	**5 206**	**13 872**	**170 964**	**840 429**
Accumulated depreciation and impairment losses at January 1	**- 104 113**	**- 133 968**	**- 62 209**	**- 27 099**	**- 2 789**	**0**	**- 3 165**	**- 333 342**
Depreciation	- 12 672	- 11 282	- 8 790	- 2 359	- 512	0	- 185	- 35 800
Sales and disposals	583	187	5 451	302	136	0	44	6 702
Transfers	0	- 10 398	0	10 398	0	0	0	0
Other	0	0	0	0	0	0	0	0
Translation differences	- 1 592	- 385	- 290	- 158	0	0	- 31	- 2 455
Accumulated depreciation and impairment losses at December 31	**- 117 794**	**- 155 845**	**- 65 839**	**- 18 916**	**- 3 165**	**0**	**- 3 337**	**- 364 895**
Net carrying amount January 1	**150 661**	**80 737**	**32 100**	**14 328**	**2 094**	**16 946**	**160 854**	**457 720**
Net carrying amount December 31	**159 233**	**89 356**	**36 861**	**6 545**	**2 041**	**13 872**	**167 627**	**475 535**

The total of the investments in tangible assets (KUSD 55 367) relates to the usual replacement investments in the existing operations and in the new developments in South Sumatra (KUSD 22 817). In addition, substantial investments were made across the Group's mills. These upgrades aim to enhance product quality, improve processing efficiency, and reduce environmental impact through lowering greenhouse gas (GHG) emissions. Projects included the installation of CPO washing units, new high-efficiency boilers, biogas plants, and other mill improvement initiatives. The remaining assets in progress mainly relate to ongoing investments in immature planted areas, which will be transferred to bearer plants once they reach maturity, as well as mill enhancement projects that are still in progress. It should be noted that the definitions of certain asset classes were reassessed. This review resulted in reclassifications between asset categories, representing transfers only, with no impact on the total asset base.

	2024							
In KUSD	**Land, buildings and infrastructure**	**Installations and machinery**	**Vehicles**	**Office equipment, furniture and others**	**Leasing**	**In progress**	**Land rights**	**Total**
Gross carrying amount at January 1	**236 759**	**207 245**	**83 316**	**38 396**	**4 707**	**16 250**	**154 689**	**741 362**
Acquisitions	15 984	7 430	13 423	3 432	176	6 177	8 530	55 152
Sales and disposals	- 5 687	- 7 819	- 2 781	- 520	0	0	- 249	-17 057
Transfers	8 909	8 133	532	217	0	- 5 973	1 068	12 886
Other	0	0	0	0	0	536	0	536
Translation differences	- 1 192	- 284	- 181	- 98	0	- 45	- 19	- 1 818
Gross carrying amount December 31	**254 773**	**214 704**	**94 309**	**41 427**	**4 883**	**16 946**	**164 019**	**791 061**
Accumulated depreciation and impairment losses at January 1	**- 98 479**	**- 131 016**	**- 57 059**	**- 24 778**	**- 2 158**	**0**	**- 2 855**	**- 316 345**
Depreciation	- 11 413	- 11 003	- 7 984	- 2 893	- 630	0	- 173	- 34 098
Sales and disposals	4 924	7 880	2 712	501	0	0	0	16 017
Transfers	151	0	0	0	0	0	-151	0
Other	0	0	0	3	0	0	0	3
Translation differences	705	172	122	68	0	0	14	1 081
Accumulated depreciation and impairment losses at December 31	**- 104 113**	**- 133 968**	**- 62 209**	**- 27 099**	**- 2 789**	**0**	**- 3 165**	**- 333 342**
Net carrying amount January 1	**138 279**	**76 229**	**26 258**	**13 618**	**2 549**	**16 250**	**151 834**	**425 018**
Net carrying amount December 31	**150 661**	**80 737**	**32 100**	**14 328**	**2 094**	**16 946**	**160 854**	**457 720**

The total of the investments in tangible assets (KUSD 55 152) relates to the usual replacement investments in the existing operations and in the new developments in South Sumatra (KUSD 20 633). In addition, to the further expansion of the planted areas and the associated infrastructure such as houses and roads, investments are being made of the renewal of the truck fleet in Hargy Oil Palms Ltd (KUSD 10 090 in 2024). The remaining assets in progress mainly relate to the continued investments in the immature planted areas, which will be transferred to the bearer plants upon their coming to maturity.

The transfers (KUSD 12 886) are mainly related to the commissioning of the Agro Muara Rupit palm oil mill in June 2024 which has been reclassed from construction in progress to installations and machinery.

Below is a table with the proprietary rights on which the plantations of the SIPEF group are established:

	Hectares	Type	Maturity	Crop
PT Tolan Tiga Indonesia	6 042	Concession	2023*	Oil palm
PT Tolan Tiga Indonesia	2 437	Concession	2024*	Oil palm
PT Eastern Sumatra Indonesia	3 178	Concession	2023*	Oil palm
PT Kerasaan Indonesia	2 362	Concession	2023*	Oil palm
PT Bandar Sumatra Indonesia	1 413	Concession	2024*	Oil palm
PT Toton Usaha Mandiri	1 199	Concession	2046	Oil palm
PT Agro Muko	2 256	Concession	2044	Oil palm
PT Agro Muko	2 423	Concession	2045	Oil palm
PT Agro Muko	315	Concession	2031	Oil palm
PT Agro Muko	1 410	Concession	2028	Oil palm
PT Agro Muko	2 711	Concession	2053	Oil palm
PT Agro Muko	7 437	Concession	2044	Oil palm
PT Agro Muko	2 171	Concession	2047	Oil palm
PT Agro Muko	1 515	Concession	2022*	Oil palm
PT Agro Muko	2 100	Concession	2047	Rubber
PT Agro Muko	232	Concession	2056	Oil palm
PT Umbul Mas Wisea	4 397	Concession	2048	Oil palm
PT Umbul Mas Wisea	2 071	Concession	2048	Oil palm
PT Umbul Mas Wisea	679	Concession	2049	Oil palm
PT Umbul Mas Wisea	462	Concession	2049	Oil palm
PT Umbul Mas Wisea	155	Concession	2049	Oil palm
PT Dendymarker Indah Lestari	13 705	Concession	2028	Oil palm
PT Mukomuko Agro Sejahtera	1 705	Concession	2053	Oil palm
PT Mukomuko Agro Sejahtera (STGE)	370	Concession	2024*	Oil palm
PT Mukomuko Agro Sejahtera (BKDE)	1 513	Concession	2057	Oil palm
PT Citra Sawit Mandiri	1 641	Concession	2058	Oil palm
PT Citra Sawit Mandiri	5	Concession	2059	Oil palm
PT Citra Sawit Mandiri	169	Concession	2059	Oil palm
PT Timbang Deli Indonesia	972	Concession	2023*	Rubber and oil palm
Hargy Oil Palms Limited	128	Concession	2075	Oil palm
Hargy Oil Palms Limited	2 967	Concession	2076	Oil palm
Hargy Oil Palms Limited	7	Concession	2079	Oil palm
Hargy Oil Palms Limited	6 460	Concession	2082	Oil palm
Hargy Oil Palms Limited	170	Concession	2090	Oil palm
Hargy Oil Palms Limited	2 900	Concession	2101	Oil palm
Hargy Oil Palms Limited	326	Concession	2106	Oil palm
Hargy Oil Palms Limited	1	Concession	2110	Oil palm
Hargy Oil Palms Limited	18	Concession	2113	Oil palm
Hargy Oil Palms Limited	246	Concession	2117	Oil palm
Hargy Oil Palms Limited	16	Concession	2121	Oil palm
Hargy Oil Palms Limited	5	Concession	2124	Oil palm
Hargy Oil Palms Limited	6	Concession	2124	Oil palm
Plantations J. Eglin SA	1 021	Freehold	n/a	Bananas
Plantations J. Eglin SA	744	Provisional concession	n/a	Bananas
Plantations J. Eglin SA	833	Provisional concession	n/a	Bananas
Total	**82 892**			
PT Agro Rawas Ulu	5 233	In negotiation	-	Oil palm
PT Agro Kati Lama	7 584	In negotiation	-	Oil palm
PT Agro Kati Lama	3 090	In negotiation	-	Oil palm
PT Agro Muara Rupit	126	In negotiation	-	Oil palm
PT Agro Muara Rupit	18 984	In negotiation	-	Oil palm
Total	**35 017**			

** All documentation for the renewal of the land rights which matured in 2022, 2023 2024 has been delivered in time to the relevant authorities. The authorities are in the process of reviewing and approving. There is no indication that these land rights will not be renewed.*

In addition, our subsidiary Hargy Oil Palms Ltd has a total of 7 221 hectares of surveyed area (of which 4 079 hectares planted) on subleased land, with renewal dates between 2036 and 2044.

Given recent changes in legislative requirements and the implementation of centralised online licensing procedures by the authorities in Indonesia, the concession renewal process continues to be delayed nationwide but remains on track, with all requirements having been met, and the company remains in constant dialogue with the authorities to facilitate the concession renewals at the earliest opportunity. SIPEF remains confident that the renewals will be successfully completed.

11. RECEIVABLES > 1 YEAR

In KUSD	2025	2024
Receivables > 1 year	41 385	45 581

In KUSD	2025	2024
Smallholders receivable	27 987	33 893
Other	13 398	11 688
Total	**41 385**	**45 581**

The ‘receivables over one year’ consists out of loans to smallholders in South Sumatra to finance the development of their new plantings and the loan to Verdant Bioscience Pte Ltd.

The smallholder receivables will be gradually repaid from the moment the smallholders become a going concern plantation (i.e. mature) whereby proceeds of the FFB sales will be partly used to repay the loan.

Smallholder receivables are classified as either interest-bearing or non-interest bearing. The non-interest-bearing smallholder receivables are discounted upon recognition. The total discounting cost, up to 31 December 2025, amounts to KUSD 2 432 with a cost of KUSD 55 for 2025. The total unwinding of the discount amounts to a gain of KUSD 150 for 2025.

The Group has calculated the expected credit loss in accordance with IFRS 9 and has done an impairment test on the outstanding smallholders’ receivables which showed no basis for impairment based on the long-term repayment plans.

The repayment of the smallholders’ loans will be determined largely by the smallholders’ fruit production and world palm oil prices over the next years and is also dependent on the terms and conditions of the smallholder scheme. Therefore, it is not possible to predict the exact timing of repayment. The Group currently has a total short-term smallholder receivable of KUSD 9 838 (2024: KUSD 5 241) – included in the current other receivables - and a long-term discounted smallholder receivable of KUSD 27 987 (2024: KUSD 33 893).

The long-term loan to our associate Verdant Bioscience Pte Ltd is used to finance the research into and developing high-yielding seeds.

12. INVENTORIES

Analysis of inventories:

In KUSD	2025	2024
Raw materials and supplies	26 146	27 031
Finished goods	22 078	19 103
Total	**48 224**	**46 135**

The remaining stock of raw materials and supplies has decreased with KUSD 885 in comparison to prior year. This is mainly related to timing of fertilizer purchases which was lower per December 2025.

The increase in finished goods is mainly due to the higher quantity of CPO stock at year-end compared to prior year (22 414 tonnes in 2025 vs 18 536 tonnes in 2024). The CPO price was slightly higher at year-end (USD 1 270/tonne in 2025 compared to USD 1 265/tonne in 2024) which result in a higher overall stock value.

13. BIOLOGICAL ASSETS

The total biological assets at the end of the year are presented below:

In KUSD	2025	2024
Biological assets - palm oil	8 104	7 560
Biological assets - bananas	5 679	5 988
Total	**13 783**	**13 547**

The biological asset of palm oil is defined as the oil contained in the palm fruit. When the palm fruit contains oil, then this distinct asset is recognised and the fair value is estimated based on:

- the estimated quantity of oil that is available in the palm fruit
- the estimated sales price of palm oil at the time of closing
- the estimated cost to harvest and process the palm fruit
- the estimated sales charges (transport, export tax, …)

Different scientific studies have shown that the oil in the palm oil fruit develops exponentially in approximately four weeks. The estimated quantity of oil in the palm oil fruit is therefore determined based on harvest of 4 weeks after the time of closing. In the calculation of the estimated quantity of available oil, the weighted importance of the each week's harvest gradually decreases in order to best approximate the quantity of oil at the time of closing. The margin from processing is excluded from the calculation of biological assets. The fair value of the biological assets calculated at the closing value on 31 December 2025 is based on level 2 data input.

At 31 December 2025, the total biological assets of palm oil amounted to KUSD 8 104 compared to KUSD 7 560 at 31 December 2024.

Impact of the estimated quantity of available oil	-10%	Carrying amount	+10%
Carrying value of the biological assets - palm oil	7 294	8 104	8 915
Gross Impact income statement (before tax)	- 810		810

The estimated sales price and the estimated costs and charges are the actual sales prices and costs at the time of closing. The results from the change of the fair value of the palm fruit are included in 'changes in fair value of biological assets'. The increase compared to prior year is mainly related to improved projected FFB productions in January 2026 compared to January 2025 which is used as basis for the valuation of the biological assets.

The biological assets at the end of December also contain the consumable biological assets of bananas of our subsidiary Plantations J. Eglin SA. The biological assets of bananas are defined as the banana bunches which will be harvested in 3 months, weighted at their pro-rata for each remaining harvesting month. At 3 months before harvest, a reliable flower count is done, which is used to determine the estimated biological assets. The net selling price to value the biological assets is determined as the current market prices reduced by the remaining costs to sell the biological assets. The balance of 2025 amounted to KUSD 5 679 (2024: KUSD 5 988) and has remained stable compared to prior year as the expansion in Akoudié and Lumen are as good as finalised.

Impact of the estimated quantity of available bananas	-10%	Carrying amount	+10%
Carrying value of the biological assets - bananas	5 111	5 679	6 247
Gross Impact income statement (before tax)	- 568		568

There are no restrictions, pledges or commitments in relation to the biological assets of the Group.

14. OTHER CURRENT RECEIVABLES AND OTHER CURRENT PAYABLES

The 'other receivables' have increased with KUSD 11 943 from KUSD 32 859 in 2024 to KUSD 44 802 in 2025. The other receivables mainly consist of VAT receivables in the various entities, a current account with PT Melania as it is classified as 'asset held for sale' for a net amount of KUSD 6 134 (2024: KUSD 4 460) and the smallholder receivables < 1 year amounting to KUSD 9 838 (2024: KUSD 5 241).

The main reason for the increase is the reclassification of the smallholders' loan from long-term to short-term (KUSD 9 838). As the areas managed by smallholders become more mature and productive, they are better able to repay their loans. Therefore, a larger amount of these loans is expected to be repaid during 2026. The remaining movements consist of various smaller items in the different subsidiaries mainly related to VAT.

The Group has calculated the expected credit loss in accordance with IFRS 9 and determined it to be immaterial.

The 'other payables' (KUSD 16 246 in 2025 and KUSD 20 373 in 2024) mainly concern social obligations (salaries to be paid, provisions for holiday pay and bonus) and other non-trade related payables.

15. SHAREHOLDERS' EQUITY

Capital stock and share premium

The issued capital of the company as at December 31, 2025, amounts to KUSD 44 734, represented by 10 579 328 fully paid ordinary shares without nominal value.

	2025	2024	Difference
Number of shares	10 579 328	10 579 328	0

In KUSD	2025	2024	Difference
Capital	44 734	44 734	0
Share premium	107 970	107 970	0
Total	**152 704**	**152 704**	**0**

	2025	2024	2025	2024
	KUSD	KUSD	KEUR	KEUR
Treasury shares - opening balance	**10 634**	**11 681**	**8 684**	**9 641**
Acquisition/sale treasury shares	- 1 675	- 1 048	- 1 458	- 958
Treasury shares - ending balance	**8 959**	**10 634**	**7 226**	**8 684**

Since the start of the share buyback program on 22 September 2011, SIPEF has a total of 128 786 own shares for an amount of KEUR 7 226, corresponding to 1.2173% of the total shares outstanding, as cover for a share option plan for the management. For additional information see note 22.

Authorised capital

The extraordinary general meeting of shareholders on June 14, 2023, authorised the board of directors to increase the capital in one or more operations by an amount of KUSD 44 734 over a period of 5 years after the publication of the renewal.

Shareholder structure

The company has received following shareholders declarations:

Acting in concert	Number of shares	Date**	Denominator	%
Ackermans & Van Haaren NV**	4 362 701	3/03/2025	10 579 328	41.24
Cabra NV*	1 001 032	3/03/2025	10 579 328	9.46
Cabra P*	100 000	3/03/2025	10 579 328	0.95
Cabra T*	100 000	3/03/2025	10 579 328	0.95
Cabra V*	100 000	3/03/2025	10 579 328	0.95
Theodora Bracht*	2 000	3/03/2025	10 579 328	0.02
Priscilla Bracht*	0	3/03/2025	10 579 328	0.00
Victoria Bracht*	0	3/03/2025	10 579 328	0.00
SIPEF treasury shares**	155 512	3/03/2025	10 579 328	1.47
Total votes acting in concert	**5 821 245**			**55.02**

** Group Bracht*
*** Latest transparency declaration*
1 share = 1 voting right

Translation differences

Translation differences consist of all the differences related to the translation of the financial statements of our subsidiaries for which the functional currency is different from the presentation currency of the Group (USD). The deviation from last year is due to the movement of the USD versus the EUR (KUSD 869).

In KUSD	2025	2024
Opening balance at January 1	**-11 396**	**-10 978**
Movement, full consolidation	869	- 418
Movement, change in consolidation scope	0	0
Ending balance at December 31	**-10 527**	**-11 396**

Dividends

On 10 February 2026, a dividend of maximum KEUR 45 491 (EUR 4.30 gross per ordinary share) has been proposed by the board of directors but has not yet been approved by the annual general meeting of shareholders of SIPEF and is therefore not provided for in the financial statements as at 31 December 2025.

Capital management

The capital structure of the Group is based on the financial strategy as defined by the board of directors. Summarized, this strategy consists of an expansion policy while respecting a limited debt ratio. The management puts forward yearly the plan for approval by the board of directors.

Chain of control

1. Chain of control above Ackermans & Van Haaren NV

I. Ackermans & Van Haaren NV is directly controlled by Scaldis Invest NV, a company incorporated under Belgian law.
II. Scaldis Invest NV is directly controlled by Belfimas NV, a company incorporated under Belgian law.
III. Belfimas NV is directly controlled by Celfloor SA, a company incorporated under Luxembourg law.
IV. Celfloor SA is directly controlled by Apodia International Holding BV, a company incorporated under Dutch law.
V. Apodia International Holding BV is directly controlled by Palamount SA, a company incorporated under Luxembourg law.
VI. Palamount SA is directly controlled by Stichting administratiekantoor “Het Torentje”, incorporated under Dutch law.
VII. Stichting Administratiekantoor “Het Torentje” is the ultimate controlling shareholder.

2. Chain of control above Cabra NV

Priscilla Bracht, Theodora Bracht and Victoria Bracht exercise joint control over Cabra NV.

3. Chain of control above Cabra P NV, Cabra T NV, and Cabra V NV

Cabra P NV, Cabra T NV and Cabra V NV are controlled by, respectively, Priscilla Bracht, Theodora Bracht and Victoria Bracht.

4. Chain of control above SIPEF

Ackermans & van Haaren NV and Group Bracht jointly exercise control over SIPEF.

16. NON-CONTROLLING INTERESTS

The table below presents the non-controlling interests per company, as well as their share of the equity and the profit of the year.

	2025			2024		
In KUSD	% Non-controlling interests	Share of the equity	Share of the profit of the year	% Non-controlling interests	Share of the equity	Share of the profit of the year
PT Tolan Tiga Indonesia	5.00	24 880	1 137	5.00	23 599	620
PT Eastern Sumatra Indonesia	9.75	9 340	1 007	9.75	8 337	824
PT Kerasaan Indonesia	45.85	3 443	2 106	45.85	3 960	1 676
PT Bandar Sumatra Indonesia	9.75	808	- 30	9.75	842	- 28
PT Melania Indonesia	2.75	235	0	2.75	235	0
PT Mukomuko Agro Sejahtera	14.26	- 555	64	14.26	- 621	- 98
PT Umbul Mas Wisesa	5.00	844	512	5.00	340	235
PT Citra Sawit Mandiri	5.00	108	108	5.00	1	66
PT Toton Usaha Mandiri	5.00	436	91	5.00	346	64
PT Agro Rawas Ulu	0.00	0	0	0.00	0	0
PT Agro Kati Lama	0.00	0	0	0.00	0	0
PT Agro Muara Rupit	0.00	- 1	0	0.00	- 1	0
PT Agro Muko	4.95	4 256	1 331	4.95	2 936	937
PT Dendymarker Indah Lestari	4.95	-2 183	439	4.95	-2 619	113
Jabelmalux SA	0.00	- 1	0	0.00	- 1	0
Total		**41 610**	**6 766**		**37 355**	**4 409**

The non-controlling interest's share of the property, plant and equipment (including biological assets - bearer plants) amounts to KUSD 25 648 in 2025 (2024: KUSD 24 004). There were no changes in non-controlling interests within the SIPEF Group in 2025.

The movements of the year can be summarized as follows:

In KUSD	2025	2024
At the end of the preceding period	37 355	35 042
Profit for the period attributable to non-controlling interests	6 766	4 409
Remeasurement gain/(loss) on Defined Benefit Plans	- 59	54
Distributed dividends	-2 451	-2 151
At the end of the period	**41 610**	**37 355**

The distributed dividends to non-controlling interests consist of:

In KUSD	2025	2024
PT Kerasaan Indonesia	2 451	2 150
Jabelmalux	0	1
Total	**2 451**	**2 151**

The dividend from PT Kerasaan has been declared and paid in 2025.

There are no limitations to the transfer of funds. The non-controlling interests have no rights to use the assets of the Group or to repay the liabilities of the subsidiaries. The non-controlling interests do not have significant protective rights. There are no restrictions to realise assets and settle liabilities of subsidiaries.

17. PROVISIONS

In KUSD	2025	2024
Provision VAT disputes in Indonesia	388	427
Provision negative equity position of associates	1 150	0
Total	**1 538**	**427**

The provisions, related to VAT disputes in Indonesia, amount to KUSD 388 per 31 December 2025. During the year, there have been a number of court cases which were settled mainly in SIPEF's favour. It is difficult to make an estimate of the settlement time of the dispute. The remaining provisions is estimated based on the ratio of the settled court cases in favour of SIPEF compared to the total court cases remaining.

The Group's investments in associates include Verdant Bioscience Pte Ltd and PT Timbang Deli (note 24), both accounted for using the equity method. During 2025, the Group's share of accumulated losses exceeded the carrying amount of these investments. The Group has recognised further losses only to the extent that it has incurred legal or constructive obligations and/or has made payments on behalf of these associates. Accordingly, a provision of KUSD 1 150 has been recognised in 2025 in relation to the Group's obligation to fund/cover the negative equity position of these associates.

18. PENSION LIABILITIES

Defined benefit plans

Pension liabilities mainly represent defined benefit plans in Indonesia. These pension plans, set up in order to pay a lump sum amount at the time of retirement, are not financed with a third party. The total number of employees affected by the pension plan amounts to 10 914. The pension plan is payable to an employee at the age of fifty-five or after thirty years of seniority, whichever comes first.

Since the pension plan is adjusted by future salary increases and discount rates, the pension plan is exposed to Indonesia's future salary expectations, as well as Indonesia's inflation and interest rate risk. Furthermore, the pension plan is payable in Indonesian Rupiah, exposing it to a currency risk. We refer to note 26 for further details concerning the currency risk of the Group. As the pension plan is unfunded, there is no risk relating to a return on plan assets.

The following reconciliation summarizes the variation of total pension liabilities between 2024 and 2025:

In KUSD	2024	Pension cost	Payment	Exchange	Translation difference	Change consolidation scope	Other	2025
Indonesia	22 850	5 461	-1 246	- 787	0	0	0	26 278
Côte d'Ivoire	953	306	- 91	0	124	0	0	1 293
Total	**23 803**	**5 767**	**-1 337**	**- 787**	**124**	**0**	**0**	**27 571**

The following assumptions are used in the pension calculation of Indonesia:

	2025	2024
Discount rate	6.75%	7.00%
Future salary increases	5.00%	5.00%
Assumed retirement age	55 years or 30 years of seniority	55 years or 30 years of seniority

Pension liabilities in Indonesia have changed as follows:

In KUSD	2025	2024
Opening	22 850	22 471
Service cost	2 439	2 307
Interest cost	1 531	1 431
Benefits paid	-1 246	-1 344
Actuarial gains and losses	1 490	- 853
Exchange differences	- 787	-1 161
Closing	**26 278**	**22 850**

Actuarial gains and losses consist of the following components:

In KUSD	2025	2024
Experience adjustments	388	- 300
Changes in assumptions used	1 103	- 553
Total actuarial gains and losses	**1 490**	**- 853**

The actuarial gains and losses included in the above table contain the largest part of the total actuarial gains and losses included in the other comprehensive income.

The amounts relating to the pension cost of Indonesia are as follows:

In KUSD	2025	2024
Service cost	2 439	2 307
Interest cost	1 531	1 431
Pension cost	**3 970**	**3 738**
Actuarial gains and losses recorded in Other Comprehensive Income	1 490	- 853
Total pension cost	**5 461**	**2 885**

These costs are included under the headings cost of sales and general and administrative expenses of the income statement.

Estimated benefit payments cumulates to KUSD 1 333 in 2026.

Sensitivity of the variation of the discount rate and of the future salary increase

Values as appearing in the balance sheet are sensitive to changes in the actual discount rate compared to the discount rate used. The same applies to changes in the actual future salary increase compared to the future salary increase used in the calculation. For our Indonesian entities, simulations were made to calculate the impact of a 1% increase or decrease of both parameters on the pension provision, resulting in the following effects:

Impact of the change in discount rate

In KUSD	+1%	Carrying amount	-1%
Pension liability of the Indonesian subsidiaries	23 781	26 278	28 536
Gross impact on the comprehensive income	2 497		-2 257

Impact of the change in future salary increase

In KUSD	+1%	Carrying amount	-1%
Pension liability of the Indonesian subsidiaries	28 665	26 278	28 886
Gross impact on the comprehensive income	-2 387		2 608

Defined contribution plans

The Group pays contributions to publicly or privately administered insurance plans. Since the Group is obliged to make additional payments if the average return on the employer's contribution and on the employees' contributions is not attained, those plans should be treated as "defined benefit plans" in accordance with IAS 19.

The liability is based on an analysis of the plans and the limited difference between the legally guaranteed minimum returns and the interest guaranteed by the insurance company. The Group has concluded that the application of the PUC method would have an immaterial impact. The total accumulated reserves amounted to KUSD 650 by the end of December 2025 (2024: KUSD 1 537) compared to the total minimum guaranteed reserves of KUSD 609 at 31 December 2025 (2024: KUSD 1 237).

Contributions paid regarding the defined contribution plans amount to KUSD 203 (KUSD 442 in 2024). SIPEF is not responsible for the minimum guaranteed return on the contributions paid for the members of the executive committee (KUSD 106).

19. NET FINANCIAL ASSETS/(LIABILITIES)

Net financial assets/(liabilities) (non-GAAP measure) can be analysed as follows:

In KUSD	2025	2024
Short-term obligations - credit institutions	-2 935	-35 894
Investments and deposits	1	1
Cash and cash equivalents	93 372	19 880
Lease liability	-2 075	-2 073
Net financial assets/(liabilities)	**88 362**	**-18 087**

Analysis of net financial assets/(liabilities) 2025 per currency:

In KUSD	EUR	USD	Others	Total
Short-term financial obligations	-2 935	0	0	-2 935
Other investments and deposits	0	1	0	1
Cash and cash equivalents	5 388	84 729	3 254	93 372
Lease liability	- 407	0	-1 668	-2 075
Total 2025	**2 047**	**84 730**	**1 585**	**88 362**
Total 2024	**-3 557**	**-13 149**	**-1 381**	**-18 087**

The 'short-term financial obligations' relate to the commercial papers for a total amount of KUSD 2 935. This financial obligation has been completely hedged at an average rate of EUR 1 = USD 1.0684.

There are no 'financial liabilities > 1 year' per 31 December 2025. There are no loan covenants applicable.

Reconciliation of the 'net financial assets/(liabilities)' and cash flow:

In KUSD	2025	2024
Net financial position at the beginning of the period	**-18 087**	**-31 418**
Repayment in long-term borrowings	778	18 924
Proceeds in long-term borrowings	- 593	- 398
Repayment in short-term financial obligations	33 398	50
Proceeds in short-term financial obligations	- 626	-13 575
Net movement in cash and cash equivalents	73 492	8 331
Net financial assets/(liabilities) at the end of the period	**88 362**	**-18 087**

Reconciliation of the total financial liabilities:

In KUSD	2025	2024
Financial liabilities at the beginning of the period	**37 967**	**42 968**
Repayment in long-term borrowings	- 778	-18 924
Proceeds in long-term borrowings	593	398
Repayment in short-term financial obligations	-33 398	- 50
Proceeds in short-term financial obligations	626	13 575
Financial liabilities at the end of the period	**5 010**	**37 967**

20. OTHER OPERATING INCOME/(EXPENSES)

The ‘other operating income/(expenses)’ can be detailed as follows:

	2025			2024		
In KUSD	Equity holders of the parent	Non-controlling interests	Total	Equity holders of the parent	Non-controlling interests	Total
VAT claim Indonesia	83	6	91	103	24	127
Fair value adjustment of PT Melania	-1 917	- 101	-2 018	-6 074	- 320	-6 394
Disposal biological assets – replanting	-4 143	- 218	-4 361	-1 293	- 68	-1 361
Impairment UMW biopellet project	0	0	0	- 149	- 8	- 157
Rental income tank storage capacity	0	0	0	201	10	211
Tea result*	41	2	44	112	6	118
Other income/(charges)	554	29	583	497	26	523
Other operating income/(expenses)*	**-5 383**	**- 282**	**-5 662**	**-6 604**	**- 330**	**-6 933**

**Prior year figures have been restated to reflect the reclassification of the tea result, totalling KUSD 118 to other operating income/(expenses), as tea is no longer considered a core segment within the Group.*

The ‘other income/ expenses’ mainly consist out of:

- the movement in the provision for the Indonesian VAT claims (KUSD +91) mainly in favour of SIPEF
- the fair value adjustment on the sale of PT Melania (KUSD -2 018), we refer to note 30
- the disposal of the remaining net book value of the biological assets related to the replanting program (KUSD -4 361)
- the reclassification of the tea result (KUSD 44), as it is no longer considered a core segment within the Group
- the remaining amount is related to stock adjustments for obsolete stock, warehouse sales to smallholders in Papua New Guinea and other smaller immaterial items

Last year, the main items in the other operating income/expenses were related to the fair value adjustment on the sale of PT Melania (KUSD -6 394), and the disposal of the remaining net book value of the biological assets related to the replanting program in PT Umbul Mas Wisesa (KUSD -1 361).

21. FINANCIAL RESULT

The financial income concerns the interests received on current accounts with non-consolidated companies and on temporary excess cash, as well as the income resulting from the unwinding of the discounting of the ‘receivables > 1 year’. The financial expenses concern the interests on short-term borrowings as well as bank charges, the discounting of the long-term receivables and other financial expenses.

In KUSD	2025	2024
Interests received	2 334	1 476
Unwinding of the discounting	146	113
Discounting of receivables > 1 year	- 782	- 399
Financial cost	-1 672	-2 553
Exchange result	880	-3 938
Financial result derivatives	1 852	-1 338
Financial result	**2 759**	**-6 640**

Interest received rose in 2025 due to higher excess cash placed in short-term deposits compared to 2024. Financial costs decreased concurrently as financial debt levels were reduced. During the first 5 months of 2025, the net financial position (NFP) was negative and the working capital was partially financed with straight loans and commercial papers at higher interest rates, which partially offset the finance income on the USD deposits. The exchange and financial results of derivates are mainly related due to the forex cover of the EUR dividend and the devaluation of the EUR, PGK and IDR net outstanding receivable positions against the USD dollar compared to prior year.

22. SHARE BASED PAYMENT

Grant date	Opening balance 2025	Number of options granted	Number of options exercised	Number of options expired	Ending Balance 2025
2013	0				0
2014	0				0
2015	16 000		-16 000		0
2016	16 000		-14 000		2 000
2017	18 000		-12 435		5 565
2018	18 000		-8 000		10 000
2019	18 000		-5 982		12 018
2020	18 000				18 000
2021	16 000				16 000
2022	18 000				18 000
2023	20 000				20 000
2024	18 000				18 000
2025	0	16 000			16 000
Balance	**176 000**	**16 000**	**-56 417**	**0**	**135 583**

	2025		2024	
	Number of share options	Weighted average exercise price (in EUR)	Number of share options	Weighted average exercise price (in EUR)
January 1	176 000	53.2	180 000	52.9
Granted during the year	16 000	78.5	18 000	56,9
Forfeitures of rights and expiries during the year	0	0.0	-2 000	54.7
Exercised during the year	-56 417	53.1	-20 000	53.7
December 31	**135 583**	**56.3**	**176 000**	**53.2**
Exercisable at December 31	**81 583**		**120 000**	

	Options outstanding			Options Exercisable	
Range of exercise prices (EUR)	Number of outstanding	Weighted average remaining life (years)	Weighted average contractual price	Number exercisable	Weighted average exercise price
44.59 - 45.61	30 018	4.6	45.0	30 018	45.0
49.15 - 53.09	32 000	6.0	52.4	12 000	51.8
56.88 - 57.70	36 000	8.0	57.3	18 000	57.7
58.31 - 62.87	21 565	5.0	59.5	21 565	59.5
78.52	16 000	10.0	78.5	0	N/A
	135 583			**81 583**	

SIPEF's stock option plan, which was approved in November 2011, is intended to provide long-term motivation for the members of the executive committee and general directors of the foreign subsidiaries whose activities are essential to the success of the Group. The options give them the right to acquire a corresponding number of SIPEF shares.

The remuneration committee is responsible for monitoring this plan and selecting the beneficiaries. The options are provided free of charge and their exercise period is ten years.

IFRS 2 has been applied to the stock options. The total value of the outstanding options 2016 - 2025 (valued at the fair value at the moment of granting), amounts to KUSD 1 321 and is calculated based on an adjusted Black & Scholes model of which the main characteristics are as follows:

Grant date	Share price (in EUR)	Dividend yield	Volatility	Interest rate	Estimated expected lifetime	Black & Scholes Value (in EUR)
2011	58.00	2.50%	38.29	3.59%	5.00	18.37
2012	58.50	2.50%	37.55	0.90%	5.00	15.07
2013	57.70	2.50%	29.69	1.36%	5.00	12.72
2014	47.68	2.50%	24.83	0.15%	5.00	5.34
2015	52.77	2.50%	22.29	0.07%	5.00	8.03
2016	60.49	3.00%	19.40	-0.37%	5.00	8.38
2017	62.80	3.00%	18.88	-0.12%	5.00	5.57
2018	48.80	3.00%	18.60	-0.03%	5.00	3.54
2019	54.80	3.00%	19.56	-0.32%	5.00	8.12
2020	43.20	3.00%	23.35	-0.66%	5.00	4.57
2021	56.90	3.00%	24.14	-0.33%	5.00	6.74
2022	58.90	3.00%	25.86	2.82%	5.00	11.73
2023	53.00	3.00%	25.97	2.25%	5.00	9.78
2024	56.80	3.00%	24.95	2.47%	5.00	10.15
2025	81.20	4.00%	21.52	2.73%	5.00	14.28

In 2025, 16 000 new stock options were granted with an exercise price of EUR 78.5 per share. The fair value when granted was fixed at KUSD 268 and will be recorded in the profit and loss accounts over the vesting period of three years (2026-2028). The total cost of the stock options included in the income statement is KUSD 219 in 2025 (2024: KUSD 201). To cover the outstanding option liability, SIPEF has a total of 128 786 treasury shares in portfolio. The share buyback program will continue in 2026 until the number of treasury shares covers the number of outstanding options.

	Number of shares	Average purchase price (in EUR)	Total purchase price (in KEUR)	Total purchase price (in KUSD)
Opening balance 31/12/2024	162 016	53.6	8 683	10 634
Acquisition of treasury shares	23 187	68.7	1 593	1 787
Disposal of treasury shares	-56 417	54.1	-3 050	-3 461
Ending balance 31/12/2025	**128 786**	**56.1**	**7 226**	**8 959**

The extraordinary general meeting of shareholders on 14 June 2023, authorised the board of directors to purchase own shares of SIPEF if deemed necessary over a period of 5 years after the publication of the renewal.

23. INCOME TAXES

The reconciliation between the tax expenses and tax at local applicable tax rates is as follows:

In KUSD	2025	2024
Profit before tax	**190 448**	**97 464**
Tax at the applicable local rates	-47 819	-23 990
Average applicable tax rate	-25.11%	-24.61%
Permanent differences	- 656	-1 131
Losses of the year for which no DTA is recognised	0	- 81
Withholding tax on the dividend of Hargy Oil Palms Ltd.	-9 000	0
Impairment losses recognised on DTA recognised in previous years	- 561	-1 157
Reversal of impairment losses on DTA recognised in previous years	1 728	1 914
Fair value adjustment sale PT Melania	- 444	-1 407
Tax expense	**-56 752**	**-25 851**
Average effective tax rate	-29.80%	-26.52%

The permanent differences consist mainly of disallowed expenses for tax purposes and are slightly lower than last year due to lower permanently rejected expenses. The withholding tax on the dividend of Hargy Oil Palms Ltd relates to a 15% withholding tax payable on a dividend of USD 60 million paid by Hargy Oil Palms Ltd to SIPEF. The fair value adjustment on the asset held for sale of PT Melania (KUSD -2 018) is a non-deductible tax expense and amounts to KUSD 444.

SIPEF received from the Indonesian tax authorities the formal approval, which means, starting from financial year 2014, our Indonesian affiliates are allowed to lodge their tax declaration in USD. From the tax authorities in Papua New Guinea, the SIPEF group got permission to prepare the tax declaration based on USD accounts from 2015 onwards. For SIPEF NV and Jabelmalux SA, a similar authorisation has been obtained with effect from the financial year 2016.

Deferred tax liabilities and assets are offset per taxable entity which leads to the following split between deferred tax assets and deferred tax liabilities:

In KUSD	2025	2024
Deferred tax assets	15 699	16 478
Deferred tax liabilities	-50 024	-52 690
Net deferred taxes	**-34 325**	**-36 212**

The movements in net deferred taxes (assets - liabilities) are:

In KUSD	2025	2024
Opening balance	**-36 212**	**-37 240**
Variation (- expense) / (+ income) through income statement	1 415	1 228
Tax impact of IAS 19 through comprehensive income	349	- 268
Tax impact hedge accounting via OCI	0	124
Other	123	- 56
Closing balance	**-34 325**	**-36 212**

Deferred taxes in the income statement are the result of:

In KUSD	2025	2024
Addition/(utilization) of tax losses brought forward	-2 148	1 356
Origin/(reversal) of temporary differences - IAS 41 revaluation	- 35	-1 279
Origin/(reversal) of temporary differences - fixed assets	1 663	1 053
Origin/(reversal) of temporary differences - pension provision	406	411
Origin/(reversal) of temporary differences - other	1 530	- 314
Total	**1 415**	**1 228**

Total deferred tax assets are not entirely recognized in the balance sheet. The breakdown of total recognized and unrecognized deferred taxes is as follows:

	2025		
In KUSD	Total	Not recorded	Recorded
Biological assets	-1 991	0	-1 991
Property, plant and equipment, including bearer plants	-44 688	0	-44 688
Inventories	-6 394	0	-6 394
Pension provision	5 770	0	5 770
Tax losses	9 171	689	8 482
Others	4 496	0	4 496
Total	**-33 636**	**689**	**-34 325**

At the end of 2025, most unrecognized deferred tax assets are attributed to entities within the Tolan Tiga group (KUSD 677), with a smaller portion associated with entities in the South Sumatra Group (KUSD 12). The set-up of and the adjustments to the deferred tax assets are based on the most recently available long-term business plans.

The total tax losses (recognized and unrecognized) have the following maturity structure:

	2025		
In KUSD	Total	Not recorded	Recorded
1 year	13 455	859	12 596
2 years	8 400	716	7 683
3 years	8 894	1 170	7 724
4 years	4 389	386	4 003
5 years	124	0	124
Unlimited	5 668	0	5 668
Total	**40 930**	**3 132**	**37 797**

In Indonesia, the Group made advance payments of taxes in accordance with local legislation. These were partly based on the results of 2024 and partly on the results of 2023 which were both lower than the results of 2025. For Papua New Guinea, the advance payments of taxes are based on the latest estimate result of 2025 and hence align closer with the tax payable of the year. Therefore, the prepayments of taxes of KUSD 46 171 were lower than the tax expense of the year of KUSD 58 166.

In KUSD	2025	2024
Taxes to receive	3 042	7 547
Taxes to pay	-14 129	-6 605
Net taxes to receive/(to pay)	**-11 087**	**941**

In KUSD	2025	2024
Net taxes to receive/(to pay) at the beginning of the period	**941**	**-3 681**
Transfer	- 33	74
Taxes to pay	-58 166	-27 077
Paid taxes	46 171	31 625
Net taxes to receive/(to pay) at the end of the period	**-11 087**	**941**

Taxes paid as presented in the consolidated cash flow statement are detailed as follows:

In KUSD	2025	2024
Tax expense	-56 751	-25 851
Deferred tax	-1 415	-1 226
Current income taxes	**-58 166**	**-27 077**
Variation prepaid taxes	4 504	- 622
Variation payable taxes	7 490	-3 926
Paid taxes	**-46 171**	**-31 625**

There are no material unrecorded uncertain tax positions within the SIPEF group. SIPEF is exempted from Pillar 2.

24. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The SIPEF group has the following percentage of control and percentage of interest in the associates:

Entity	Location	% of control	% of interest
Verdant Bioscience Pte Ltd	Singapore / Republic of Singapore	38.00	38.00
PT Timbang Deli Indonesia	Medan / Indonesia	38.00	36.10

An associate is an entity over which the Group has significant influence. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The Group has no joint ventures. The investments in associates consist of Verdant Bioscience Pte Ltd and PT Timbang Deli Indonesia, both active in tropical agriculture.

Verdant Bioscience Pte Ltd is a company located in Singapore. As of 1 January 2014, the Group holds a 38% interest in Verdant Bioscience Pte Ltd. The company is a cooperation between Ackermans & Van Haaren (42%), SIPEF NV (38%), PT Dharma Satya Nusantara (10%) and BioSing Pte (10%) with the objective of conducting research into and developing high-yielding seeds with a view to commercializing them.

The Group holds via Verdant Bioscience Pte Ltd a 36.10% participation in PT Timbang Deli Indonesia, a company located on the island of Sumatra in Indonesia. PT Timbang Deli Indonesia is engaged in cultivation of palm oil and provides the practical operation of the Group's research activities. Following the Share Swap agreement with Verdant Bioscience Pte Ltd the SIPEF group contributed 95% of the total number of shares of PT Timbang Deli Indonesia to Verdant Bioscience Pte Ltd.

The total section ‘investments in associates and joint ventures’ can be summarized as follows:

In KUSD		2025	2024
Verdant Bioscience Pte Ltd	a	2 066	2 504
PT Timbang Deli Indonesia	b	-3 217	-2 173
Total before reclassification	**c=a+b**	**-1 150**	**331**
Reclassification to provisions	d	1 150	0
Total	**e= c+d**	**0**	**331**

In accordance with IAS 28 Investments in Associates and Joint Ventures, the Group recognises its share of losses of an associate or joint venture up to the carrying amount of the investment accounted for using the equity method. When the Group’s share of losses exceeds the carrying amount of the investment, the carrying amount is reduced to nil. To the extent that the Group continues to support the operations of the investee and assumes responsibility for additional losses, these losses are recognised through the recognition of a provision of KUSD 1 150.

The total section ‘Share of profit/loss of an associate and joint venture’ can be summarized as follows:

In KUSD		2025	2024
Verdant Bioscience Pte Ltd	a	- 437	- 619
PT Timbang Deli Indonesia	b	-1 044	- 747
Total result	**c=a+b**	**-1 482**	**-1 366**

Below we present the condensed statements of financial position of the associated companies. These are prepared in accordance with IFRS and are before intercompany eliminations and excluding goodwill.

		Verdant Bioscience Pte Ltd		PT Timbang Deli Indonesia	
In KUSD		2025	2024	2025	2024
Biological assets	a	0	0	2 689	2 995
Other non-current assets	b	23 754	23 793	7 743	6 080
Current assets	c	21 546	16 926	2 154	1 162
Cash and cash equivalents	d	200	93	283	324
Total assets	**e=a+b+c+d**	**45 500**	**40 812**	**12 868**	**10 560**
Non-current liabilities	a	4	- 8	1 480	1 302
Long-term financial debts	b	0	0	0	0
Current liabilities	c	33 899	28 072	22 535	17 513
Short-term financial debts	d	0	0	0	0
Equity	e	11 598	12 749	-11 147	-8 255
Total equity and liabilities	**f= a+b+c+d+e**	**45 500**	**40 812**	**12 868**	**10 560**

The associates had no contingent liabilities or capital commitments as at 31 December 2025 and 2024.

Below we present the condensed income statements of the associated companies. These are prepared in accordance with IFRS and are before intercompany eliminations and excluding goodwill.

		Verdant Bioscience Pte Ltd		PT Timbang Deli Indonesia	
In KUSD		**2025**	**2024**	**2025**	**2024**
Inclusion in the consolidation:	a	38.00%	38.00%	36.10%	36.10%
Revenue		0	0	4 264	4 743
Depreciation		52	51	1 018	913
Interest income		1 110	668	3	3
Interest charges		0	0	-1 110	- 668
Total comprehensive income	b	-1 151	-1 630	-2 892	-2 068
Share in the consolidation	**c= a*b**	**- 437**	**- 619**	**-1 044**	**- 747**
Total share of the group	d	- 437	- 619	-1 044	- 747
Total share minorities	e	0	0	0	0
Total	**f= d+e**	**- 437**	**- 619**	**-1 044**	**- 747**

Reconciliation of the associated companies

The below tables are prepared in accordance based on the IFRS financial statements as included in the consolidation, in accordance with the accounting policies of the SIPEF group, before goodwill allocation.

	Verdant Bioscience Pte Ltd		PT Timbang Deli Indonesia	
In KUSD	**2025**	**2024**	**2025**	**2024**
Equity without goodwill	11 598	12 749	-11 147	-8 255
Share of the group	4 407	4 845	-4 024	-2 980
Goodwill	0	0	807	807
Equity elimination PT Timbang Deli	-2 340	-2 340	0	0
Total	**2 066**	**2 504**	**-3 217**	**-2 173**

Dividends received from associated companies

During the year, no dividends were received from associated companies.

There are no restrictions on the transfers of funds to the Group.

25. CHANGE IN NET WORKING CAPITAL

Cash flow from operating activities increased from KUSD 162 900 in 2024 to KUSD 253 200 in 2025, in line with the increase in operating profit.

The variation of the working capital of KUSD 15 230 mainly concerned a temporary decrease in trade receivables following early payments from clients in Indonesia.

Furthermore, other current liabilities have increased compared to the prior year, mainly due to a higher provision for variable remuneration following the Group's record results in 2025.

The above-mentioned use of working capital concerned the usual temporary movements.

26. FINANCIAL INSTRUMENTS

Exposure to fluctuations in the market price of core products, currencies, environmental changes, agricultural activity, interest rates and credit risk arises in the normal course of the Group's business. Financial derivative instruments are used to a limited extend to reduce the exposure to fluctuations in foreign exchange rates and interest rates.

Fluctuations in the market price of core products

Structural risk

SIPEF group is exposed to structural price risks of their core products. The risk is primarily related to palm oil and palm kernel oil and to a lesser extent to bananas. A change of the palm oil price of USD 10 CIF per tonne has an impact of about KUSD 3 560 (without considering the impact of the current export tax and export levies in Indonesia) on result after tax. This risk is assumed to be a business risk.

Transactional risk
The Group faces transactional price risks on products sold. The transactional risk is the risk that the price of products purchased from third parties fluctuates between the time the price is fixed with a customer and the time the transaction is settled. This risk is assumed to be a business risk.

Currency risk
Most of the subsidiaries are using the US dollar as functional currency. The Group’s currency risk can be split into three distinct categories: structural, transactional and translational:

Structural risk
Most of the Group’s revenues are denominated in USD, while all the operations are located outside the USD zone (particularly in Indonesia, Papua New Guinea, Côte d’Ivoire and Europe). Any change in the USD against the local currency will therefore have a considerable impact on the operating result of the company. Most of these risks are considered to be a business risk.

Transactional risk
The Group is also subject to transactional risks in respect of currencies, i.e. the risk of currency exchange rates fluctuating between the time the price is fixed with a customer, supplier or financial institution and the time the transaction is settled. This risk, with the exception of naturally covered positions, is not covered since most receivables and payables have a short settlement term.

The pension liabilities in Indonesia are important long-term liabilities that are fully payable in IDR. A devaluation or revaluation of 10% of the IDR versus the USD has the following effect on the income statement:

In KUSD	IDR Dev 10%	Book value	IDR Rev 10%
Pension liabilities in Indonesia	24 355	26 791	29 768
Gross impact income statement	2 436		-2 977

The pension liability in Indonesia consists of KUSD 26 278 from fully consolidated subsidiaries and of KUSD 513 from equity consolidated companies (PT Timbang Deli).

The long-term receivables on the Indonesian smallholders are important long-term assets that are fully payable in IDR. A devaluation or revaluation of 10% of the IDR versus the USD has the following effect on the income statement:

In KUSD	IDR Dev 10%	Book value	IDR Rev 10%
Smallholders receivables	36 597	40 256	44 729
Gross impact income statement	3 660		-4 473

On 10 February 2026, the board of directors has proposed the payment of a dividend of maximum KEUR 45 491 (EUR 4.30 gross per ordinary share). In line with the Group’s liquidity and currency policy, the exchange risk was covered in 5 forward exchange contracts for the sale of KUSD 53 839 for KEUR 46 000 (average exchange rate of 1.1704) before year-end.

Sensitivity analysis
With regard to the cover of the dividend for the end of the year a devaluation or revaluation of 10% of the EUR versus the USD has the following effect on the profit and loss account:

In KUSD	EUR Dev 10%	Closing rate	EUR Rev 10%
Dividend	49 094	54 003	60 004
Gross Impact income statement	-4 909		6 000

Translational risk
The SIPEF group is an international company and has operations which do not use the USD as their reporting currency. When such results are consolidated into the Group’s accounts the translated amount is exposed to variations in the value of such local results are consolidated into the Group’s accounts the translated amount is exposed to variations in the value of such local currencies against the USD. SIPEF group does not hedge against such risk (see accounting policies).

As from 1 January 2007 onwards, the functional currency of most of our activities is the same as the presentation currency, this risk has been largely restricted.

Interest rate risk
The Group’s exposure to changes in interest rates relates to the Group’s financial debt obligations. At the end of December 2025, the Group’s net financial assets/(liabilities) amounted to KUSD 88 362 (2024: KUSD -18 087), of which KUSD 3 747 short-term financial liabilities (2024: KUSD 36 519) and KUSD 93 372 net short-term cash and cash equivalents (2024: KUSD 19 880).

The ‘financial liabilities > 1 year’ (incl. derivatives) amount to KUSD 1 263 (2024: KUSD 1 448).

Considering that only the 'short-term obligations - credit institutions' (KUSD 2 935, refer to note 19) are of a current nature with variable interest rates, we believe a 0.5% change in interest rate will not have a material impact.

Available funds are invested in short-term deposits.

Environmental risk

The Group manages key environmental-related risks that are linked with land use and conservation through its group-wide commitment to 'no deforestation' and 'no new development in peat areas' (NDP). The scope of this commitment includes SIPEF's smallholder suppliers. SIPEF is using a third-party monitoring platform to ensure effective implementation of this NDP policy. In addition, climate-related risks are being assessed in consultation with experts, with a focus on climate change mitigation (GHG emissions), climate physical risk and climate transition risk, as part of its work to develop and finalise the Group's climate change mitigation and adaptation strategy.

The production volumes, the turnover and margins realised by SIPEF are influenced by climatic conditions such as rainfall, sunshine, temperature and humidity. The potential physical impact of climate change is uncertain and may vary by region and product. SIPEF monitors water tables to design systems to deal with water retention, maintains buffer zones and invests in fire prevention / monitoring. With the growing concern over sustainability, tighter rules may be imposed on companies. SIPEF's palm oil plantations adhere to the RSPO standards and comply with the RSPO principles and criteria. If SIPEF is unable to continue to meet stricter requirements, it may lose its certification, or this may be suspended.

Agricultural activity risk

The primary financial risk associated with the Group's agricultural activity occurs due to the length of time between expending cash on capital expenditures, the purchase or planting and maintenance of the core products and on harvesting and producing the products and ultimately receiving cash from the sale of the core products to third parties. The Group's strategy to manage this financial risk is to actively review and manage its working capital requirement. In addition, the Group maintains credit facilities at a level sufficient to fund its working capital during the period between cash expenditure and cash inflow. At 31 December 2025, the Group has unused credit facilities in the form of short-term loans of KUSD 120 469.

Credit risk

Credit risk is the risk that one party will fail to discharge an obligation and cause the other party to incur a loss. This credit risk can be split into a commercial and a financial credit risk. With regard to the commercial credit risk management has established a credit policy and the exposure to this credit risk is monitored on a continuous basis.

In practice a difference is made between:

In KUSD	2025	2024
Receivables from the sale of palm oil	20 007	43 339
Receivables from the sale of bananas	4 516	4 013
Total	**24 523**	**47 353**

The credit risk for the first category is rather limited as these sales are for the most part immediately paid against presentation of documents. Moreover, it concerns a relatively small number of first-class buyers: per product about 90% of the revenue from contracts with customers is realized with a maximum of 10 clients. For palm oil, there is one client who represents over 30% of the total sales. Contrary to the first category the credit risk for the receivables from the sales of bananas is higher.

For both categories, there is a weekly monitoring of the open balances due and a proactive system of reminders. Impairments are applied as soon as total or partial payments are seen as unlikely. The elements that are taken into account for these appraisals are the lengths of the delay in payment and the creditworthiness of the client.

The receivables from the sales of bananas have the following due date schedule:

In KUSD	2025	2024
Not yet due	3 664	2 313
Due < 30 days	848	1 650
Due between 30 and 60 days	0	48
Due between 60 and 90 days	0	0
Due > 90 days	4	2
Total	**4 516**	**4 013**

During 2025 and 2024, no material impairment on receivables was recorded in the income statement.

The Group applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables based on historical losses. The Group analysed the impact of IFRS 9 and concluded there is no material impact on the bad debt reserve booked. The Group also assessed whether the historic pattern would change materially in the future and expects no significant impact.

Liquidity risk

A material and structural shortage in our cash flow would damage both our creditworthiness as well as the trust of investors and would restrict the capacity of the Group to attract fresh capital. The operational cash flow provides the means to finance the financial obligations and to increase shareholder value. The Group manages the liquidity risk by evaluating the short-term and long-term cash flows. The SIPEF group maintains an access to the capital market through short- and long-term debt programs.

The following table gives the contractually determined (not-discounted) cash flows resulting from liabilities at balance sheet date:

2025 - In KUSD	Carrying amount	Contractual cash flows	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 5 years
Financial obligations > 1 year (incl. derivatives)	0	0	0	0	0	0	0
Leasing liabilities > 1 year	1 263	-2 038	64	- 573	- 255	- 147	-1 127
Advances received > 1 year	0	0	0	0	0	0	0
Trade & other liabilities < 1 year							
Trade payables	26 628	-26 628	-26 628	0	0	0	0
Advances received	7 503	-7 503	-7 503	0	0	0	0
Financial liabilities < 1 year							
Current portion of amounts payable after one year	0	0	0	0	0	0	0
Financial liabilities	2 935	-3 058	-3 058	0	0	0	0
Leasing liabilities < 1 year	812	- 861	- 861	0	0	0	0
Derivatives	0	0	0	0	0	0	0
Other current liabilities	0	0	0	0	0	0	0
Total liabilities	**39 142**	**-40 088**	**-37 986**	**- 573**	**- 255**	**- 147**	**-1 127**

2024 - In KUSD	Carrying amount	Contractual cash flows	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 5 years
Financial obligations > 1 year (incl. derivatives)	0	0	0	0	0	0	0
Leasing liabilities > 1 year	1 448	-2 537	- 29	- 603	- 451	- 150	-1 303
Advances received > 1 year	0	0	0	0	0	0	0
Trade & other liabilities < 1 year							
Trade payables	28 512	-28 512	-28 512	0	0	0	0
Advances received	3 934	-3 934	-3 934	0	0	0	0
Financial liabilities < 1 year							
Current portion of amounts payable after one year	0	0	0	0	0	0	0
Financial liabilities	35 894	-36 079	-36 079	0	0	0	0
Leasing liabilities < 1 year	626	- 665	- 665	0	0	0	0
Derivatives	1 053	-1 053	-1 053	0	0	0	0
Other current liabilities	0	0	0	0	0	0	0
Total liabilities	**71 465**	**-72 779**	**-70 272**	**- 603**	**- 451**	**- 150**	**-1 303**

In order to limit the financial credit risk, SIPEF has spread its more important activities over a small number of banking groups with a first-class rating for creditworthiness. The current maximum credit lines available amount to KUSD 125 480 (2024: KUSD 122 775). In 2025, same as in previous years, there were no infringements on the conditions stated in the credit agreements nor were there any shortcomings in repayments.

Financial instruments measured at fair value in the statement of financial position

Companies within the Group may use financial instruments for risk management purposes. Specifically, these are instruments principally intended to manage the risks associated with fluctuating interest and exchange rates. The counterparties in the related transactions are exclusively first-ranked banks.

Derivative instruments are measured at fair value at initial recognition. The changes in fair value are reported in the income statement unless these instruments are part of hedging transactions.

Fair values of derivatives are:

In KUSD	2025	2024
Forward exchange transactions	799	-1 053
Fair value (+ = asset; - = liability)	**799**	**-1 053**

In accordance with IFRS 13, financial instruments are grouped into 3 levels based on the degree to which the fair value is observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

The notional amount from the forward exchange transactions amounts to KUSD 56 510. The forward exchange contracts are not documented in a hedging relationship and accordingly, all changes in fair value are recorded in the financial result.

The fair value of the forward exchange contracts calculated at the closing value at 31 December 2025 were also incorporated in level 2.

Financial instruments per category

The following table presents the financial instruments per category as per end 2025 and end 2024:

2025 - In KUSD	Carrying amount	IFRS 9 category	Fair value	Fair value hierarchy
Financial assets				
Other investments	129	AC	129	Level 2
Receivables > 1 year				
Other receivables	41 385	AC	41 385	Level 2
Total non-current financial assets	**41 514**		**41 514**	
Trade and other receivables				
Trade receivables	24 523	AC	24 523	Level 2
Other receivables	44 802	AC	44 802	Level 2
Investments				
Other investments and deposits	1	AC	1	Level 2
Cash and cash equivalents	93 372	AC	93 372	Level 2
Derivatives	799	FVTPL	799	Level 2
Derivatives	0	Hedge accounting	0	Level 2
Total current financial assets	**163 497**		**163 497**	
Trade and other obligations > 1 year	0	AC	0	Level 2
Financial obligations > 1 year (incl. derivatives)	0	AC	0	Level 2
Leasing liabilities > 1 year	1 263	AC	1 263	Level 2
Advances received > 1 year	0	AC	0	Level 2
Total non-current financial liabilities	**1 263**		**1 263**	
Trade & other obligations < 1 year				
Trade payables	26 628	AC	26 628	Level 2
Other payables	16 246	AC	16 246	Level 2
Advances received	7 503	AC	7 503	Level 2
Financial obligations < 1 year				
Current portion of amounts payable after one year	0	AC	0	Level 2
Financial obligations	2 935	AC	2 935	Level 2
Leasing liabilities < 1 year	812	AC	812	Level 2
Derivatives	0	FVTPL	0	Level 2
Derivatives	0	Hedge accounting	0	Level 2
Total current financial liabilities	**54 124**		**54 124**	

2024 - In KUSD	Carrying amount	IFRS 9 category	Fair value	Fair value hierarchy
Financial assets				
Other investments	112	AC	112	Level 2
Receivables > 1 year				
Other receivables	45 581	AC	45 581	Level 2
Total non-current financial assets	**45 693**		**45 693**	
Trade and other receivables				
Trade receivables	47 353	AC	47 353	Level 2
Other receivables	32 859	AC	32 859	Level 2
Investments				
Other investments and deposits	1	AC	1	Level 2
Cash and cash equivalents	19 880	AC	19 880	Level 2
Derivatives	0	FVTPL	0	Level 2
Derivatives	0	Hedge accounting	0	Level 2
Total current financial assets	**100 092**		**100 092**	
Trade and other obligations > 1 year	0	AC	0	Level 2
Financial obligations > 1 year (incl. derivatives)	0	AC	0	Level 2
Leasing liabilities > 1 year	1 448	AC	1 448	Level 2
Advances received > 1 year	0	AC	0	Level 2
Total non-current financial liabilities	**1 448**		**1 448**	
Trade & other obligations < 1 year				
Trade payables	28 512	AC	28 512	Level 2
Other payables	20 373	AC	20 373	Level 2
Advances received	3 934	AC	3 934	Level 2
Financial obligations < 1 year				
Current portion of amounts payable after one year	0	AC	0	Level 2
Financial obligations	35 894	AC	35 894	Level 2
Leasing liabilities < 1 year	626	AC	626	Level 2
Derivatives	1 053	FVTPL	1 053	Level 2
Derivatives	0	Hedge accounting	0	Level 2
Total current financial liabilities	**90 391**		**90 391**	

For an overview of the identified risks within the Group, including those identified in the Double Materiality Assessment, we refer to the ‘Corporate Governance Statement’.

27. LEASING

The Group leases office space, land rights and vehicles under a number of lease agreements with a lease term of one year or more. The rent of the office buildings concerns the monthly rental payments for the offices in Indonesia and Singapore. The rent of the offices and ancillary parking space in Belgium has not been included in the leases due to the short-term exemption. For the land rights, the subject of the lease concerns the usufruct of certain land wherefore a fixed annual rental amount is paid. The remaining land rights in PNG have a duration of 99 years for which no rental amount is paid. These assets will be depreciated over a period of 20 years in line with the lifespan of an oil palm. The vehicles concern the limited number of car leases within the Group.

The future operating lease commitments under these non-cancellable leases are due as follows:

In KUSD	2025	2024
Current lease liabilities	812	626
Non-current lease liabilities	1 263	1 448
Total lease liability as at 31 December	**2 075**	**2 073**

The movement during the year of the lease liability can be summarised as follows:

In KUSD	2025	2024
Lease commitments disclosed as at 1 January	**2 073**	**2 649**
Acquisitions	605	174
Financial costs/(income)	164	190
Lease repayments	- 817	- 799
Exchange result	50	- 140
Lease liability recognised as at 31 December	**2 075**	**2 073**

The lease repayments are included in the decrease in long-term (KUSD 754) and short-term (KUSD 63) financial borrowings in the cash flow.

The right-of-use assets can be classified as follows:

Movement (in KUSD)	2025	2024
Total right-of-use assets as at 1 January	**2 094**	**2 549**
Acquisition	605	176
Depreciation	-657	- 630
Total right-of-use assets as at 31 December	**2 042**	**2 094**

	Land rights	Office rent	Car rent	Total
Total right-of-use assets as at 31 December 2024	776	977	341	**2 094**
Total right-of-use assets as at 31 December 2025	732	935	375	**2 042**

The total depreciation of the right-of-use assets until 31 December 2025 amounts to KUSD 657 and the financial expenses to KUSD 164. Of the depreciation, KUSD 45 was recorded in the cost of sales of the palm segment of Hargy Oil Palms Ltd and KUSD 612 in the ‘general and administrative expenses’. There are no material expenses related to short-term and low value leases. There are no material extension options not included in the calculation.

28. RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

Guarantees

No guarantees have been issued in 2025 by third parties as security for the company’s account and no guarantees have been issued to a third party for the account of subsidiaries.

Significant litigation

Nil.

Forward sales

The commitments for the delivery of goods (palm products and bananas) after the year end fall within the normal delivery period of about 3 months from date of sale. Those sales are not considered as forward sales.

Conditional Sale and Purchase Agreement (CSPA) PT Melania

In 2021, SIPEF signed a conditional sale and purchase agreement with Shamrock Group (SG) on the sale of 100% of the share capital of its Indonesian subsidiary, PT Melania. On 3 July 2025, the parties signed an amendment to the original CSPA, reaffirming their mutual commitment to the transaction and outlining several adjusted terms to accommodate ongoing permitting timelines. The key element of the revised agreement includes:

- A new long-stop date of twelve months for securing the remaining ministerial land title renewals for the rubber estates, with potential for extension by mutual agreement. After the renewal of the land titles, or after the long stop date (whichever comes first), the shares of PT Melania will be transferred to the purchaser, considering the conditions as explained in note 30.

For additional information, we refer to note 30 – Business combinations, acquisitions and divestures.

29. RELATED PARTY TRANSACTIONS

Transactions with directors and members of the executive committee

Key management personnel are defined as the directors and the Group's management committee. The table below shows an overview of total remuneration received:

In KUSD	2025	2024
Directors' fees	608	581
Fixed fees	1 827	2 369
Variable fees	1 324	1 487
Post-employment benefits	108	341
Other	104	66
Market value vested stock option (on vesting date)	319	0
Total	**4 290**	**4 844**

The amounts are paid in EUR. The amount paid in 2025 amounts to KEUR 3 868 (2024: KEUR 4 487). The decrease of KEUR 619 is mainly a consequence of a reduction in the number of members of the executive committee from 4 to 3.

Starting from the financial year 2007, fixed fees shall be paid to the members of the board of directors, the audit committee, and the remuneration committee.

Related party transactions are considered immaterial, except for the rental agreement since 1985 between Cabra NV and SIPEF covering the offices and ancillary parking space at Castle Calesberg in Schoten. The annual rent, adjusted for inflation, amounts to KUSD 229 (2024: KUSD 233) and KUSD 93 (2024: KUSD 94) is invoiced for SIPEF's share of maintenance of the buildings, parking space and park area.

SIPEF's relations with board members and management committee members are covered in detail in the "Corporate Governance statement" section.

Other related party transactions

Transactions with related companies are mainly trade transactions and are priced at arms' length. The revenue and expenses related to these transactions are immaterial to the consolidated financial statements as a whole.

Transactions with group companies

Balances and transactions between the Group and its subsidiaries which are related parties of the Group have been eliminated in the consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

The following table represents the total of the transactions that have occurred during the financial year between the Group and the joint venture PT Timbang Deli and Verdant Bioscience Pte Ltd at 100%:

	Verdant Bioscience Pte Ltd		PT Timbang Deli	
In KUSD	2025	2024	2025	2024
Total sales during the financial year	0	0	0	0
Total purchases during the financial year	0	0	2 263	2 055
Total receivables as per 31 December*	14 124	11 688	50	47
Total payables as per 31 December	0	300	659	189

**Non discounted amount*

30. BUSINESS COMBINATIONS, ACQUISITIONS AND DIVESTURES

In 2021, SIPEF signed a conditional sale and purchase agreement with Shamrock Group on the sale of 100% of the share capital of its Indonesian subsidiary, PT Melania. Shamrock Group is an Indonesian group that runs several rubber plantations and factories and specialises in the production and sale of latex gloves. Before the transaction, SIPEF controlled 95% of PT Melania through its Indonesian 95% subsidiary, PT Tolan Tiga. The remaining 5% is owned by an Indonesian pension fund.

As a reminder, PT Melania owned half of the Group's Indonesian rubber operations, through its subsidiary PT Tolan Tiga, in Sumatra back in 2021 and the entire tea operations in Java. Initially, 40% of the shares was sold for a payment of USD 19 million. After this first stage the purchaser took over the management of the rubber activities. The second tranche of 60% of the shares (of which 55% are held by SIPEF) will be transferred after the renewal of the permanent land rights (HGU) for the whole of the rubber and tea business. The gross transaction price for 100% of the shares is USD 36 million.

The HGU for the tea operations in Java have been successfully concluded. For the rubber estates in Sumatra, the HGU renewal process is still ongoing, which has delayed the final transfer of the remaining shares under the CSPA.

On 22 January 2025, the purchaser sent a termination letter regarding the CSPA. SIPEF group contested the legal validity of this termination letter. Continued dialogue led to a constructive resolution, taking into account the exceptional circumstances related to the HGU renewal process.

On 3 July 2025, the parties signed an amendment to the original CSPA, reaffirming their mutual commitment to the transaction and outlining several adjusted terms to accommodate ongoing permitting timelines. Key elements of the revised agreement include:

- A new long-stop date of twelve months for securing the remaining ministerial land title renewals for the rubber estates, with potential for extension by mutual agreement. After the renewal of the land titles, or after the long stop date (whichever comes first), the shares of PT Melania will be transferred to the purchaser, considering the below.
- The tea estate will be separated from PT Melania and sold separately. Net proceeds of the sale of the tea estate will be used to recover the value of the asset held for sale relating to PT Melania. Any shortfall of the net proceeds to cover the value of the asset held for sale will be borne by PT Tolan Tiga. If the tea estate sale is not completed within the agreed timeframe, PT Tolan Tiga will proceed with the carve-out at its own expense. In such case, the remaining amount to be received from the purchaser would be waived in return for full ownership of the tea operations to PT Tolan Tiga.
- An escrow arrangement of USD 1 million to secure potential residual costs relating to the HGU renewal process in case the long stop date is surpassed and the HGU's have not yet been renewed. The escrow will be released subject to substantiated expenses or refunded to PT Tolan Tiga if unused.

SIPEF remains committed to completing the sale of PT Melania and continues to closely monitor and manage the process of the land title renewal. The Group is currently in discussion with interested parties regarding the potential sale of the Cibuni tea estate.

Considering the above, the fair value of the asset held for sale of PT Melania has been decreased by a total of KUSD 8 412. Consequently, the total capital gain realized on the sale amounts to KUSD 3 228, compared to the originally recorded capital gain of KUSD 11 640 in 2021.

As at 31 December 2024, an amount of KUSD 12 635 had already been paid for expenses related to the CSPA. In 2025, an additional KUSD 1 668 was paid. This relates to the cash paid to fulfil the conditions for the sale of PT Melania, mostly relating to the payment of the remaining pension provisions and the necessary cash to operate the tea plantation. This brings the total amount disbursed to KUSD 14 303 as at 31 December 2025. The advance which was already received at CD 1 (KUSD 9 147) has been fully utilised in 2024.

The final net sales price and potential capital gain on the sale of PT Melania will largely depend on the timing and cost of the renewal of the permanent concession rights (HGU), as well as the compensation for the accrued social rights of the employed personnel, which will be almost entirely taken over. The Group also remains responsible for financing the tea activities until the final transfer of the shares. The capital gain on the sale of PT Melania may be revised in the future depending on a reassessment of these cost estimates, as well as the expected net selling price of the tea activities, or alternatively, the valuation of the tea activities should these be returned to the SIPEF group at the time of the long stop date.

SIPEF has made a best estimate of the costs related to the sale of PT Melania. Below we present the calculation of the net selling price:

In KUSD	2025	2024
Total consideration to be received	36 000	36 000
Estimated costs related to the sales	-20 273	-18 149
Net sales prices (100% of the shares)	15 727	17 851
Net sales prices for 95%	14 940	16 959
Of which		
40% of the shares	9 833	9 833
55% of the shares	5 108	7 126

31. EARNINGS PER SHARE (BASIC AND DILUTED)

From continuing and discontinued operations	2025	2024
Basic earnings per share		
Basic earnings per share - calculation (USD)	12.05	6.33
Basic earnings per share is calculated as follows:		
Numerator: net result for the period attributable to ordinary shareholders (KUSD)	125 449	65 838
Denominator: the weighted average number of ordinary shares outstanding	10 413 607	10 405 284
The weighted average number of ordinary shares outstanding is calculated as follows:		
Number of ordinary shares outstanding at January 1	10 417 312	10 399 328
Effect of shares issued / share buyback programs	- 3 705	5 956
Effect of the capital increase	0	0
The weighted average number of ordinary shares outstanding at December 31	10 413 607	10 405 284
Diluted earnings per share		
Diluted earnings per share - calculation (USD)	12.02	6.32
The diluted earnings per share is calculated as follows:		
Numerator: net result for the period attributable to ordinary shareholders (KUSD)	125 449	65 838
Denominator: the weighted average number of dilutive ordinary shares outstanding	10 438 778	10 415 312
The weighted average number of dilutive ordinary shares outstanding is calculated as follows:		
The weighted average number of ordinary shares outstanding at December 31	10 413 607	10 405 284
Effect of stock options on issue	25 171	10 028
The weighted average number of dilutive ordinary shares outstanding at December 31	10 438 778	10 415 312

32. EVENTS AFTER THE BALANCE SHEET DATE

There are no significant post-balance sheet events that have a specific impact on SIPEF's group activities and consolidated financial statements.

In accordance with Article 8:4 of the Royal Decree of 29 April 2019 executing the Belgian Code of Companies and Associations, SIPEF discloses on its website, information related to the execution of its share buyback program, announced on December 5, 2025.

SIPEF continues to closely monitor developments related to geopolitical tensions, including the situation in the Middle East, and trade measures such as recent tariff announcements, although the current financial impact remains uncertain.

33. SERVICES PROVIDED BY THE AUDITOR AND RELATED FEES

The statutory auditor of the SIPEF group is Ernst & Young Bedrijfsrevisoren BV represented by Christoph Oris. The fees for the annual report of SIPEF were approved by the general meeting after review and approval of the audit committee and by the board of directors. These fees correspond to an amount of KUSD 290 in 2025 (2024: KUSD 266), including the additional fee of KUSD 148 related to limited review of the CSRD reporting for the Group. EY has provided services for KUSD 756 in 2025 (2024: KUSD 729), of which KUSD 0 (2024: KUSD 0) are for non-audit services.

ESEF INFORMATION

ESEF INFORMATION	
Homepage of reporting entity	www.sipef.com
LEI code of reporting entity	549300NN3PC8KDD43S24
Name of reporting entity or other means of identification	SIPEF
Domicile of entity	Belgium
Legal form of entity	Naamloze vennootschap
Country of incorporation	Belgium
Address of entity's registered office	Calesbergdreef 5, 2900 Schoten, Belgium
Principal place of business	Indonesia, Papua New Guinea and Côte d'Ivoire
Description of nature of entity's operations and principal activities	Tropical agriculture
Name of parent entity	SIPEF
Name of ultimate parent of group	SIPEF
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period	No change in name of reporting entity
Length of life of limited life entity	
Period covered by financial statements	

STATUTORY AUDITOR'S REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Independent auditor's report to the general meeting of SIPEF NV for the year ended 31 December 2025

In the context of the statutory audit of the Consolidated Financial Statements of SIPEF NV (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the statement of consolidated comprehensive income, the consolidated cash flow statement and the statement of changes in consolidated equity for the year ended 31 December 2025 and the disclosures including material accounting policy information (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 12 June 2024, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2026. We performed the audit of the Consolidated Financial Statements of the Group during 5 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of SIPEF NV, that comprise of the consolidated balance sheet on 31 December 2025, the consolidated income statement, the statement of consolidated comprehensive income, the consolidated cash flow statement and the statement of changes in consolidated equity of the year and the disclosures including, material accounting policy information, which show a consolidated balance sheet total of USD 1.210.344 thousand and of which the consolidated income statement shows a profit for the year of USD 132.215 thousand.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2025, and of its consolidated results for the year then ended, prepared in accordance with the IFRS Accounting Standards as adopted by the European Union and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Impairment assessment of goodwill

Description of the key audit matter

The goodwill amounts to USD 104.782 thousand as at 31 December 2025, and relates to the palm oil segment in Indonesia and Papua New Guinea. Goodwill must be tested for impairment on at least an annual basis. The determination of recoverable amount requires judgement from management in both identifying and then valuing the relevant single Cash Generating Units. As disclosed in note 8 – Goodwill and Other intangible assets of the Consolidated Financial Statements, the recoverable value was determined by using a discounted cash flow model. The cash flow model estimates the relevant cash flows expected to be generated in the future and discounted to the present value using a discount rate ("WACC").

This estimate requires management to use a number of variables and market conditions, such as future prices and growth rates regarding volume, timing of future operating expenses and discount rate, and long-term growth rates. As a result, the determination of the recoverable value of the CGU is subjective in nature due to management's estimates of the future performance of the palm oil segment, in particular the expected long-term crude palm oil prices and the WACC.

Changes in certain assumptions used in the model may lead to significant changes in the assessment of recoverable value. This matter is considered a key audit because of the degree of judgment required for these estimates.

Summary of the procedures performed

- We obtained an understanding of management's review process of the discounted cash flow model used and the approval by the Board of Directors of the underlying business plan;
- We assessed the determination of the CGU's based on our understanding of the nature of the Company and their operations, and assessed whether this is consistent with the internal reporting of the business;
- With the help of our internal valuation specialists, we have assessed the suitability and mathematical accuracy of the cash flow model used by management in determining the recoverable amount of the CGUs evaluated;
- We compared the cash flow forecasts to approved budgets and other relevant market and economic information, in particular with regard to expected long-term prices for crude palm oil ("CPO");
- With the help of our internal valuation specialists, we evaluated management's key assumptions, such as long term growth rate and WACC, used in the impairment calculations;
- We assessed the sensitivity analysis prepared by management in respect of the effects of changes in the assumptions on the value in use;
- We independently performed sensitivity analyses around the key assumptions used in the discounted cash flow model;
- We assessed the robustness of the budgeting process by management by comparing the historical accuracy of management forecasts, we verified if the future cash flows were based on the approved business plan by the Board of Directors;
- We reviewed the adequacy of the disclosures in the note 8 – Goodwill and Other intangible assets of the Consolidated Financial Statements concerning those key assumptions.

Recoverability of the deferred tax assets

Description of the key audit matter

The deferred tax assets recognized amount to USD 15.699 thousand as at 31 December 2025 on unutilized cumulative tax losses carried forward. The recognition of deferred tax assets entails a significant level of judgement by the Board in assessing the quantification, probability and sufficiency of future taxable profits against which they may be offset and future reversals of existing taxable temporary differences.

Due to the judgement required of the Board in interpreting the criteria set forth in local tax legislations in force and the risk that may arise from a different interpretation of such legislations, as well as the uncertainty associated with recovering the amounts recognized as deferred tax assets and the expected recovery period, we consider this to be a key audit matter.

Summary of the procedures performed

- We obtained understanding of the internal controls associated with the process of estimating the recoverability of the deferred tax assets;
- We assessed the reasonableness of the forecasted taxable results and the main assumptions considered by management in estimating the future taxable profits necessary for offset;
- We involved our local tax experts in the relevant locations to understand potential impacts of local tax regulations on the forecasted taxable results used by management to determine the recoverability of the deferred tax assets;
- We compared the result forecasts used as a basis for recognizing tax losses with the historical results and evaluated the reasonableness of the time period in which management expects to offset these assets;
- We agreed the profit and loss forecasts used as a basis for recognizing tax losses with the approved budgets;
- We assessed whether the information disclosed in note 23 – Income taxes of the Consolidated Financial Statements on the recoverability of the aforementioned deferred tax assets meets the requirements of IFRS.

Gain on sale transaction PT Melania

Description of the key audit matter

As disclosed in note 30 of the Consolidated Financial Statements, PT Melania was deconsolidated due to the loss of control at the end of April 2021, when SIPEF and the Shamrock Group entered into a conditional sale and purchase agreement of the shares of PT Melania.

As a result, PT Melania has been accounted for as a joint venture held for sale and has been measured at fair value, equaling the net selling price of USD 14.940 thousand of which 55% is still retained in the balance sheet as assets held for sale per 31 December 2025 or USD 5.108 thousand.

The sale and purchase agreement includes several key terms and conditions around future expenses still to be covered by SIPEF to fulfill conditions precedent. An amendment agreement was signed on 3 July 2025 outlining several adjusted terms which might affect the final sales price given the tea estate will be separated and sold separately. Significant judgments and estimates had to be made by management to determine those expected future costs included in the measurement of the fair value of the assets held for sale and the sensitivity of the sales price. The final net sale price and any capital gain on the sale of PT Melania depends largely on the cost and timing of renewing the permanent land rights, the compensation for the accumulated social rights of the employed personnel and the net proceeds from the sale of the tea estate. The gain on the sale of PT Melania may need to be adjusted going forward depending on revision of the estimate of these costs in the future and the estimated net proceeds from the sale of PT Melania.

Summary of the procedures performed

- We have read the sales agreement to gain an understanding of the key terms and conditions of the transaction;
- We evaluated the accounting treatment for the transaction (recognition of the gain, presentation as held for sale at 31 December 2025;
- We assessed the estimation of the net selling price as calculated by the management including assessment of the significant judgements and estimates made by management in evaluating certain key terms and conditions such as certain expenses still to be covered by SIPEF to fulfill the conditions

precedent, as well as the sensitivity of the sales price;

- We assessed the appropriateness of the financial information disclosed in the note 30 to the Consolidated Financial Statements concerning this transaction.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with the IFRS Accounting Standards and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISA's, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;

- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, including the consolidated sustainability information.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, as well as to report on these matters.

Aspects relating to Board of Directors' report

The Board of Directors' report on the Consolidated Financial Statements contains the consolidated sustainability information that is subject to our separate limited assurance report. This section does not cover the assurance on the consolidated sustainability information included in the annual report.

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report contains any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

No additional services, that are compatible with the audit of the Consolidated Financial Statements as referred to in Article 3:65 of the Code of companies and associations and for which fees are due, have been carried out.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori).

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of SIPEF NV per 31 December 2025 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori) are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

Other communications.

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Antwerpen, 22 April 2026

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Oris Christoph

Christoph Oris *
Partner
*Acting on behalf of a BV/SRL

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STATUTORY AUDITOR'S REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Statutory Auditor's limited assurance report on SIPEF NV's Consolidated Sustainability statement

At the attention of the general meeting of the shareholders

As part of the limited assurance engagement on the consolidated sustainability statement of SIPEF NV (the "Company" or the "Group"), we are providing you with our report on this engagement.

We were appointed by the General Meeting of 12 June 2024, in accordance with the proposal of the Board of Directors following the recommendation of the Audit Committee of SIPEF NV, to carry out a limited assurance engagement on the Company's sustainability information, included in the Sustainability Statements of the SIPEF Integrated annual report as of and for the year ended on 31 December 2025 (the "sustainability statement").

Our mandate expires on the date of the general meeting deliberating on the annual financial statements closed as of 31 December 2026. We have carried out our assurance engagement on the sustainability statement of SIPEF NV for 2 consecutive financial years.

Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability statement of SIPEF NV.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability statement, in all material respects:

- is not prepared in accordance with the requirements referred to in Article 3:32/2 of the Belgian Code of Companies and Associations, including compliance with applicable European sustainability information standards (the European Sustainability Reporting Standards ("ESRSs"))
- Is not compliant with the process carried out by the Company ("the Process") to identify the information included in the sustainability statement in accordance with the ESRS's as set out in note *2. Double Materiality Assessment*; and
- is not compliant with the requirements of Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as disclosed in subsection *5. EU Taxonomy disclosures* within the Environmental stewardship section of the management report.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), applicable in Belgium and issued by the International Auditing and Assurance Standards Board.

Our responsibilities under this standard are further described in the Statutory Auditor's responsibilities section of our report in relation with our limited assurance engagement on the sustainability information.

We have complied with all ethical requirements relevant to the assurance of sustainability engagements in Belgium, including those relating to independence.

The firm applies International Standard on Quality Management 1 ("ISQM 1"), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the Company's Board of Directors and its appointees the explanations and information necessary for our limited assurance engagement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the Board of Directors in relation with the preparation of the Sustainability Statements

The Board of Directors of the Company is responsible for designing and implementing a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this Process in note *2. Double Materiality Assessment* of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders.
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the entity's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The board of directors of the Company is further responsible for the preparation of the sustainability statement, which contains the sustainability information as determined in the Process:

- in accordance with the requirements referred to in Article 3:32/2 of the Belgian Code of Companies and Associations, including compliance with applicable ESRS's;
- in compliance with the requirement provided by Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as described in subsection *5. EU Taxonomy disclosures* within the Environmental Stewardship section of the management report.

This responsibility includes:

- designing, implementing and maintaining such internal control that the Board of Directors determines is necessary to enable the preparation of the Sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The Board of Directors are responsible for overseeing the Company's sustainability reporting process.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, the board of directors of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected. Actual results are likely to differ from projections because the future events will not generally occur as expected, and such differences could be material.

Statutory Auditor's responsibilities relating the limited assurance engagement on the Sustainability Statements

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability statements are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we exercise professional judgment and maintain professional skepticism throughout the engagement. The work performed in an engagement with a view to obtaining limited assurance is less extensive than in the case of an engagement with a view to obtaining reasonable assurance. The procedures performed in a limited assurance engagement for which we refer to the section 'Summary of the work performed' which differ in nature and timing are less extensive compared to a reasonable assurance engagement. We therefore do not express a reasonable audit opinion in the frame of this engagement.

As the forward-looking information included in the Sustainability Statements, and the assumptions on which it is based, relate to the future, they may be affected by events that may occur and/or by actions taken by the Company. Actual results are likely to differ from the assumptions made, as the events assumed will not necessarily occur as expected, and such differences could be material. Accordingly, our conclusion does not guarantee that the actual results reported will correspond to those contained in the forward-looking sustainability information.

Our responsibilities in respect of the Sustainability Statements, in relation to the Process, include:

- understanding the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process, as disclosed in note *2. Double Materiality Assessment* of the Sustainability Statement.

Our other responsibilities in respect of the Sustainability Statements include:

- To understand the Company's control environment and the processes and information systems relevant to the preparation of sustainable information, but without evaluating the design of specific control activities, obtaining substantive information on their implementation or testing the effectiveness of the internal control measures in place;
- Identify areas where material misstatements of sustainability information are likely to occur, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process through:
  - Requesting information to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents), as well as assessing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the SIPEF NV was consistent with the description of the Process set out in note *2. Double Materiality Assessment* of the Sustainability Statement.

In conducting our limited assurance engagement, with respect to the sustainability statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Statements by:
  - interviewing management and relevant staff responsible for consolidating and implementing internal control measures related to sustainability information;
  - when deemed appropriate, obtaining supporting documentation for the relevant reporting processes;
- Evaluated whether the information identified by the Process is included in the sustainability statement;
- Evaluated the compliance of the structure and the preparation of sustainability information with ESRS standards;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statements;
- Performed substantive assurance procedures, based on a sample, on selected information in the Sustainability Statements;
- Evaluated assurance information on the methods for developing estimates and forward-looking information, as described in the section 'Statutory Auditor's responsibilities in relation with the limited assurance engagement on the Sustainability Statements';
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability statement;
- Reconciling inputs to revenue, capital expenditure, and operating expenses, with underlying financial information of the Company;

Statements regarding independence

Our audit firm and our network have not performed any engagements that are incompatible with the limited assurance engagement, and our audit firm has remained independent of the company during our term of office.

Antwerp, 22 April 2026

EY Réviseurs d'Entreprises SRL
Statutory Auditor
represented by

Christoph Oris
Partner*
* Acting on behalf of a SRL

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Parent company summarised statutory accounts

The annual accounts of SIPEF are given below in summarized form. In accordance with the Belgian Code on Companies, the annual accounts of SIPEF, together with the management report and the auditor's report will be deposited with the National Bank of Belgium.

These documents may also be obtained on request from:

SIPEF, Calesbergdreef 5, B-2900 Schoten

Only the consolidated annual financial statements as set forth in the preceding pages present a true and fair view of the financial position and performance of the SIPEF Group.

The statutory auditor's report is unqualified and certifies that the annual accounts of SIPEF NV give a true and fair view of the company's net equity and financial position as of 31 December 2025 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

The balance sheet total of the company as per 31 December 2025 amounts to KUSD 427 025 compared to KUSD 410 971 in previous year.

The 'financial assets - receivables from affiliated companies' have decreased with KUSD 62 235 mainly due to repayments from the subsidiaries of outstanding balances related to the increased performance in 2025. The 'amounts receivable within one year' have increased by KUSD 18 090 mainly due to a dividend receivable from Hargy Oil Palms Ltd of KUSD 17 000. This dividend was declared before year end and was paid in January 2026. The 'investments' mainly relate to short-term deposits (< 3 months) and have increased with KUSD 56 881 compared to prior year reflecting the strong free cashflow in 2025.

On the liabilities side, the increase of KUSD 11 830 in 'amounts payable within one year' is related to:

- a decrease in 'short-term financial debt' of KUSD 32 959 as almost all short-term financial debt has been repaid
- an increase in 'trade payables' with KUSD 14 254 due to a higher outstanding position with Hargy Oil Palms Ltd at year-end
- an increase in the 'other amounts payable within one year' mainly due to a higher dividend payable (KUSD 30 534) per year-end

The equity of SIPEF before profit appropriation amounts to KUSD 319 027, which corresponds to USD 30.16 per share.

The individual results of SIPEF are large determined by dividends and financial income from interests received on intragroup current accounts. As SIPEF does not directly hold all of the Group's participating interest, the consolidated result of the Group is a more accurate reflection of the underlying economic development.

The statutory profit for the year 2025 amounts to KUSD 56 913 compared to a profit of KUSD 6 792 in the previous year.

On February 10, 2026, a dividend of maximum KEUR 45 491 (EUR 4.30 gross per ordinary share) has been recommended by the board of directors. After deduction of the withholding tax (30%), the net dividend will amount to EUR 3.01 per share. As the treasury shares are not entitled to a dividend in accordance with Article 7:217 §3 of the Code of Companies and Associations, the total amount of the dividend payment depends on the number of treasury shares held by the Company on June 11, 2026 at 11.59 pm Belgian time (i.e. the day be-fore the ex-date). This date is relevant for determining the dividend entitlement of the shares and therefore for the cancellation of the dividend rights attached to the treasury shares.
The board of directors proposes to be authorised accordingly to enter the final total dividend amount (and the resulting change) in the statutory financial statements. The maximum proposed total amount is KEUR 45 491. If the annual general meeting approves this dividend proposal, the dividend will be payable from July 1, 2026.

Taking into account the number of treasury shares held on 31 December 2025 (128 786 shares), the board of directors proposes to allocate the result (in KUSD) as follows:

- profit carried forward from previous year: KUSD 93 614
- profit of the year: KUSD 56 913
- total available for appropriation: KUSD 150 527
- addition to the legal reserve: KUSD 0
- addition to the other reserves: KUSD 0
- dividend: KUSD -52 756
- result to be carried forward: KUSD 97 771

Condensed balance sheet

(after appropriation)

In KUSD	2025	2024
Assets		
Fixed assets	**286 003**	**348 048**
Formation expenses	0	0
Intangible assets	69	119
Tangible assets	443	215
Financial assets	285 491	347 714
Current assets	**141 023**	**62 923**
Amounts receivable after more than one year	0	0
Stocks and contracts in progress	1 131	1 329
Amounts receivable within one year	67 164	49 075
Investments	66 498	9 617
Cash at bank and in hand	6 070	2 624
Other current assets	158	278
Total assets	**427 025**	**410 971**
Liabilities		
Equity	**266 271**	**262 114**
Capital	44 734	44 734
Share premium account	107 970	107 970
Reserves	15 797	15 797
Profit/ (loss) carried forward	97 771	93 614
Provisions and deferred taxation	**0**	**0**
Provisions for liabilities and charges	0	0
Creditors	**160 754**	**148 857**
Amounts payable after more than one year	0	0
Amounts payable within one year	160 633	148 804
Accrued charges and deferred income	121	54
Total liabilities	**427 025**	**410 971**

Condensed income statement

In KUSD	2025	2024
Operating income	327 589	233 514
Operating charges	- 327 146	- 231 171
Operating result	**443**	**2 342**
Financial income	59 355	9 227
Financial charges	- 1 654	- 3 597
Financial result	**57 701**	**5 630**
Result for the period before taxes	**58 145**	**7 972**
Income taxes	- 1 232	- 1 181
Result for the period	**56 913**	**6 792**

Appropriation account

In KUSD	2025	2024
Profit/ (loss) to be appropriated	**150 527**	**115 260**
Profit / (loss) for the period available for appropriation	56 913	6 792
Profit / (loss) brought forward	93 614	108 468
Appropriation account	**150 527**	**115 260**
Transfers to legal reserve	0	0
Transfers to other reserves	0	0
Result to be carried forward	97 771	93 614
Dividends	52 756	21 646
Remuneration to directors	0	0

5. Annexes

A view of SIPEF's plantation landscape in Papua New Guinea, situated in a unique volcanic setting that shapes local ecosystems and growing conditions.

Annex 1 – sustainability targets and achievements

1. ENVIRONMENTAL

FOCUS AREA: environmental stewardship
GOAL: greenhouse gas (GHG) emissions reduction and long-term climate resilience
APPROACH: to implement a comprehensive climate transition plan that integrates sustainable energy practices, circular economy principles, optimised land use, and water resource management, while protecting biodiversity and fostering a sustainable, low-carbon future for the oil palm industry.

KPI	TOPIC	POLICY	TARGET	
KPI 1	**CLIMATE CHANGE MITIGATION**	Responsible Plantations Policy Responsible Purchasing Policy	1.1	Methane capture: install methane capture at all palm oil mills
			1.2	Palm oil mills fitted with enclosed flaring**
			1.3	Site-based monitoring of GHG emissions through direct measurements at all organic soil estates
			1.4	Gross absolute emissions reduction targets for SIPEF group*
				1.4.1 Energy and Industry (E&I): 42% reduction of absolute Scope 1 and 2 GHG emissions*
				1.4.2 Forest, Land, and Agriculture (FLAG): 30.3% reduction of absolute Scope 1 and 3 FLAG GHG emissions*
KPI 2	**CLIMATE CHANGE ADAPTATION**		1.5	Protection of coastal shorelines and prevention of flooding through mangrove planting and coastal buffer restoration
			1.6	Construct flood control dykes in flood-prone areas to strengthen protection of production areas and nearby housing compounds**

* UPDATED TARGET FROM 2024 / ** NEW TARGET AS OF 2025

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
5	Set in 2024	10	Mills	2030	Indonesia Papua New Guinea	On track
0	Set in 2025	6	Mills	2028	Indonesia Papua New Guinea	New target
0	Set in 2024	3	Estates	2028	Indonesia	On track
403 013	2024	42	%	2030	Indonesia Papua New Guinea Côte d'Ivoire*	On track
952 016		30.3	%	2030		On track
0	Set in 2021	6.5	Hectares	2027	Papua New Guinea	On track
0		35	Hectares	2027	Indonesia	On track
0	Set in 2025	1	Estate	2027	Côte d'Ivoire	New target

FOCUS AREA: environmental stewardship
GOAL: minimise impacts on natural resources and the environment
APPROACH: to safeguard natural resources through optimised land use, efficient water management, waste and pollution reduction, and the re-use of by-products.

KPI	TOPIC	POLICY	TARGET	
KPI 3	**POLLUTION OF AIR**	Responsible Plantations Policy Environmental Policy	1.7	Zero non-conformance with local regulations and industry regulations on smoke density at palm oil mills NOTE: required by legislation
			1.8	Install smoke density meters at all palm oil mills and ensure full operational use for monitoring smoke emissions by 2028**
KPI 4	**POLLUTION OF WATER**		1.9	Zero non-conformance with local regulations and industry regulations on effluent limits at palm oil mills and packing stations NOTE: required by legislation
KPI 5	**WATER MANAGEMENT**		1.10	Annual average of water usage intensity per tonne of fresh fruit bunches (FFB) processed in palm oil mills meets efficiency targets set for each location. **PAPUA NEW GUINEA** Hargy .... ≤1.3 Navo.......... ≤1.3 Barema....... ≤1.3 **INDONESIA** Bukit Maradja.................... ≤1 Mukomuko....................... ≤1 Bunga Tanjung.................. ≤1 Dendymarker Indah Lestari .... ≤1* Perlabian......................... ≤1 Umbul Mas Wisesa............. ≤1.5 Agro Muara Rupit .... ≤1
			1.11	Installation of rainwater harvesting at all palm oil mills
			1.12	To achieve a reduction of 168 000 m³ in water withdrawal from palm oil mill operations by 2030, using 2025 as the base year**
			1.13	Installation of water recycling basin at one banana packing station*

* UPDATED TARGET FROM 2024 / ** NEW TARGET AS OF 2025

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
Not applicable	Set in 2024	0	Case	Annual	Indonesia Papua New Guinea	Achieved
0	Set in 2025	10	Mills	2028	Indonesia Papua New Guinea	New target
Not applicable	Set in 2020	0	Case	Annual	Indonesia Papua New Guinea Côte d'Ivoire	Not achieved
Not applicable	Set in 2020	Target per mill	m^3 water/ tonne fresh fruit bunches processed	Annual	Indonesia Papua New Guinea	Not achieved
0	Set in 2024	10	Mills	2030	Indonesia Papua New Guinea	On track
0	Set in 2025	168 000	m^3 water	2030	Indonesia Papua New Guinea	New target
0	Set in 2024	1	Packing station	2027*	Côte d'Ivoire	On track

FOCUS AREA: environmental stewardship
GOAL: sustainable land use and biodiversity conservation, including no deforestation, no peat, and no exploitation (NDPE)
APPROACH: to promote and support the development of regenerative landscapes through conservation, restoration regenerative practices, respect for land and community rights, and partnerships with key stakeholders.

Relevance of mitigation hierarchy level:
Target 1.14 & 1.15: avoidance
Target 1.17, 1.18, 1.19: avoidance, restoration, and rehabilitation

KPI	TOPIC	POLICY	TARGET	
KPI 6	**SUSTAINABLE LAND USE**	Responsible Plantations Policy Environmental Policy	1.14	Zero incidents of fire in own concessions under SIPEF's management control and supplier areas
			1.15	Zero incidents of deforestation in own concessions under SIPEF's management control and supplier areas
			1.16	Five regenerative agriculture pilots started with a model to scale up
KPI 7	**BIODIVERSITY & LANDSCAPE-LEVEL PROGRAMME**		1.17	Establish two landscape-level approach initiatives for nature-positive oil palm cultivation and community engagement, one in Papua New Guinea and one in Indonesia*
			1.18	Restore 1 123 hectares of degraded land within SIPEF Biodiversity Indonesia, using 2024 as the base year
			1.19	Complete comprehensive specialist-led biodiversity surveys in each country to establish baseline data.**

* UPDATED TARGET FROM 2024 / ** NEW TARGET AS OF 2025

	BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
	Not applicable	Set in 2020	0	Case	Annual	Indonesia Papua New Guinea	Not achieved
	Not applicable	Set in 2020	0	Case	Annual	Indonesia Papua New Guinea	Achieved
	0	Set in 2024	5	Pilots	2026	Indonesia Papua New Guinea	On track
	Not applicable	Set in 2024	2*	Site	2030	Indonesia Papua New Guinea	New target
	0	2024	1 123	Hectares	2033	Indonesia	On track
	0	Set in 2025	3	Country	2027	Indonesia Papua New Guinea Côte d'Ivoire	New target

2. SOCIAL

FOCUS AREA: respecting employees and communities
GOAL: respect human, labour, and community rights, in accordance with local laws and international frameworks
APPROACH: to uphold workers' rights, ensure fair labour practices, and maintain a safe and respectful workplace free from discrimination, violence, and exploitation, and empowering employees through continuous development.

KPI	TOPIC	POLICY	TARGET	
KPI 8	**WORKING CONDITIONS** WORK-LIFE BALANCE	Human Rights Policy	1.20	All existing early childhood schools submitted for registration with the local authorities in Papua New Guinea*
KPI 9	**WORKING CONDITIONS** HEALTH AND SAFETY	Occupational Health and Safety Policy	1.21	No work-related fatalities
			1.22	Reduce lost time injury frequency rate by 8.5%*
				Indonesia base year 2025*: 6.63
				Papua New Guinea base year 2024: 7.22
				Côte d'Ivoire base year 2024: 9.44

FOCUS AREA: responsible supply chain management
GOAL:
→ support smallholders in their journey towards improved, sustainable, and certified production
→ support smallholders to earn higher incomes and have better access to international markets
→ screen and monitor suppliers to ensure compliance with SIPEF policies
APPROACH: to enhance the livelihoods of smallholders by providing access to sustainable farming practices.

KPI	TOPIC	POLICY	TARGET	
KPI 10	**SMALLHOLDER LIVELIHOODS AND INCLUSION**	Responsible Plantations Policy Responsible Purchasing Policy	1.23	Training on Responsible Purchasing Policy to be provided to scheme smallholders
			1.24	Training on updated Responsible Purchasing Policy to be provided to independent smallholders. Twenty non-Roundtable on Sustainable Palm Oil (RSPO) certified independent smallholder groups' board of cooperatives (*Koperasi*) to be trained.
			1.25	Roundtable on Sustainable Palm Oil certification for scheme smallholders supplying Agro Kati Lama, Agro Muara Rupit, and Agro Rawas Ulu
			1.26	Roundtable on Sustainable Palm Oil certification of nineteen cooperatives of independent smallholders*
			1.27	Indonesian Sustainable Palm Oil (ISPO) certification for all scheme and independent smallholders**

* UPDATED TARGET FROM 2024 / ** NEW TARGET AS OF 2025

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
0	Set in 2024	100*	%*	2025	Papua New Guinea	Achieved
Not applicable	Annual	0	Case	Annual	Indonesia Papua New Guinea Côte d'Ivoire	Achieved
						On track
6.63*	2025	6.07*	Rate	2027	Indonesia	
7.22*	2024	6.61*	Rate	2027	Papua New Guinea	
9.44*	2024	8.64*	Rate	2027	Côte d'Ivoire	

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
0	Set in 2024	100	%	2026	Papua New Guinea	On track
0	Set in 2024	20	Board of cooperatives	2025	Indonesia	Achieved
0	Set in 2022	100	%	2030	Indonesia	On track
0	Set in 2024	19	Cooperatives	2029*	Indonesia	On track
0	Set in 2025	100	%	2029	Indonesia	New target

FOCUS AREA: high-quality, sustainable, traceable, and certified products

GOAL:

- → full compliance with leading sustainability standards and certifications
- → maintain 100% traceability for all products
- → implement the highest food safety and quality standards

APPROACH: supplying high-quality, sustainable, traceable, and certified products, which is key for SIPEF to differentiate itself from others and diversify into targeted markets.

KPI	TOPIC	POLICY	TARGET	
KPI 11	**FOOD SAFETY**	Responsible Plantations Policy	1.28	Achieve food safety certification for all ten palm oil mills in Indonesia and Papua New Guinea
			1.29	Chloride reduction programme: installation of crude palm oil (CPO) washing plants at three mills

3. GOVERNANCE

FOCUS AREA: good business conduct

GOAL:

- → foster a culture of ethical conduct amongst management, staff, and contractors
- → implement systems and processes to ensure the practice of ethical conduct
- → maintain robust policies, procedures, and measures to address any risks, including those associated with bribery or corruption

APPROACH: to maintain trust and promote ethical behaviour by ensuring compliance with all legal and regulatory requirements.

KPI	TOPIC	POLICY	TARGET	
KPI 12	**CORRUPTION AND BRIBERY**	Code of Conduct Anti-Corruption and Anti-Bribery Policy Grievance Policy	1.30	Annual training to be carried out for functions-at-risk within own operations

4. CERTIFICATION

KPI	TOPIC	POLICY	TARGET	
KPI 13	**CERTIFICATION**	Responsible Plantations Policy	1.31	Achieving 100% RSPO for SIPEF's own oil palm estates

* UPDATED TARGET FROM 2024 / ** NEW TARGET AS OF 2025

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
0	Set in 2024	10	Mills	2028	Indonesia Papua New Guinea	On track
0	Set in 2024	3	Mills	2026	Indonesia Papua New Guinea	On track

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
0	Set in 2024	100	%	Annual	Indonesia Papua New Guinea Côte d'Ivoire Belgium Singapore	Achieved

BASELINE VALUE	BASE YEAR	TARGET VALUE	TARGET UNIT	TARGET YEAR	COUNTRY	STATUS 2025
Not applicable	2021	100	%	2030	Indonesia Papua New Guinea	On track

Methodologies to define targets

The global sustainability team organised several rounds of consultation with regional teams in Indonesia, Papua New Guinea, and Côte d'Ivoire. Sustainability teams, regional executive committees, and other relevant departments were included in these consultations — depending on the topic — to gather input and approval for the development of KPIs and targets. The proposed KPIs and targets were then presented to the SIPEF executive committee for review and were then subsequently submitted to the SIPEF audit committee for final review and to the board of directors for approval. They were defined based on SIPEF's sustainability ambitions, applicable industry and legal standards (as referenced in the table above), and the expertise of internal specialists.

For sustainability matters where targets have not yet been set, SIPEF aims to conduct baseline assessments and establish targets where relevant. In the meantime, performance continues to be monitored in accordance with corporate policies, certification requirements, and applicable legal obligations.

Changes in the targets set

New targets:

Environmental [5]: targets 1.2, 1.6, 1.8, 1.12, 1.19
Social [1]: target 1.27

REVISED TARGETS:

Revisions were made based on consultations assessing the achievability and relevance of previously set targets.

Environmental [4]:

- target 1.4: updated to reference Science Based Targets initiative (SBTi).
- target 1.10: annual water intensity target improved for the Dendymarker Indah Lestari palm oil mill, from ≤ 1.5 to ≤ 1.0
- target 1.13: target year moved to 2027
- target 1.17: added one landscape approach programme in Indonesia

Social [3]:

- target 1.20: updated the target to 100% of all existing early childhood schools to be submitted for registration instead
- target 1.22: the base year for Indonesia has been revised to reflect enhanced safety reporting in 2025, and the baseline values for all countries have been updated using a more precise working-hours methodology
- target 1.26: transition from stakeholder engagement by 2026 to full RSPO certification for nineteen independent smallholders by 2029

General:

- targets 1.11 and 1.13 moved from climate change adaptation to water management.
- no significant assumptions were used in defining the targets. For GHG emissions, targets were informed by science-based guidance, while other environmental targets were based on internal expertise and best industry practices.
- application of ecological thresholds in target setting: SIPEF has not yet applied ecological thresholds, impact allocation, or biodiversity offsets in target setting. Targets are internally defined and focus on sustainable land use, conservation areas, and biodiversity initiatives, without alignment to major global, European Union, or national frameworks. SIPEF will consider aligning as relevant methodologies evolve.
- for social related targets, consultations were held with the human resources department, smallholder department, marketing department, and other relevant departments, acting as representatives of the workforce, local communities, smallholders, and consumers.

A plantation worker carrying out spraying activities in a SIPEF oil palm plantation.

Annex 2 – base data

1. ABOUT SIPEF

GROUP PRODUCTION (IN TONNES)

FRESH FRUIT BUNCHES PRODUCED	2025	2024	% CHANGE
OWN			
Indonesia	**1 192 226**	**1 069 984**	**11.42%**
Tolan Tiga group	296 066	282 262	4.89%
Umbul Mas Wisesa group	187 383	180 246	3.96%
Agro Muko group	372 861	343 696	8.49%
South Sumatra group	335 916	263 780	27.35%
Papua New Guinea	**351 521**	**284 785**	**23.43%**
Hargy Oil Palms Ltd	351 521	284 785	23.43%
TOTAL OWN	**1 543 747**	**1 354 769**	**13.95%**
OUTGROWERS			
Indonesia	**87 434**	**63 841**	**36.95%**
Tolan Tiga group	13 339	8 011	66.52%
Umbul Mas Wisesa group	944	878	7.50%
Agro Muko group	15 742	14 693	7.14%
South Sumatra group	57 410	40 260	42.60%
Papua New Guinea	**233 366**	**201 965**	**15.55%**
Hargy Oil Palms Ltd	233 366	201 965	15.55%
TOTAL OUTGROWERS	**320 799**	**265 807**	**20.69%**
TOTAL FRESH FRUIT BUNCHES PRODUCED	**1 864 546**	**1 620 575**	**15.05%**

FRESH FRUIT BUNCHES SOLD	2025	2024	% CHANGE
Indonesia	**6 471**	**27 261**	**-76.26%**
Tolan Tiga group	4 866	307	1483.32%
Umbul Mas Wisesa group	1 058	25 073	-95.78%
Agro Muko group	547	1 881	-70.92%
South Sumatra group	0	0	
TOTAL FRESH FRUIT BUNCHES SOLD	**6 471**	**27 261**	**-76.26%**

FRESH FRUIT BUNCHES PROCESSED	2025	2024	% CHANGE
Indonesia	**1 273 189**	**1 106 564**	**15.06%**
Tolan Tiga group	304 540	290 361	5.03%
Umbul Mas Wisesa group	187 269	155 656	20.00%
Agro Muko group	388 056	356 507	8.85%
South Sumatra group	393 325	304 040	29.37%
Papua New Guinea	**584 887**	**486 751**	**20.16%**
Hargy Oil Palms Ltd	584 887	486 751	20.16%
TOTAL FRESH FRUIT BUNCHES PROCESSED	**1 858 075**	**1 593 313**	**16.62%**

OIL EXTRACTION RATE	2025	2024	% CHANGE
Indonesia	**23.3%**	**22.4%**	**4.14%**
Tolan Tiga group	23.2%	22.5%	3.00%
Umbul Mas Wisesa group	22.8%	21.8%	4.44%
Agro Muko group	23.1%	22.3%	3.35%
South Sumatra group	24.0%	22.7%	5.59%
Papua New Guinea	**24.7%**	**23.5%**	**5.27%**
Hargy Oil Palms Ltd	24.7%	23.5%	5.27%
TOTAL OIL EXTRACTION RATE	**23.8%**	**22.7%**	**4.55%**

PALM OIL	2025	2024	% CHANGE
OWN			
Indonesia	**277 976**	**234 094**	**18.75%**
Tolan Tiga group	68 598	63 551	7.94%
Umbul Mas Wisesa group	42 419	33 827	25.40%
Agro Muko group	86 187	76 658	12.43%
South Sumatra group	80 772	60 058	34.49%
Papua New Guinea	**87 748**	**67 125**	**30.72%**
Hargy Oil Palms Ltd	87 748	67 125	30.72%
TOTAL OWN	**365 724**	**301 220**	**21.41%**
OUTGROWERS			
Indonesia	**19 235**	**13 948**	**37.91%**
Tolan Tiga group	2 109	1 814	16.29%
Umbul Mas Wisesa group	195	172	13.37%
Agro Muko group	3 442	3 015	14.13%
South Sumatra group	13 490	8 948	50.77%
Papua New Guinea	**56 907**	**47 236**	**20.47%**
Hargy Oil Palms Ltd	56 907	47 236	20.47%
TOTAL OUTGROWERS	**76 143**	**61 185**	**24.45%**
TOTAL PALM OIL	**441 866**	**362 404**	**21.93%**

PALM KERNELS	2025	2024	% CHANGE
OWN			
Indonesia	**55 748**	**47 926**	**16.32%**
Tolan Tiga group	16 423	15 742	4.32%
Umbul Mas Wisesa group	8 621	6 771	27.32%
Agro Muko group	17 461	15 547	12.31%
South Sumatra group	13 244	9 866	34.24%
TOTAL OWN	**55 748**	**47 926**	**16.32%**
OUTGROWERS			
Indonesia	**3 298**	**2 459**	**34.10%**
Tolan Tiga group	419	383	9.26%
Umbul Mas Wisesa group	39	34	15.99%
Agro Muko group	700	638	9.62%
South Sumatra group	2 141	1 404	52.44%
TOTAL OUTGROWERS	**3 298**	**2 459**	**34.10%**
TOTAL PALM KERNELS	**59 046**	**50 385**	**17.19%**

PALM KERNEL OIL	2025	2024	% CHANGE
Papua New Guinea	**11 183**	**9 478**	**18.00%**
Hargy Oil Palms Ltd - own	6 702	5 584	20.03%
Hargy Oil Palms Ltd - outgrowers	4 481	3 895	15.04%
TOTAL PALM KERNEL OIL	**11 183**	**9 478**	**17.98%**

BANANAS	2025	2024	% CHANGE
Côte d'Ivoire	**52 160**	**51 038**	**2.20%**
Azaguié	11 245	9 922	13.34%
Agboville	7 940	8 938	-11.17%
Motobé	5 541	6 165	-10.12%
Lumen	17 585	19 389	-9.30%
Akoudié	9 849	6 624	48.67%
TOTAL BANANAS	**52 160**	**51 038**	**2.20%**

GROUP PLANTED AREAS (IN HECTARES)*

Total planted area of consolidated companies excluding PT Timbang Deli and PT Melania.

	2025			2024		
	MATURE	IMMATURE	PLANTED	MATURE	IMMATURE	PLANTED
OIL PALMS	68 764	15 812	84 576	66 982	16 622	83 604
Indonesia	**56 536**	**14 490**	**71 026**	**54 537**	**15 517**	**70 054**
Tolan Tiga group	10 787	2 951	13 739	10 656	3 193	13 849
PT Tolan Tiga	6 914	824	7 737	6 799	1 052	7 851
PT Eastern Sumatra	2 194	611	2 804	2 224	636	2 860
PT Kerasaan	1 620	511	2 131	1 633	488	2 122
PT Bandar Sumatra	60	1 006	1 066	0	1 016	1 016
Umbul Mas Wisesa group	8 787	1 097	9 884	9 202	658	9 860
PT Umbul Mas Wisesa	6 051	1 031	7 082	6 400	658	7 057
PT Toton Usaha Mandiri	1 138	0	1 138	1 138	0	1 138
PT Citra Sawit Mandiri	1 598	66	1 665	1 665	0	1 665
Agro Muko group	15 687	5 650	21 337	15 809	5 609	21 418
PT Agro Muko	13 904	4 437	18 341	13 717	4 670	18 386
PT Mukomuko Agro Sejahtera	1 783	1 213	2 995	2 092	939	3 031
South Sumatra group	21 275	4 792	26 067	18 870	6 058	24 928
PT Agro Kati Lama	4 486	886	5 371	4 270	963	5 233
PT Agro Muara Rupit	6 937	3 360	10 297	5 395	4 079	9 474
PT Agro Rawas Ulu	2 549	289	2 838	2 534	218	2 752
PT Dendymarker Indah Lestari	7 303	257	7 560	6 671	799	7 469
Papua New Guinea	**12 228**	**1 321**	**13 550**	**12 445**	**1 105**	**13 550**
Hargy Oil Palms Ltd	12 228	1 321	13 550	12 445	1 105	13 550
BANANAS	1 238	0	1 238	1 257	0	1 257
Côte d'Ivoire	**1 238**	**0**	**1 238**	**1 257**	**0**	**1 257**
Plantations J. Eglin SA	1 238	0	1 238	1 257	0	1 257
TOTAL	**70 002**	**15 812**	**85 814**	**68 239**	**16 622**	**84 861**

* Following a review of planted area definitions in the context of replanting activities and peer benchmarking, 1 897 hectares of roads and infrastructure were excluded from reported planted area to ensure consistent classification across all plantations, without any impact on the number of palms or production levels. The impact is summarised as follows: Tolan Tiga group -259 hectares, Umbal Mas Wisesa group -39 hectares, Agro Muko group -1 593 hectares, and South Sumatra group -6 hectares. The comparative figures for 2024 have been adjusted accordingly.

GROUP PLANTED AREAS (IN HECTARES)

Total planted area of consolidated companies (share of the Group) excluding PT Timbang Deli and PT Melania.

	TOTAL	BENEFICIAL INTEREST (%)	SHARE OF THE GROUP
OIL PALMS	84 576	94.20%	79 668
Indonesia	**71 026**	**93.09%**	**66 119**
Tolan Tiga group	13 739	80.32%	11 035
PT Tolan Tiga	7 737	95.00%	7 351
PT Eastern Sumatra	2 804	90.25%	2 531
PT Kerasaan	2 131	54.15%	1 154
PT Bandar Sumatra	1 066	90.25%	962
Umbul Mas Wisesa group	9 884	95.00%	9 389
PT Umbul Mas Wisesa	7 082	95.00%	6 727
PT Toton Usaha Mandiri	1 138	95.00%	1 081
PT Citra Sawit Mandiri	1 665	95.00%	1 581
Agro Muko group	21 337	93.74%	20 002
PT Agro Muko	18 341	95.05%	17 433
PT Mukomuko Agro Sejahtera	2 995	85.74%	2 568
South Sumatra group	26 067	98.56%	25 692
PT Agro Kati Lama	5 371	100.00%	5 371
PT Agro Muara Rupit	10 297	100.00%	10 297
PT Agro Rawas Ulu	2 838	100.00%	2 838
PT Dendymarker Indah Lestari	7 560	95.05%	7 186
Papua New Guinea	**13 550**	**100.00%**	**13 550**
Hargy Oil Palms Ltd	13 550	100.00%	13 550
BANANAS	1 238	100.00%	1 238
Côte d'Ivoire	**1 238**	**100.00%**	**1 238**
Plantations J. Eglin SA	1 238	100.00%	1 238
TOTAL	**85 814**	**94.28%**	**80 906**

AGE PROFILE (IN HECTARES)

OIL PALMS						
YEAR	TOLAN TIGA GROUP	UMBUL MAS WISESA GROUP	AGRO MUKO GROUP	SOUTH SUMATRA GROUP	HARGY OIL PALMS LTD	TOTAL
2025	479	440	1 953	1 059	740	**4 670**
2024	1 275	658	2 090	1 851	582	**6 455**
2023	1 258	0	2 128	2 103	369	**5 858**
2022	636	0	989	1 721	875	**4 221**
2021	584	0	981	2 492	673	**4 729**
2020	0	0	107	3 112	63	**3 282**
2019	277	0	1 449	2 963	335	**5 024**
2018	297	0	1 012	2 634	547	**4 488**
2017	392	47	902	2 923	596	**4 861**
2016	323	166	369	2 675	219	**3 752**
2015	660	61	990	1 474	741	**3 927**
2014	695	0	938	791	1 386	**3 810**
2013	421	0	1 128	270	947	**2 766**
2012	724	199	1 388	0	1 628	**3 938**
2011	729	600	24	0	811	**2 164**
2010	617	1 401	318	0	619	**2 956**
2009	101	1 639	469	0	294	**2 504**
2008	389	1 802	179	0	239	**2 608**
2007	299	1 867	49	0	1 465	**3 680**
2006	500	278	519	0	421	**1 718**
2005	477	727	317	0	0	**1 521**
2004	112	0	418	0	0	**530**
2003	443	0	111	0	0	**555**
2002	226	0	59	0	0	**285**
2001	290	0	240	0	0	**530**
2000	296	0	548	0	0	**844**
Before 2000	1 238	0	1 662	0	0	**2 899**
TOTAL	**13 739**	**9 884**	**21 337**	**26 067**	**13 550**	**84 576**
AVERAGE AGE	**11.74**	**14.71**	**9.29**	**5.64**	**10.22**	**9.35**

EVOLUTION OF KEY DATA OVER FIVE YEARS

		2025	2024	2023	2022	2021
ACTIVITIES						
Total own production of consolidated companies (in tonnes)	palm oil	365 724	301 220	321 629	329 090	316 740
	rubber	0	59	968	1 923	3 182
	bananas	52 159	51 038	40 976	32 270	32 200
Average market price (USD/tonne)	palm oil*	990	906	833	1 124	1 001
	bananas**	852	807	830	762	616
Own FFB production (in tonne/hectare)	Indonesia	21.09	18.96	19.11	19.67	19.86
	Papua New Guinea	28.75	22.88	29.85	33.43	28.51
Palm oil extraction rate	Indonesia	23.34%	22.42%	22.89%	23.09%	22.99%
	Papua New Guinea	24.73%	23.50%	24.47%	25.33%	25.58%
STOCK EXCHANGE SHARE PRICE (IN EUR)						
Maximum		83.40	58.80	62.30	70.80	60.80
Minimum		55.40	48.40	51.30	52.70	43.95
Closing 31 December 2025		81.20	56.80	53.00	58.90	56.90
Stock exchange capitalisation at 31 December 2025 (in KEUR)		859 041	600 906	560 704	623 122	601 964
RESULTS (IN KUSD)						
Turnover		570 432	441 199	443 886	527 460	416 053
Gross profit		250 971	159 488	149 673	221 031	169 218
Operating result		187 689	104 105	107 978	178 312	139 416
Share of the group in the result		125 449	65 838	72 735	108 157	93 749
Cash flow from operating activities after taxes		222 260	133 043	122 632	165 295	160 311
Free cash flow		130 086	38 295	5 813	79 511	112 270
BALANCE SHEET (IN KUSD)						
Operating fixed assets***		810 348	778 571	751 674	696 645	667 267
Shareholders' equity		1 001 584	898 427	853 777	817 803	727 329
Net financial assets (+)/obligations (-)		88 362	- 18 087	- 31 418	122	- 49 192
Investments in intangible and operating fixed assets***		89 404	86 858	106 985	79 294	68 692
DATA PER SHARE (IN USD)						
Number of shares		10 579 328	10 579 328	10 579 328	10 579 328	10 579 328
Number of own shares		128 786	162 016	180 000	178 933	178 000
Equity****		95.84	86.24	82.10	78.63	69.93
Basic earnings per share*****		12.05	6.33	6.99	10.40	9.00
Cash flow from operating activities after taxes*****		21.34	12.79	11.79	15.89	15.39
Free cash flow*****		12.49	3.68	0.56	7.64	10.78

* Bursa Malaysia Derivatives Exchange price data
** CIRAD price data (in EUR)
*** Operating fixed assets = biological assets - bearer plants, other property, plant & equipment and investment property
**** Denominator 2025 = number of shares issues minus own shares
***** Denominator 2025 = weighted average number of shares issued (10 413 607 shares)

2. SUSTAINABILITY CERTIFICATIONS

SUSTAINABILITY STANDARDS AND CERTIFICATIONS

STANDARDS AND CERTIFICATIONS (NUMBER OF CERTIFICATES)	PRODUCT	2025	2024*****
Roundtable on Sustainable Palm Oil (RSPO)*	Palm oil	8	8
International Sustainability and Carbon Certification (ISCC)	Palm oil	4	4
Indonesian Sustainable Palm Oil (ISPO)	Palm oil	9**	8
ISO 14001:2015	Palm oil	0***	1
ISO 9001:2015	Palm oil	0****	1
GLOBALG.A.P.	Bananas	2	2
Rainforest Alliance	Bananas	2	2
Fairtrade	Bananas	2	2
Sedex	Bananas	1	1
TOTAL		**28**	**29**

* Bandar Pinang estate was certified in 2025 as part of the Bukit Maradja palm oil mill supply base.
** New certification from Citra Sawit Mandiri
*** and **** ISO 14001 and ISO 9001 certifications discontinued
***** 2024 data was not covered in the scope of CSRD limited assurance

RSPO AND ISPO CERTIFICATION PROGRESS: PALM OIL MILLS AND KERNEL CRUSHING PLANTS

PALM OIL MILL OPERATIONS NUMBER OF MILLS AND KERNEL CRUSHING PLANTS	2025	2024
INDONESIA	**7**	**7**
RSPO Identity Preserved (IP)- and ISPO-certified mills	5	5
RSPO Mass Balance (MB)- and ISPO-certified mills	1	1
Uncertified mill*	1	1
PAPUA NEW GUINEA	**5**	**5**
RSPO IP certified mills	3	3
RSPO SG certified kernel crushing plants	2	2

* New palm oil mill in South Sumatra in 2024

RSPO CERTIFIED AREA OF OIL PALM OPERATIONS

OIL PALM OPERATIONS (HECTARES)	2025	2024
SIPEF GROUP		
RSPO certified planted area – own plantations	63 343	64 357
RSPO certified planted area – scheme smallholders	18 629	18 634
RSPO certified planted area – independent smallholders*	52	60
TOTAL RSPO CERTIFIED PLANTED AREA	**82 023**	**83 051**
INDONESIA		
RSPO certified planted area – own plantations	49 793	50 808
RSPO certified planted area – scheme smallholders	3 827	3 827
RSPO certified planted area – independent smallholders	52	60
TOTAL RSPO CERTIFIED PLANTED AREA	**53 672**	**54 695**
PAPUA NEW GUINEA		
RSPO certified planted area – own plantations	13 550	13 550
RSPO certified planted area – scheme smallholders	14 801	14 807
TOTAL RSPO CERTIFIED PLANTED AREA	**28 351**	**28 356**

* The scope of the independent smallholders is those who are supplying to SIPEF palm oil mills only. Decrease in 2025 due to reduction of smallholder members.

RSPO CERTIFIED FRESH FRUIT BUNCH (FFB) VOLUMES RECEIVED IN OIL PALM OPERATIONS

OIL PALM OPERATIONS (TONNES)	2025	2024
SIPEF GROUP		
RSPO certified FFB – own plantations	1 339 487	1 181 902
RSPO certified FFB – scheme smallholders	273 721	229 540
RSPO certified FFB – independent smallholders	876	806
RSPO certified FFB – outgrowers	8 619	7 703
TOTAL RSPO CERTIFIED FFB	**1 622 703**	**1 419 950**
INDONESIA		
RSPO certified FFB – own plantations	987 966	897 117
RSPO certified FFB – scheme smallholders	40 355	27 574
RSPO certified FFB – independent smallholders	876	806
RSPO certified FFB – outgrowers	8 619	7 703
TOTAL RSPO CERTIFIED FFB	**1 037 816**	**933 200**
PAPUA NEW GUINEA		
RSPO certified FFB – own plantations	351 521	284 785
RSPO certified FFB – scheme smallholders	233 366	201 965
TOTAL RSPO CERTIFIED FFB	**584 887**	**486 750**

RSPO CERTIFIED CRUDE PALM OIL (CPO), PALM KERNEL (PK), AND PALM KERNEL OIL (PKO) VOLUMES OF OIL PALM OPERATIONS

PALM OIL OPERATIONS (TONNES)	2025	2024
RSPO CERTIFIED CPO	384 458	314 924
Indonesia	239 803	200 563
Papua New Guinea	144 655	114 362
RSPO CERTIFIED PK	78 083	67 054
Indonesia	49 984	42 911
Papua New Guinea	28 099	24 143
RSPO CERTIFIED PKO	11 183	9 478
Indonesia	0	0
Papua New Guinea	11 183	9 478

3. ENVIRONMENTAL

ENERGY: TOTAL ENERGY CONSUMPTION

ENERGY CONSUMPTION (MWh)	2025	2024
SIPEF GROUP		
A. NON-RENEWABLE SOURCES (MWh)		
1. Fuel consumption from coal and coal products	0	0
2. Fuel consumption from crude oil and petroleum products	122 321	98 999
3. Fuel consumption from natural gas	0	647
4. Fuel consumption from other fossil fuel sources	5 885	1 876
5. Purchased electricity, heat, steam, and cooling from fossil fuel sources	14 160	13 172
TOTAL NON-RENEWABLE ENERGY CONSUMPTION	**142 366**	**114 694**
B. RENEWABLE SOURCES (MWh)		
6. Fuel consumption for renewable sources, including biomass	55 691	32 787
7. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	0	0
8. Consumption of self-generated non-fuel renewable energy	0	0
TOTAL RENEWABLE ENERGY CONSUMPTION	**55 691**	**32 787**
C. CONSUMPTION FROM NUCLEAR SOURCES (MWh)	0	0
D. TOTAL ENERGY CONSUMPTION (MWh)	198 057	147 481
Share of non-renewable sources (%)	**72%**	**78%**
Share of renewable sources (%)	**28%**	**22%**
Share of consumption from nuclear sources (%)	**0%**	**0%**
SIPEF net revenue (KUSD)*	**570 432**	**443 810**
Energy intensity based on net revenue (MWh/KUSD)	**0.35**	**0.33**

* Refer to note 7: operational result and segment information

GROSS GREENHOUSE GAS (GHG) EMISSIONS SCOPES 1,2, AND 3

GROSS GHG EMISSIONS	2025	2024
SCOPE 1 GHG EMISSIONS (tCO_2e)		
Gross Scope 1 GHG emissions	1 493 210	1 544 732*
Percentage of Scope 1 from regulated emissions trading schemes	0	0
SCOPE 2 GHG EMISSIONS (tCO_2e)		
Gross location-based Scope 2 GHG emissions	7 593	7 183*
Gross market-based Scope 2 GHG emissions	8 241	7 209*
SCOPE 3 GHG EMISSIONS (tCO_2e)		
1. Purchased goods and services	66 534	58 889
2. Capital goods	14 551	18 884
3. Fuel and energy-related activities	11 446	6 822
4. Upstream transportation and distribution	53 004	43 118*
6. Business travelling	1 050	1 876
9. Downstream transportation	6 449	7 711*
10. Processing of sold products	16 280	13 631*
12. End-of-life treatment of sold products	73 404	47 391*
TOTAL GHG EMISSIONS (tCO_2e)		
Total GHG emissions (location-based)	**1 743 520**	**1 750 236***
Total GHG emissions (market-based)	**1 744 168**	**1 750 261***
BIOGENIC EMISSIONS OF CO_2 FROM THE COMBUSTION OR BIODEGRADATION OF BIOMASS (tCO_2e)	309 850	287 292*
SIPEF net revenue (KUSD)**	570 432	443 810
TOTAL GROSS GHG EMISSIONS INTENSITY BASED ON NET REVENUE (tCO_2e/KUSD)		
Total gross GHG emissions intensity based on net revenue (location-based)	**3.1**	**3.9***
Total gross GHG emissions intensity based on net revenue (market-based)	**3.1**	**3.9***

* Restated, refer to climate change chapter for more information
** Refer to note 7: operational result and segment information

GREENHOUSE GAS REMOVALS

GHG REMOVALS	2025	2024
Total GHG removals from own operations* (tCO_2e)	**196 886**	**196 886****

* Removals from own operations include all High Conservation Value (HCV), and High Carbon Stock (HCS) conservation areas and, other conservation areas in Papua New Guinea and SIPEF Biodiversity Indonesia.
** Restated, refer to climate change chapter for more information

WASTEWATER DISCHARGE QUALITY

PALM OIL MILL	PALM OIL MILL EFFLUENT (POME) DISCHARGE DESTINATION	LEGAL LIMITS BOD* (MG/L)	LEGAL LIMITS COD** (MG/L)	LEGAL LIMITS TSS*** (MG/L)
INDONESIA				
Agro Muara Rupit	Discharge into water body	100	350	250
Bunga Tanjung	Discharge into water body	100	350	250
Mukomuko	Discharge into water body	100	350	250
Dendymarker Indah Lestari	Discharge into water body	100	350	250
Umbul Mas Wisesa	Discharge into water body	100	350	250
Bukit Maradja	Land application and use for compost	5 000	N/A	N/A
Perlabian	Land application	5 000	N/A	N/A
PAPUA NEW GUINEA				
Hargy	Discharge into water body	100	N/A	500
Barema	Land application	4 000	N/A	1 000
Navo	Land application	4 000	N/A	1 000
CÔTE D'IVOIRE				
Agboville	Dam	150	500	50
Azaguié 2	Dam	150	500	50
Akoudié	River	150	500	50
Azaguié 1	River	150	500	50
Lumen 1	River	150	500	50
Lumen 2	River	150	500	50
Motobé	River	150	500	50

* Biological oxygen demand
** Chemical oxygen demand
*** Total suspended solids

2025			2024		
BOD* EXCEEDED LIMITS	COD** EXCEEDED LIMITS	TSS*** EXCEEDED LIMITS	BOD* EXCEEDED LIMITS	COD** EXCEEDED LIMITS	TSS*** EXCEEDED LIMITS
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	N/A	N/A	0	N/A	N/A
0	N/A	N/A	0	N/A	N/A
6	0	5	0	0	1
0	0	0	0	0	2
0	0	0	0	0	3
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	1
0	0	1	1	1	0
0	0	1	1	1	0
0	0	1	1	0	0

AIR EMISSION MONITORING IN PALM OIL MILLS

PALM OIL MILL	LEGAL LIMITS	2025 EXCEEDED LIMITS	2024 EXCEEDED LIMITS
INDONESIA			
Agro Muara Rupit	Opacity <30%	0	0
Bunga Tanjung		0	0
Mukomuko		0	0
Dendymarker Indah Lestari		0	0
Umbul Mas Wisesa		0	0
Bukit Maradja		0	0
Perlabian		0	0
PAPUA NEW GUINEA			
Hargy	< Ringelmann 2 (40%) opacity for more than 20% of the operating time	0	0
Barema		0	0
Navo		0	0

AGROCHEMICAL USE

AGROCHEMICAL USE	2025	
	PAPUA NEW GUINEA	INDONESIA
PESTICIDE APPLICATION		
Kilogram active ingredient/hectare of pesticides*	0.78	1.71
Toxicity/hectare of herbicide	93	290
FERTILISERS APPLICATION		
Tonnes/hectare inorganic fertiliser	0.59	0.87

* Excludes adjuvants

WATER MANAGEMENT

WATER MANAGEMENT	2025	2024
PALM OIL PROCESSING (m^3)		
1. Water consumption	1 129 840	914 966
2. Water recycled and re-used	285 832	218 101*
3. Water stored	566 712**	566 972
BANANA PLANTATIONS AND PACKING STATIONS (m^3)		
1. Water consumption	10 040 324	10 322 188
2. Water recycled and re-used	226 855	113 268***
3. Water stored	0	0
SIPEF GROUP (m^3)		
Water consumption	11 170 164	11 237 154
Total net revenue (million EUR)******	**505**	**411**
Total water consumption intensity/net revenue (m^3/million EUR)	**22 119**	**27 341**

* Restated to reflect the updated assumption used for land application. Previously reported in IAR2024: 504 545
** Water storage level changed because one of the storage dams is no longer in use
*** Restated to reflect the updated calculation methodology used as per annex 4. Previously reported in IAR2024: 46 524
**** Refer to note 7: operational result and segment information

WATER USAGE INTENSITY IN PALM OIL MILLS AND BANANA OPERATIONS, BY PRODUCT

WATER USAGE INTENSITY	TARGET	2025	2024
INDONESIA (m^3/TONNE FFB PROCESSED AT A PALM OIL MILL)			
Agro Muara Rupit	≤1	0.69	1.24
Bukit Maradja	≤1	0.78	0.90
Bunga Tanjung	≤1	0.90	0.81
Dendymarker Indah Lestari	≤1	0.68	0.95
Mukomuko	≤1	0.83	0.81
Perlabian	≤1	0.79	0.77
Umbul Mas Wisesa	≤1.5	1.21	1.35
PAPUA NEW GUINEA (m^3/TONNE FFB PROCESSED AT A PALM OIL MILL)			
Barema	≤1.3	1.31	1.06
Hargy	≤1.3	1.11	1.00
Navo	≤1.3	1.01	1.23
CÔTE D'IVOIRE (m^3/TONNE BANANA PRODUCTION)			
Estates and packing stations	No target	201.05	212.85

PROTECTION OF OWN CONSERVATION AREAS

SIPEF CONSERVATION AREAS WITHIN OWN CONCESSIONS BY COUNTRY (IN HECTARES)	2025	2024
CONSERVATION AREAS HIGH CONSERVATION VALUE (HCV), HIGH CARBON STOCK (HCS)		
Indonesia	9 251	9 251*
Papua New Guinea	5 626	5 626
Côte d'Ivoire	216	216
TOTAL	**15 092**	**15 092***

* Restated to reflect boundary realignments of land titles within the oil palm estates. Previously reported in IAR2024: 9 478

MONITORING OF TREE COVER LOSS

AREAS MONITORED (IN HECTARES)	2025			2024		
	SIPEF'S OWN CONCESSION	SMALLHOLDERS' AREAS	TOTAL AREAS MONITORED	SIPEF'S OWN CONCESSION	SMALLHOLDERS' AREAS	TOTAL AREAS MONITORED
TOTAL	**133 305**	**24 486**	**157 791**	**133 305**	**24 486**	**157 791**

TREE COVER LOSS MONITORING IN OWN CONCESSIONS

COUNTRY/PROVINCE	2025		2024	
	WITHIN GROUP'S CONTROL			
	VERIFIED INCIDENTS WITHIN GROUP'S CONTROL	AREAS IMPACTED (IN HECTARES)	VERIFIED INCIDENTS WITHIN GROUP'S CONTROL	AREAS IMPACTED (IN HECTARES)
INDONESIA	0	0	0	0
North Sumatra	0	0	0	0
Bengkulu	0	0	0	0
South Sumatra	0	0	0	0
PAPUA NEW GUINEA	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

TREE COVER LOSS MONITORING WITHIN SMALLHOLDERS' AREAS

COUNTRY/PROVINCE	2025		2024	
	WITHIN SMALLHOLDERS' AREAS			
	VERIFIED INCIDENTS WITHIN SMALLHOLDERS' AREAS	AREAS IMPACTED (IN HECTARES)	VERIFIED INCIDENTS WITHIN SMALLHOLDERS' AREAS	AREAS IMPACTED (IN HECTARES)
INDONESIA	0	0	0	0
North Sumatra	0	0	0	0
Bengkulu	0	0	0	0
South Sumatra	0	0	0	0
PAPUA NEW GUINEA	0	0	0	0
TOTAL	0	0	0	0

MONITORING OF FIRE WITHIN OWN CONCESSIONS

COUNTRY/PROVINCE	2025		2024	
	WITHIN OWN CONCESSIONS			
	HOTSPOTS VERIFIED WITHIN GROUP'S CONTROL	AREAS IMPACTED (IN HECTARES)	HOTSPOTS VERIFIED WITHIN GROUP'S CONTROL	AREAS IMPACTED (IN HECTARES)
INDONESIA	2	13.19	6	10.7
North Sumatra	1	10.0	0	0.0
Bengkulu	0	0	0	0.0
South Sumatra	1	3.19	6	10.7
PAPUA NEW GUINEA	1	< 0.01	1	0.01
TOTAL	3	13.19	7	10.71

MONITORING OF FIRE WITHIN SMALLHOLDERS' AREAS

COUNTRY/PROVINCE	2025		2024	
	WITHIN SMALLHOLDERS' AREAS			
	HOTSPOTS	AREAS IMPACTED (IN HECTARES)	HOTSPOTS	AREAS IMPACTED (IN HECTARES)
INDONESIA	0	0	1	10
North Sumatra	0	0	0	0
Bengkulu	0	0	0	0
South Sumatra	0	0	1	10
PAPUA NEW GUINEA	1	0.5	1	1
TOTAL	1	0.5	2	11

SIPEF BIODIVERSITY INDONESIA (SBI)

SBI BIODIVERSITY MONITORING (AS AT 31 DECEMBER 2025)	UNIT	BASELINE YEAR	TARGET BY 2027	2025	2024
Cumulative degraded area restored	Hectares	2024	1 123	303	62

COASTAL RESTORATION PROGRAMME

COUNTRY	UNIT	TARGET BY 2027	COASTAL RESTORATION	2025	2024
Indonesia	Hectares	35	Thirty five hectares of coastal buffer will be restored	Assisted natural regeneration in progress. In 2025, 1 661 seedlings were planted within the coastal buffer zone.	Assisted natural regeneration in progress. In 2024, 581 seedlings were planted within the coastal buffer zone.
Papua New Guinea	Hectares	6.5	Complete the planting of mangrove of 6.5 hectares	Ongoing active mangrove planting within the coastal buffer zone. In 2025, 1 340 seedlings were planted.	Ongoing active mangrove planting within the coastal buffer zone. In 2024, 796 seedlings were planted.

4. SOCIAL

EMPLOYEES BY GENDER

GENDER	2025	2024
Male	18 004	18 066
Female	6 023	6 138
Other	0	0
Not reported	0	0
TOTAL EMPLOYEES	**24 027**	**24 204**

EMPLOYEES BY COUNTRY

COUNTRY	2025	2024
Indonesia	16 685	16 856
Papua New Guinea	4 852	4 668
Côte d'Ivoire	2 448	2 640
Belgium	24	23
Singapore	18	17
TOTAL EMPLOYEES	**24 027**	**24 204**

EMPLOYEES BY CONTRACT TYPE BY GENDER

CONTRACT TYPE	2025				
	FEMALE	MALE	OTHER	NOT REPORTED	TOTAL
SIPEF GROUP					
Permanent	3 173	14 206	0	0	17 379
Temporary	2 850	3 798	0	0	6 648
TOTAL EMPLOYEES	**6 023**	**18 004**	**0**	**0**	**24 027**

CONTRACT TYPE	2024				
	FEMALE	MALE	OTHER	NOT REPORTED	TOTAL
SIPEF GROUP					
Permanent	2 872	13 696	0	0	16 568
Temporary	3 266	4 370	0	0	7 636
TOTAL EMPLOYEES	**6 138**	**18 066**	**0**	**0**	**24 204**

EMPLOYEE TURNOVER

SIPEF GROUP	2025	2024
TOTAL EMPLOYEE' TURNOVER	3 543	5 162
Rate of employee turnover	15%	21%

EMPLOYEES BY GENDER, PER CROP

CROP	2025			2024		
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Oil palm	4 625	15 149	19 774	4 616	14 981	19 597
Bananas	749	1 699	2 448	822	1 818	2 640
Tea	623	1 140	1 763	678	1 249	1 927
Head Office*	26	16	42	22	18	40
TOTAL EMPLOYEES	**6 023**	**18 004**	**24 027**	**6 138**	**18 066**	**24 204**

* Singapore and Belgium offices

EMPLOYEES BY CONTRACT TYPE, PER CROP

CROP	2025			2024		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
Oil palm	14 783	4 991	19 774	14 016	5 581	19 597
Bananas	1 555	893	2 448	1 411	1 229	2 640
Tea	999	764	1 763	1 101	826	1 927
Head Office*	42	0	42	40	0	40
TOTAL EMPLOYEES	**17 379**	**6 648**	**24 027**	**16 568**	**7 636**	**24 204**

* Singapore and Belgium offices

COLLECTIVE BARGAINING COVERAGE*

COUNTRY	2025			2024		
	COVERED	TOTAL EMPLOYEES	COVERED (%)	COVERED	TOTAL EMPLOYEES	COVERED(%)
Indonesia	10 310	16 685	62%	9 657	16 856	57%
Papua New Guinea	0	4 852	0%	0	4 668	0%
Côte d’Ivoire	2 448	2 448	100%	2 640	2 640	100%
Belgium	24	24	100%	19	23	83%
Singapore	0	18	0%	0	17	0%
TOTAL SIPEF GROUP	**12 782**	**24 027**	**53%**	**12 316**	**24 204**	**51%**

* Others that are not covered by collective bargaining agreements are covered by contractual agreements

GENDER DIVERSITY OF BOARD OF DIRECTORS

COUNTRY	2025				
	FEMALE	MALE	TOTAL	FEMALE (%)	MALE (%)
Indonesia	1	6	7	14%	86%
Papua New Guinea	1	2	3	33%	67%
Côte d'Ivoire	0	5	5	0%	100%
Belgium	4	7	11	36%	64%
Singapore	1	2	3	33%	67%

COUNTRY	2024				
	FEMALE	MALE	TOTAL	FEMALE (%)	MALE (%)
Indonesia	1	6	7	14%	86%
Papua New Guinea	1	2	3	33%	67%
Côte d'Ivoire	0	5	5	0%	100%
Belgium	4	7	11	36%	64%
Singapore	1	2	3	33%	67%

GENDER DIVERSITY OF EXECUTIVE COMMITTEE MEMBERS

COUNTRY	2025				
	FEMALE	MALE	TOTAL	FEMALE (%)	MALE (%)
Indonesia	3	17	20	15%	85%
Papua New Guinea	4	9	13	31%	69%
Côte d'Ivoire	0	4	4	0%	100%
Belgium	0	2	2	0%	100%
Singapore	1	0	1	100%	0%

COUNTRY	2024				
	FEMALE	MALE	TOTAL	FEMALE (%)	MALE (%)
Indonesia	3	20	23	13%	87%
Papua New Guinea	1	7	8	12.5%	87.5%
Côte d'Ivoire	0	4	4	0%	100%
Belgium	1	3	4	25%	75%
Singapore	No executive committee				

DISTRIBUTION OF EMPLOYEES BY AGE GROUP

COUNTRY	2025				2024			
	< 30 YEARS	30 – 50 YEARS	> 50 YEARS	TOTAL	< 30 YEARS	30 – 50 YEARS	> 50 YEARS	TOTAL
Indonesia	4 192	11 419	1 074	16 685	4 266	11 441	1 149	16 856
Papua New Guinea	1 270	3 216	366	4 852	1 053	3 245	370	4 668
Côte d'Ivoire	761	1 473	214	2 448	887	1 556	197	2 640
Belgium	1	16	7	24	2	14	7	23
Singapore	0	9	9	18	0	12	5	17
TOTAL SIPEF GROUP	6 224	16 133	1 670	24 027	6 208	16 268	1 728	24 204

AMENITIES PROVIDED BY SIPEF

AMENITIES PROVIDED*	UNIT	2025	2024
Housing	Unit of house	12 135	12 135
Schools**	Number of schools	51	50
Clinics	Number of clinics	47	47
Day care facilities	Number of day care facilities	43	43

* This data is not covered in the scope of Corporate Sustainability Reporting Directive (CSRD) limited assurance
** In 2025, one new school built in Côte d'Ivoire

TRAINING HOURS

COUNTRY	2025*				2024			
	TRAINING HOURS	TRAINING HOURS	AVERAGE TRAINING HOURS	AVERAGE TRAINING HOURS	TRAINING HOURS	TRAINING HOURS	AVERAGE TRAINING HOURS	AVERAGE TRAINING HOURS
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Indonesia	5 353	21 994	1.30	1.75	5 527	19 810	1.30	1.57
Papua New Guinea	1 677	17 281	1.48	4.65	3 718	16 184	3.59	4.46
Côte d'Ivoire	3 015	7 768	4.03	4.57	4 320	9 603	5.26	5.28
Belgium	403	167	23.70	23.79	169	180	10.56	25.71
Singapore	73	112	8.11	12.44	0	0	0	0
TOTAL SIPEF GROUP	10 520	47 321	1.75	2.63	13 734	45 777	2.24	2.54

* Training hours for Singapore office and Cibuni tea estate included from 2025 onwards

SAFETY DATA

COUNTRY	UNIT	2025			2024		
		CÔTE D'IVOIRE	INDONESIA	PAPUA NEW GUINEA	CÔTE D'IVOIRE	INDONESIA	PAPUA NEW GUINEA
Fatalities – work-related accidents	Number of cases	0	0	0	0	0	0
Recordable work-related accidents	Number of cases	104	353	290	Not tracked		
Lost time injury – work-related accidents	Number of cases	56	223	72	53	135	189
Lost work days – work-related accidents	Number of days	370	2 028	177	179	826	456
Total hours worked	Number of hours	**5 426 064**	**32 119 061**	**10 282 904**	**5 614 080***	**31 358 900***	**10 642 968***

* Restated 2024 figures to align with updated calculation methodology of working hours as per annex 4. Previously report in IAR2024: Côte d'Ivoire (6 919 968), Indonesia (32 052 804), Papua New Guinea (11 572 704).

LOST TIME INJURY FREQUENCY RATE (LTIFR)

COUNTRY*	BASE YEAR	TARGET 2027**	2025	2024***
Indonesia	2025	6.07	6.94	4.30
Papua New Guinea	2024	6.61	7.00	17.76
Côte d'Ivoire	2024	8.64	10.32	9.44
Belgium	-	-	Not available	
Singapore	-	-	Not available	

* LTIFR is not tracked for Singapore and Belgium, as these locations consist only of administrative offices
** Revised targets due to changes in calculation methodology of working hours
*** Restated 2024 figures to align with updated calculation methodology of working hours as per annex 4. Previously report in IAR2024: Indonesia (4.20), Papua New Guinea (16.33), Côte d'Ivoire (7.66)

TOTAL RECORDABLE INJURY RATE (TRIR)

COUNTRY*	2025
Indonesia	10.99
Papua New Guinea	28.20
Côte d'Ivoire	19.17
Belgium	Not available
Singapore	Not available

* TRIR is not tracked for Singapore and Belgium, as these locations consist only of administrative offices

GENDER PAY GAP

COUNTRY	CURRENCY	2025	2024
Indonesia	IDR	11%	12%
Papua New Guinea	PGK	9%	13%
Côte d'Ivoire	XOF	26%	33%
Belgium	EUR	50%	52%
Singapore	SGD	10%	62%

ANNUAL TOTAL REMUNERATION RATIO

COUNTRY	CURRENCY	2025	2024
Indonesia	IDR	237.10	187.21
Papua New Guinea	PGK	130.79	145.27
Côte d'Ivoire	XOF	130.29	189.74
Belgium	EUR	6.32	8.80
Singapore	SGD	6.41	5.26

INCIDENTS OF DISCRIMINATION INCLUDING HARASSMENT

	2025	
COUNTRY	WORK-RELATED INCIDENTS OF DISCRIMINATION AND HARASSMENT REPORTED (NUMBER OF CASES)	AMOUNT OF FINES, PENALTIES, AND COMPENSATION (USD)
SIPEF group	0	0

INCIDENTS OF SEVERE HUMAN RIGHTS

	2025	
COUNTRY	INCIDENTS OF SEVERE HUMAN RIGHTS (NUMBER OF CASES)	AMOUNT OF FINES, PENALTIES, AND COMPENSATION (USD)
SIPEF group	0	0

SCHEME SMALLHOLDERS' PROGRAMME: SUPPLYING TO SIPEF

SMALLHOLDER PROGRAMMES	2025			
	NUMBER OF SMALLHOLDERS	NUMBER OF RSPO CERTIFIED SMALLHOLDERS	PLANTED AREA (HECTARES)	RSPO CERTIFIED PLANTED AREA (HECTARES)
SIPEF scheme smallholders	**5 551**	**4 918**	**20 903**	**18 629**
INDONESIA	**1 911**	**1 278**	**6 102**	**3 827**
Smallholder cooperative (*Koperasi*)	1 861	1 228	5 517	3 243
Village smallholders (*Kebun Masyarakat Desa*)	50	50	585	585
PAPUA NEW GUINEA	**3 640**	**3 640**	**14 801**	**14 801**
Associated smallholders	3 640	3 640	14 801	14 801

SMALLHOLDER PROGRAMMES	2024			
	NUMBER OF SMALLHOLDERS	NUMBER OF RSPO CERTIFIED SMALLHOLDERS	PLANTED AREA (HECTARES)	RSPO CERTIFIED PLANTED AREA (HECTARES)
SIPEF scheme smallholders	**5 511**	**4 879**	**21 003**	**18 634**
INDONESIA	**1 865**	**1 233**	**6 196**	**3 827**
Smallholder cooperative (*Koperasi*)	1 815	1 183	5 611	3 243
Village smallholders (*Kebun Masyarakat Desa*)	50	50	585	585
PAPUA NEW GUINEA	**3 646**	**3 646**	**14 807**	**14 807**
Associated smallholders	3 646	3 646	14 807	14 807

INDEPENDENT SMALLHOLDERS' PROGRAMME: SUPPLYING TO SIPEF

SMALLHOLDER PROGRAMMES	2025			2024		
	NUMBER OF SMALLHOLDERS	NUMBER OF RSPO CERTIFIED SMALLHOLDERS	RSPO CERTIFIED PLANTED AREA (HECTARES)	NUMBER OF SMALLHOLDERS	NUMBER OF RSPO CERTIFIED SMALLHOLDERS	RSPO CERTIFIED PLANTED AREA (HECTARES)
INDONESIA	**26**	**26**	**52**	**29**	**29**	**60**
Independent smallholders	26	26	52	29	29	60

5. GOVERNANCE

ANTI-CORRUPTION AND ANTI-BRIBERY TRAINING

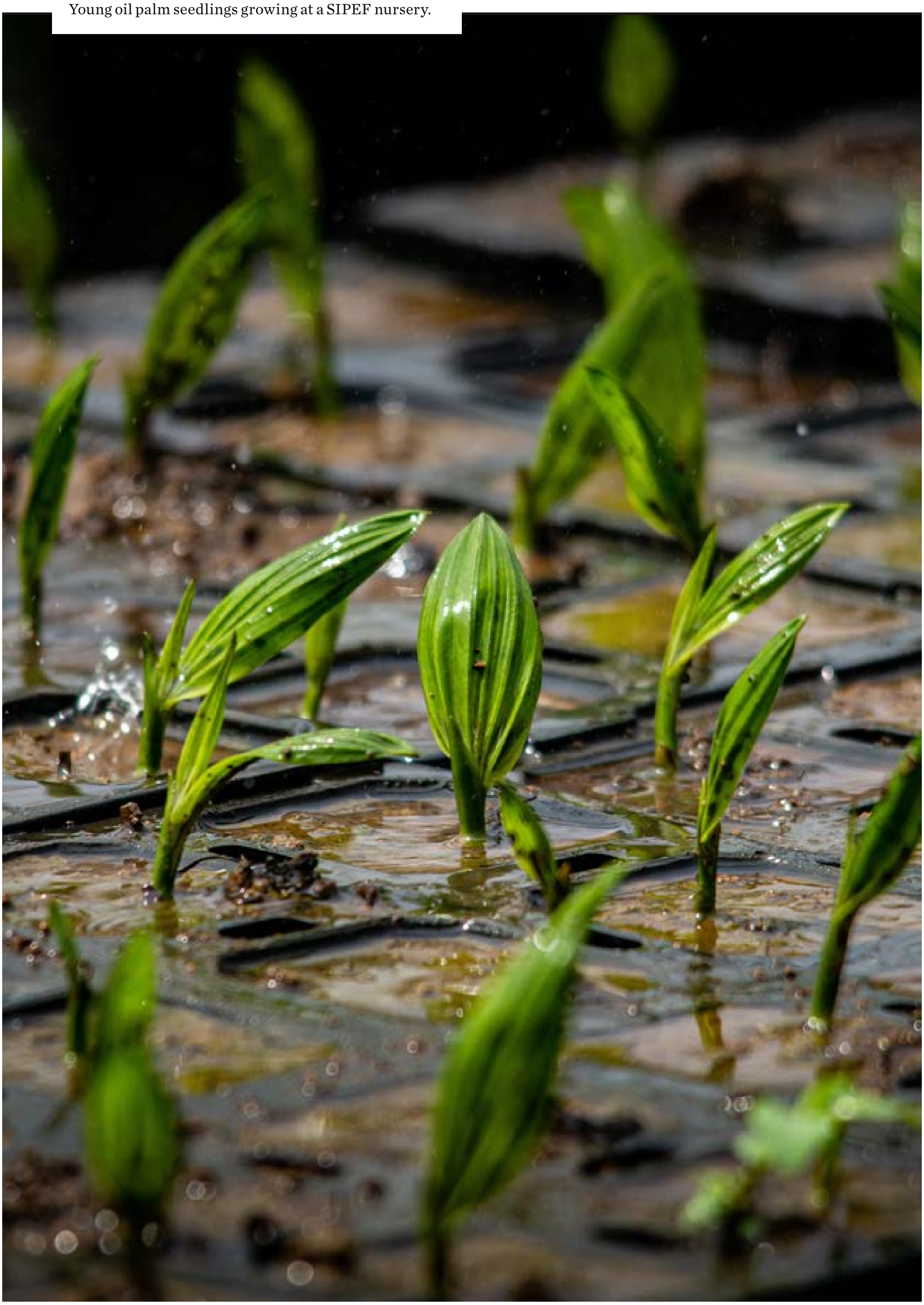
ANTI-CORRUPTION AND ANTI-BRIBERY TRAINING	2025		2024	
	AT-RISK FUNCTIONS	OTHER OWN WORKERS*	AT-RISK FUNCTIONS	OTHER OWN WORKERS*
TRAINING COVERAGE				
Total employees received training	1 174	47	478	68
DELIVERY METHOD AND DURATION				
Average hours of in-person and online training	2	2	2.5	2.5
FREQUENCY				
How often the training is required	Annually	Annually	Annually	Annually
TOPICS COVERED				
Definition of corruption	x	x	x	x
Policy	x	x	x	x
Procedures on suspicion/ detection of corruption	x	x	x	x
Relevant laws and penalties	x	x	x	x
Other	x	x	x	x

* Other own workers may include managers, administrative staff, and members of management and supervisory bodies.

CORRUPTION AND BRIBERY INCIDENTS

CORRUPTION AND BRIBERY INCIDENTS	2025		
	NUMBER OF CONVICTIONS	AMOUNT OF FINES FOR VIOLATION	ANY ACTIONS TAKEN TO ADDRESS BREACHES IN PROCEDURES AND STANDARDS OF ANTI-CORRUPTION AND ANTI-BRIBERY
SIPEF group	0	0	None

Young oil palm seedlings growing at a SIPEF nursery.



Annex 3 – EU Taxonomy – accounting policies

The assessment of the Taxonomy-eligibility and Taxonomy-non-eligibility of SIPEF's turnover, capital expenditure (Capex), and operating expenditure (Opex) was carried out in accordance with the specifications and definitions set out in annex I of the Article 8 Delegated Act. The accounting policies utilised in this process are described as follows:

Turnover KPI

The proportion of Taxonomy-eligible economic activities in the Group's total turnover has been calculated as the part of net turnover derived from products and services associated with Taxonomy-eligible economic activities (numerator) divided by the net turnover (denominator). The denominator of the turnover key performance indicator (KPI) is based on the Group's consolidated net turnover in accordance with IAS 1 .82(a). Further details on the Group's accounting policies regarding the Group's consolidated net turnover, can be found in the consolidated financial statements. With regard to the numerator, SIPEF has not identified any Taxonomy-eligible activities as explained above.

Reconciliation

The Group's consolidated net turnover can be reconciled to the consolidated financial statements, in the income statement (financial statements – revenue).

Capex KPI

The Capex KPI is defined as Taxonomy-eligible Capex (numerator) divided by the Group's total Capex (denominator). Regarding the numerator, an explanation is provided below.

Total Capex consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation, and any re-measurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes additions to fixed assets (IAS 16), intangible assets (IAS 38), and right-of-use assets (IFRS 16). Additions resulting from business combinations are also included (but this is not applicable in 2025). Goodwill is not included in Capex as it is not defined as an intangible asset in accordance with IAS 38. Further details on the accounting policies regarding the Group's Capex can be found in the consolidated financial statements.

Reconciliation

The Group's total Capex can be reconciled to the consolidated financial statements as the total of acquisition of intangible assets, acquisition of biological assets, and acquisition of property, plant, and equipment in the consolidated cash flow.

Opex KPI

The Opex KPI is defined as Taxonomy-eligible Opex (numerator) divided by the total Opex (denominator). Regarding the numerator, an explanation is provided below.

Total Opex consists of direct, non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment.

This includes:

- research and development expenditure, which is not applicable to the SIPEF group. The SIPEF group does, however, have research and development expenditures concentrated in its minority subsidiaries, Verdant Bioscience Pte Ltd (VBS) and Timbang Deli, which are included in the consolidation as equity-consolidated companies and are not included in the Opex calculation.

- the volume of non-capitalised leases, which was determined in accordance with IFRS 16 and includes expenses for short-term leases and low-value leases. Further information can be found in the note on leasing in the consolidated financial statements.

- maintenance and repair and other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment and biological assets (bearer plants). These were determined based on the maintenance and repair costs allocated to the respective assets. The maintenance of the biological assets (bearer plants) contains all costs related to keeping the biological assets (bearer plants) in a good productive state. Primary examples of this include all expenses linked with fertiliser application, pruning, and pest and disease control.

The related cost items can be found in various line items in the Group's income statement, including the cost of sales (maintenance of operational property, plant, and equipment and biological assets – bearer plants) and general and administrative expenses (such as maintenance of information technology systems), if applicable.

In general, these costs include labour costs, costs for services, and material costs for daily servicing, as well as for regular and unplanned maintenance and repair measures. These costs are directly allocated to property, plant, and equipment.

As the SIPEF group has not identified Taxonomy-eligible economic activities, the Group does not record Capex/Opex-related assets or processes that are associated with Taxonomy-eligible economic activities in the numerator of the Capex KPI and the Opex.

Proportion of turnover, Capex, Opex from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year (N) (summary KPIs)

FINANCIAL YEAR (N)	2025				BREAKDOWN BY ENVIRONMENTAL OBJECTIVES OF TAXONOMY-ALIGNED ACTIVITIES					
KPI[1]	TOTAL[2]	PROPORTION OF TAXONOMY-ELIGIBLE ACTIVITIES[3]	TAXONOMY-ALIGNED ACTIVITIES[4]	PROPORTION OF TAXONOMY-ALIGNED ACTIVITIES[5]	CLIMATE CHANGE MITIGATION[6]	CLIMATE CHANGE ADAPTATION[7]	WATER[8]	POLLUTION[9]	CIRCULAR ECONOMY[10]	BIODIVERSITY[11]
Text	USD	%	USD	%	%	%	%	%	%	%
Turnover	570 432 212	0%	0	0%	0%	0%	0%	0%	0%	0%
Capex	89 403 914	0%	0	0%	0%	0%	0%	0%	0%	0%
Opex	57 620 240	0%	0	0%	0%	0%	0%	0%	0%	0%

	PROPORTION OF ENABLING ACTIVITIES[12]	PROPORTION OF TRANSITIONAL ACTIVITIES[13]	NOT ASSESSED ACTIVITIES CONSIDERED NON-MATERIAL[14]	TAXONOMY-ALIGNED ACTIVITIES IN PREVIOUS FINANCIAL YEAR (N-1)[15]	PROPORTION OF TAXONOMY-ALIGNED ACTIVITIES IN PREVIOUS FINANCIAL YEAR (N-1)[16]
	%	%	%	USD	%
	0%	0%	0.01%	0	0%
	0%	0%	3.54%	0	0%
	0%	0%	0.67%	0	0%

Annex 4 – general basis for preparation of the sustainability statement

This report covers SIPEF's sustainability performance from 1 January to 31 December 2025 and has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Information on intellectual property

The SIPEF group has not used the option to omit information corresponding to intellectual property. No information on intellectual property, know-how, or the results of innovation was omitted in the sustainability statement.

Information on matters in the course of negotiation

SIPEF did not apply the exemption from disclosing impending developments or matters in the course of negotiation, as provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

Sustainability data methodologies overview

Sustainability data is collected from SIPEF's operating units and offices across Belgium, Côte d'Ivoire, Indonesia, Papua New Guinea, and Singapore. Where precise data is unavailable, reasonable assumptions, estimates, and management judgement are applied, which may introduce a degree of uncertainty. Most data are based on internal records and primary sources. Details on methodologies, assumptions, and uncertainties are provided in this section, in the relevant disclosures, and further elaborated in annexes 1 and 2.

No metrics in this report have been validated by an external body, other than the limited assurance provided on the sustainability statement in accordance with CSRD. SIPEF remains committed to continuously improving the quality and transparency of its sustainability reporting to provide a true and fair view of its impacts and performance.

Estimation uncertainty

In preparing the sustainability statement, management made use of assumptions, judgements, and estimates that may affect the certainty of the amounts reported. As a result, there is an inherent uncertainty in SIPEF's calculations with respect to some of the amounts reported. The estimations and underlying assumptions are based on management's experience and various other factors, including input from experts where deemed needed, and are believed to be reasonable. Such estimations and underlying assumptions are reviewed frequently to improve accuracy going forward in the Group's reported metrics. Its actions in this respect include, amongst others, reducing the dependency on the use of assumptions or estimation when better data sources become available.

High level of measurement uncertainty

SIPEF acknowledges that Scope 3 greenhouse gas (GHG) emissions are subject to a high level of measurement uncertainty due to the complexity of value chain emissions and limited access to reliable upstream and downstream data. To address this, SIPEF applies the following estimation methods:

- **activity-based estimation** using emission factors from internationally recognised sources, such as the Intergovernmental Panel on Climate Change (IPCC), the UK Department for Environment, Food & Rural Affairs (DEFRA), and the U.S. Environmental Protection Agency (US EPA), where activity data is available.

- **where detailed activity data is not accessible**, spend-based methods are used, relying on financial data to estimate emissions.

- **materiality thresholds are applied** to determine which Scope 3 categories are included, particularly where emissions are likely to be immaterial or data is highly uncertain or unverifiable.

For more information, please refer to the climate change section of this report.

Value chain estimations

While certain sustainability matters have been identified as material for specific groups in SIPEF's value chain, limited data availability from the relevant value actors currently constrains the Group's ability to report on associated metrics for all the material impacts presented in this section. Where reliable internal data exists, SIPEF discloses it to ensure transparency. For topics where data is not yet available, SIPEF is assessing the feasibility of improved data collection to enhance future disclosures. At SIPEF, value chain estimations are applied to Scope 3 GHG emissions. For more information, please refer to the climate change section of this report.

Changes and corrections

Any changes in the preparation or presentation of sustainability information, or corrections of reporting errors from prior periods, are clearly addressed alongside the relevant disclosure requirements and/or detailed in annexes 1 and 2.

Some of the key changes are:

- greenhouse gas (GHG) emissions restated to align with international standards, updated emission factors, and expanded Scope 3 reporting
- water re-used in Papua New Guinea restated to reflect the updated assumption used for land application, and water recycling in Cote d'Ivoire was restated to reflect an updated calculation methodology based the number of operating hours per day
- working hours estimation used to calculate lost-time incident frequency rates updated to align with ESRS requirement, following improved data availability

Double materiality assessment

Methodologies are applied to assess SIPEF's impact materiality and financial materiality.

MAPPING AND UNDERSTANDING

SIPEF mapped key stakeholders and the value chain, assessed the relevance of ESRS topics with regional input, and benchmarked peer- and customer-reported topics to inform later phases.

IDENTIFICATION AND ASSESSMENTS OF IMPACTS, RISKS, AND OPPORTUNITIES (IROS)

SIPEF compiled long lists of impacts, risks, and opportunities (IROs) for palm and banana operations, drawing on research, past engagement, and internal expertise, and classifying items by type (actual or potential, positive, or negative) and time horizon. Biodiversity and climate inputs were strengthened through internal and expert assessments, with linkages to impacts and dependencies recorded. Financial materiality was assessed using an adapted business risk methodology for sustainability-related risks and opportunities based on consultation with sustainability teams and other departments as needed.

Read more about the climate-related assessments in the climate change section, and the biodiversity-related assessment in the biodiversity and ecosystems section.

IMPACT MATERIALITY ASSESSMENT

Impacts were scored from one to five based on severity, likelihood, scale, and scope, using criteria tailored to environmental, social and governance (ESG) impact type. Inputs from sites, global teams, experts, and monitoring data informed scoring. Impacts scoring 3.5 or above were flagged for validation.

FINANCIAL MATERIALITY ASSESSMENT

Sustainability-related risks and opportunities were scored based on likelihood and financial magnitude (low,medium, high), with likelihood translated into probability ranges from "remote" to "certain" and financial effects quantified in USD. Thresholds were set at ten percent of three-year average net profit for recurring impacts and ten percent of three-year average equity for one-off impacts.

VALUE CHAIN MATERIALITY ASSESSMENT

SIPEF assessed value chain materiality by mapping key actors and activities, applying its impact scoring to identified impacts, and using financial and top ten supplier spend data to flag categories exceeding the recurring impact threshold.

SIPEF consolidated results, validated material topics with executive management, identified ESRS disclosure gaps and action plans, and aligned policies, actions, targets, and key performance indicators (KPIs) with the outcomes.

NO.	TOPIC	METRIC	METHODOLOGIES AND ASSUMPTIONS
1.	CERTIFICATION	Roundtable on Sustainable Palm Oil (RSPO) Indonesian Sustainable Palm Oil (ISPO)	Certification figures are based on the active RSPO and ISPO certification status as at year end. They include the classification of supply chain models in accordance with RSPO definitions (i.e. Identity Preserved (IP), Segregated (SG), and Mass Balance (MB)). Planted areas are determined from the hectarage statement for the same reporting period. The volumes of RSPO certified fresh fruit bunches (FFB) and certified products — including crude palm oil (CPO), palm kernel (PK), and palm kernel oil (PKO) — are calculated using actual production data as of December.
2.	CLIMATE	Energy	SIPEF's energy use in its own operations contributes to its Scope 1 and Scope 2 emissions and includes energy from both non-renewable sources (such as fossil fuels and electricity) and renewable sources (such as biomass). In palm oil mills, biomass combustion involves the use of by-product materials, such as fibre, shell, and wood, as fuel sources. Energy intensity (MWh/KUSD) is calculated by dividing total energy consumption by net revenue (in KUSD).
3.		Greenhouse gas gross emissions	SIPEF will periodically review the relevance of Scope 1, 2, and 3 and assess opportunities to enhance data availability, data accuracy, and estimation methodologies in future reporting cycles. Emissions calculations: emissions were converted to carbon dioxide equivalent using the global warming potential (GWP) coefficients from the IPCC Sixth Assessment Report. The key databases used for emission factors are the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and their 2019 Refinement , the UK Department for Environment, Food & Rural Affairs (DEFRA), the US Environmental Protection Agency (US EPA) GHG emission factors, Carbon Database Intelligence (CaDI), and the emission factors from the EU Commission Implementing Regulations (EU 2022/996). **SCOPE 1:** Direct emissions from plantations, mills, packing stations, and offices owned and operated by SIPEF, including the use of fuel (stationary and mobile combustion), fugitive emissions from wastewater treatment palm oil mill effluent (POME) including biogas plants, use of agrochemicals and lubricants, application of fertilisers, land-use change, land management, and biomass combustion. Excluded in Scope 1: refrigerant leakage and SIPEF-owned landfill, as these are immaterial to total emissions. → Emissions from land-related activities, including land-use change and land management, were calculated in accordance with the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and their 2019 Refinement, and GHG Land Sector and Removals Guidance recommended methodologies and emission factors. Where relevant, national forest reference level data was used. → Fugitive emissions from wastewater treatment plants, including methane emissions from effluent treatment, were calculated using the United Nations Framework Convention on Climate Change (UNFCCC) Clean Development Mechanism (CDM) methodology AMS-III.H: Methane Recovery in Wastewater Treatment (Version 19.0), and CDM guidance on project emissions from flaring. → Emissions from fuel consumption were calculated using the 2025 GHG conversion factors of DEFRA.

NO.	TOPIC	METRIC	METHODOLOGIES AND ASSUMPTIONS
			SCOPE 2: Indirect emissions from the energy purchased externally from the national grid. Emission factors from CaDI were used to estimate both location-based and market-based emissions. **SCOPE 3:** Indirect emissions from upstream and downstream activities within SIPEF's value chain. These are reported under the following categories: Category 1 – Purchased goods and services, Category 2 – Capital goods, Category 3 – Fuel- and energy-related activities, Category 4 – Upstream transportation and distribution, Category 6 – Business travel, Category 9 – Downstream transportation and distribution, Category 10 – Processing of sold products, Category 12 – End-of-life treatment of sold products. Categories 1, 2, and 6 are calculated using a spend-based approach, while Categories 3, 4,9, 10, and 12 are based on activity-based emissions calculations. Following are the Scope 3 categories excluded: → Category 5 – Waste generated in operations, Category 7 – Employee commuting, Category 11 – Use of sold products, and Category 15 – Investments, as these are immaterial to total emissions → Category 8 – Upstream leased assets, Category 13 – Downstream leased assets, and Category 14 – Franchises, as these are not relevant to SIPEF's business Biogenic emissions include CO_2 emissions from the combustion of biomass, such as fibre, shell and wood, using emission factors from the US EPA. Greenhouse gas emissions intensity: → per net revenue: total GHG emissions expressed as tonnes of CO_2 equivalent per KUSD of net revenue (tCO_2e/KUSD) → per product: total GHG emissions per unit of product (e.g. per tonne of palm oil, bananas), showing the carbon footprint of each product Baseline and subsequent years' emissions will be recalculated when there are significant changes as outlined below, resulting in cumulative change to baseline GHG emissions of more than 5%: → changes in organisational structure, such as mergers, acquisitions, and divestitures → methodological changes, such as updates to emission factors → identification of significant error, or a number of errors that are significant in aggregate
4.		Greenhouse gas removals	Carbon removals from conservation and reserve areas are calculated based on plant growth and annual sequestration per hectare. The calculation follows the GHG Protocol Land Sector and Removals Guidance, focusing on above- and below-ground biomass accumulation. Annual removals are estimated by applying conservative sequestration rates (tCO_2e per hectare per year) derived from the relevant national forest reference level (FRL) reports where available, ensuring alignment with nationally approved methodologies and data sources.
5.		Climate change adaptation	Coastal restoration programmes in Indonesia and Papua New Guinea are implemented to address potential water-related risks by restoring coastal buffer zones within SIPEF's own operations.

NO.	TOPIC	METRIC	METHODOLOGIES AND ASSUMPTIONS
6.		Climate-related risks	SIPEF has considered climate-related risks in the preparation of its financial statements, and through the financial reporting process, no critical climate-related assumptions were identified. As a result, the climate scenarios used in the broader climate risk assessment are not directly connected to specific assumptions in the financial statements.
7.	**POLLUTION**	Water discharged	Water quality is monitored via biological oxygen demand (BOD), chemical oxygen demand (COD), and total suspended solids (TSS), measured in milligrams per litre (mg/L). Sampling is carried out at mills monthly, and at banana packing stations twice yearly, with testing conducted by an external laboratory.
		Agrochemical management – pesticide	Pesticide application is calculated using the following formula: → pesticide application = total weight (kg) of active ingredient (AI) applied / hectarage of planted area Toxicity related data are calculated using the following formulas: → toxicity rate for herbicide = total mgAI of product applied x 1/lethal dosage 50 (rats, oral) → toxicity rate per hectare = toxicity rate / hectarage of planted area
		Agrochemical management – fertiliser	Fertiliser application is calculated using the following formula: → fertiliser application = total weight (tonne) of inorganic fertiliser applied / hectarage of planted area
8.		Air emissions	Indonesia mills use opacity monitoring (≤30%), and the mills in Papua New Guinea use the Ringelmann Index (≤2 for ≤20% of time). Parameters are verified through regular external and government inspections. SIPEF's palm oil mills are consistently monitored by environmental agencies to ensure they meet legal requirements. These include Indonesia's Public Disclosure Programme for Environmental Compliance (PROPER) and industry standards including the Environmental Code of Practice in Papua New Guinea. This is in addition to the third-party sustainability certification audits carried out annually.
9.	**WATER**	Water management	Banana production has the highest water use due to irrigation, while oil palm cultivation mainly relies on rainfall. Water used at banana packing stations is either reused for irrigation or safely discharged. As it is difficult to accurately measure water uptake by banana plants, all withdrawn water is considered consumed. Recycled water at banana packing stations is estimated based on recycling tank capacity and the operating time, calculated as hours per day multiplied by the number of operating days. In palm oil processing, water is recycled through land application of treated POME. Water storage volumes are calculated using the annual capacity of on-site storage facilities and included in water withdrawal. Water consumption is calculated as the difference between total water withdrawal and discharge. Water use per product is expressed as water withdrawal per tonne of FFB or bananas.
10.	**BIODIVERSITY**	Conservation areas	Conservation areas are identified through external High Conservation Value-High Carbon Stock Approach (HCV-HCSA) (or similar) assessments and are protected as part of SIPEF's no deforestation, no peat, and no exploitation commitment (NDPE), with mapped boundaries providing the basis for confirming the extent of conservation areas.

NO.	TOPIC	METRIC	METHODOLOGIES AND ASSUMPTIONS
11.		Tree cover loss monitoring	An external partner is engaged to monitor the implementation of SIPEF's NDPE commitment across its own concessions and supplier areas, providing regular updates. Impacted areas are identified through alert systems and are verified by local teams through on-the-ground investigations.
12.		Fire monitoring	Fire alerts from RSPO are monitored across SIPEF's own concessions and supplier areas. Impacted areas are confirmed through on-the-ground investigations conducted by local teams.
13.		SIPEF Biodiversity Indonesia (SBI)	Degraded area restored refers to the total hectares of forest rehabilitated. Restoration areas are systematically identified and mapped, and progress is tracked in these focal areas by assessing vegetation succession from the defined project baseline. Agroforestry growers engaged represents the number of community farmers actively collaborating with SIPEF.
14.	**OWN WORKFORCE**	Number of employees	Headcount is reported as at year end and is further disaggregated by country, gender, contract type, and crop. There is no cross-reference available between the reported headcount and the figures in the financial statements.
15.		Employment type	There are two types of employment contracts: → permanent: an employment contract for an indefinite period → temporary: an employment contract for a fixed period that ends either when the specified time expires or when a particular task or event is completed (e.g. project completion or the return of a replaced employee)
16.		Employee turnover	Total number of employees who have left SIPEF during the reporting period voluntarily, due to dismissal, retirement, or death. The percentage of turnover is calculated based on total turnover divided by the total number of employees as at year end. The current turnover percentage includes temporary employees who have completed their contracts. This will be refined to distinguish between contract completion and contract termination once a tracking system is in place for reporting.
17.		Collective bargaining	Collective bargaining coverage includes employees whom SIPEF is required to cover under local regulations. Through their unions, employees negotiate with SIPEF on matters such as pay, benefits, working hours, leave, and safety. The coverage percentage is calculated as the number of employees covered as at year end, divided by the total number of employees at that time.
18.		Diversity – senior management	At SIPEF, senior management includes the board of directors and executive committee members in all countries.
19.		Diversity – age	The age diversity of all employees is calculated as at year end, based on each employee's date of birth. Employees are categorised into the following age groups: below 30 years old, between 30 and 50 years old (inclusive), above 50 years old.
20.		Training	Total training hours are recorded and used to calculate the average training hours by gender, based on the total number of male and female employees with active status as at year end.
21.		Safety – lost time injury (LTI)	A lost time injury (LTI) is a work-related accident or injury that prevents an employee from doing their regular job. It must be confirmed by a medical certificate to be officially recorded.
22.		Medical aid incident (MAI)	Any injury obtained while carrying out work-related duties which results in time taken during the same day to receive professional medical treatment.
23.		Light duty work (LDW) injury	Any injury that results in work restrictions or limitations for the injured individual, such as modified duties or restricted work hours. Applicable to Papua New Guinea only.

NO.	TOPIC	METRIC	METHODOLOGIES AND ASSUMPTIONS
24.		Safety – lost workday	Lost workdays from an LTI are counted starting from the next working day after the incident occurred during working hours.
25.		Safety – total hours worked	Where possible, actual total number of hours employees worked during the reporting period is used. Otherwise, hours worked is estimated based on number of statutory workdays and legal working hours in each country and calculated using: *hours worked = headcount × statutory workdays per month × legal working hours per day*
26.		Lost time injury frequency rate (LTIFR)	This calculation is performed per country, based on data from the reporting year, and expresses the number of LTIs per one million hours worked. It is calculated using the following formula: *LTIFR = (total number of LTIs/total hours worked) x 1 000 000*
27.		Recordable work-related injuries	This includes total cases of LTI, MAI, and LDW in the respective countries.
28.		Total recordable work-related incident rate (TRIR)	This calculation is performed per country, based on data from the reporting year, and expresses the number of recordable injuries per one million hours worked. It is calculated using the following formula: *(total number of recordable work-related injuries in the period / total hours worked in that period) x 1 000 000*
29.		Gender pay gap	The percentage of the gender pay gap is calculated using the following formula: *(average gross pay of male employees – average gross pay of female employees) / average gross pay level male employees x 100*
30.		Remuneration ratio	The remuneration ratio compares the annual pay of the highest-paid individual to the median pay of all other employees in each country, excluding the highest-paid individual. Total pay includes salary, bonuses, and regular financial benefits. It is calculated using: *remuneration ratio = highest annual pay / median annual pay of other employees*
31.		Incidents and complaints	All grievances received are documented through SIPEF's grievance solution system. Each case is reviewed and categorised based on its nature and severity, including incidents related to: discrimination, harassment, and severe human rights violations, if any are identified.
32.	**WORKERS IN VALUE CHAIN**	Smallholder programmes	The number of smallholders is based on SIPEF's official list in Indonesia and Papua New Guinea. The RSPO certified smallholders are those registered under valid RSPO certificates. Total and certified planted areas are based on the hectarage statement as at year end.
33.	**GOOD BUSINESS CONDUCT**	Anti-corruption, anti-bribery training	The number of training sessions attended is reported at the Group level, covering both at-risk functions and other own workers for the reporting period.
34.		Corruption and bribery incidents	All grievances are recorded using SIPEF's grievance solution system and are reviewed and categorised by type and severity. This includes cases related to corruption and bribery, if identified. Any convicted cases, if they occur, will be included in the reporting.

Annex 5 – ESRS disclosure requirements index and incorporation by reference

The following table lists all European Sustainability Reporting Standards (ESRS) Disclosure Requirements (DRs) from ESRS 2 and the topical standards identified as material to SIPEF, covering a total of 21 sustainability matters. Topics assessed as not material are omitted from the list of DRs.

The table also explains any omissions or "not applicable" DRs and data points within the topical standards. For each applicable DR, the table indicates where the information is reported in the Integrated Annual Report (IAR), namely the sustainability statement (SS), company report (CR), corporate governance statement (CG), financial statements (FS), or annexes.

Where DRs are addressed outside the sustainability statement, they are incorporated by reference, with precise details provided in the table below on the corresponding section title and page number(s) in the IAR. In cases of omission or non-applicability, this is briefly explained under the additional information column.

The table also references relevant data points from other European Union (EU) legislation: (1) SFDR, (2) Pillar 3, (3) Benchmark Regulation, and (4) EU Climate Law. Where relevant, the use of other sustainability reporting standards or frameworks is also noted and explained within the table.

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
ESRS 2 – GENERAL DISCLOSURES					
BP–1	General basis for preparation of the sustainability statements	SS – General information; annex 4	68; 314		
BP–2	Disclosure in relation to specific circumstances	SS – General information; annex 4; annex 5	68; 314; 322	*Where relevant, specific circumstances in accordance with BP–2 DRs have been reported alongside topic and data disclosures throughout the environmental, social, and governance information sections of the sustainability statements*	
GOV–1	The role of the administrative, management and supervisory bodies	CR – Sustainable growth as the foundation of SIPEF's strategy, Sustainability embedded in SIPEF's strategy governance and management structure; CG – Corporate governance structure on 31 December 2025	22, 31; 160		(1), (2)

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
GOV–2	Information provided to, and sustainability matters addressed by, the undertaking's administrative, management and supervisory bodies	CR – Sustainability embedded in SIPEF's strategy governance and management structure; SS – General information; CG – Corporate governance structure on 31 December 2025	31; 68; 164		
GOV–3	Integration of sustainability–related performance in incentives schemes	CG – Remuneration report	178		
GOV–4	Statement on due diligence	CG – Internal control and risk management systems related to sustainability reporting	188		(1)
GOV–5	Risk management and internal controls over sustainability reporting	CG – Internal control and risk management systems related to sustainability reporting	188		
SBM–1	Strategy, business model and value chain	CR – SIPEF at a glance, Sustainable growth as the foundation of SIPEF's strategy; Value creation	16, 22, 60	*SIPEF does not produce any products that are banned in certain markets, nor is SIPEF active in fossil fuel sectors, chemicals production, controversial weapons, or the cultivation and production of tobacco*	(1), (2), (3)
SBM–2	Interests and views of stakeholders	CR – Sustainable growth as the foundation of SIPEF's strategy; SS- General information; annex 6	30; 71; 334		
SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	CR – Sustainable growth as the foundation of SIPEF's strategy, Value creation at SIPEF; SS – General information	22, 60; 72	*In some instances, SBM-3 is also elaborated on in the environmental, social, and governance sections of the sustainability statement, alongside topical and data disclosures for sustainability matters material to SIPEF*	
IRO–1	Description of the process to identify and assess material impact risks and opportunities	SS – General information	69		
IRO–2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements	Annex 5	322		

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
ESRS E1 – CLIMATE CHANGE					
E1. GOV–3	Integration of sustainability–related performance in incentive schemes	SS – Climate change; CG – Remuneration report	90; 178		
E1–1	Transition plan for climate change mitigation	SS – Climate change	88		(2), (3), (4)
E1. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – General information, Climate change	72, 87, 92	*Sustainability matters: climate change mitigation, climate change adaptation*	
E1. IRO–1	Description of the processes to identify and assess material climate–related impacts, risks and opportunities	SS – General information, Climate change	69, 87, 92		
E1–2	Policies related to climate change mitigation and adaptation	SS – General information, Climate change	78, 82		
E1. MDR–P	Policies to manage material impacts, risks and opportunities	SS – General information; Climate change	78, 82		
E1–3	Actions and resources in relation to climate change policies	SS – Climate change, EU taxonomy disclosures	88, 109		
E1. MDR–A	Action plans and resources to manage material impacts, risks and opportunities	SS – Climate change, EU taxonomy disclosures	88, 109		
E1–4	Targets related to climate change mitigation and adaptation	SS – Climate change; annex 1	91, 93; 270		
E1. MDR–T	Targets set to manage material impacts, risks and opportunities	SS – Climate change; annex 1	91, 93; 270		
E1–5	Energy consumption and mix	SS – Climate change; annex 2	86; 282		(1)
E1–6	Gross Scopes 1, 2, 3 and Total GHG emissions	SS – Climate change; annex 2; annex 4	85; 282; 314		(1), (2), (3)
E1–7	GHG removals and GHG mitigation projects financed through carbon credits	SS – Climate change; annex 2	86, 89; 282		
E1–8	Internal carbon pricing	SS – Climate change	89		
E1–9	Anticipated financial effects from material physical and transition risks and potential climate–related opportunities	Omitted	N/A	*Phase–in for E1–9: anticipated financial effects from material physical and transition risks and potential climate–related opportunities*	

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
ESRS E2 – POLLUTION					
E2. IRO–1	Description of the processes to identify and assess material pollution–related impacts, risks and opportunities	SS – General information	69	*Note: no material pollution–related risks or opportunities were identified by SIPEF and are therefore not disclosed.* *Sustainability matters: pollution of air, pollution of water*	
E2–1	Policies related to pollution	SS – General information, Pollution	78; 94		
E2. MDR–P	Policies to manage its material impacts, risks and opportunities	SS – General information, Pollution	78; 94		
E2–2	Actions and resources related to pollution	SS – Pollution	94		
E2. MDR–A	Action plans and resources to manage material impacts, risks and opportunities	SS – Pollution	94		
E2–3	Targets related to pollution	SS – Pollution; annex 1	94, 96; 270		
E2. MDR–T	Targets set to managematerial impacts, risks and opportunities	SS – Pollution; annex 1	94, 96; 270		
E2–4	Pollution of air, water and soil	Omitted	N/A	*Not applicable: EU Regulation (EC) No 166/2006, which established the European Pollutant Release and Transfer Register, does not apply to SIPEF's operations, as they are located outside the EU.*	
E2–5	Substances of concern and substances of very high concern	Omitted	N/A	*Not material: substances of concern and very high concern were not identified as material in SIPEF's assessment.*	
E2–6	Anticipated financial effects from material pollution–related risks and opportunities	Omitted	N/A	*No material pollution–related risks and opportunities identified, and no material incidents and deposits expected to have negative financial effects. Phase–in for E2–6: anticipated financial effects from pollution–related impacts, risks and opportunities*	

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
ESRS E3 – WATER AND MARINE RESOURCES					
E3. IRO–1	Description of the processes to identify and assess material water and marine resources–related impacts, risks and opportunities	SS – General information	69	*Sustainability matters: water management*	
E3–1	Policies related to water and marine resources	SS – General information, Water management	78, 97		(1)
E3. MDR–P	Policies to manage material impacts, risks and opportunities	SS – General information, Water management	78, 97		
E3–2	Actions and resources related to water and marine resources	SS – Water management	97	*Not material: marine resources are not applicable to SIPEF's operations and were not identified as material.*	
E3. MDR–A	Action plans and resources to manage material impacts, risks and opportunities	SS – Water management	97		
E3–3	Targets related to water and marine resources	SS – Water management; annex 1	98; 270		
E3. MDR–T	Targets set to manage material impacts, risks and opportunities	SS – Water management; annex 1	98; 270		
E3–4	Water consumption	SS – Water management; annex 2	97; 282		(1)
E3–5	Anticipated financial effects from water and marine resources–related impacts, risks and opportunities	Omitted	N/A	*Phase–in for E3–5: anticipated financial effects from water and marine resources–related impacts, risks and opportunities*	
ESRS E4 – BIODIVERSITY AND ECOSYSTEMS					
E4. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – General information, Biodiversity and ecosystems	72, 99	*Sustainability matters: sustainable land use, biodiversity and landscape–level programmes*	
E4. IRO–1	Description of processes to identify and assess material biodiversity and ecosystem–related impacts, risks, dependencies and opportunities	SS – General information, Biodiversity and ecosystems	69, 99		
E4–1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	SS – Biodiversity and ecosystems	99		

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
E4–2	Policies related to biodiversity and ecosystems	SS – General information, Biodiversity and ecosystems	78, 99		(1)
E4. MDR–P	Policies to manage its material impacts, risks and opportunities	SS – General information, Biodiversity and ecosystems	78, 99		
E4–3	Actions and resources related to biodiversity and ecosystems	SS – Biodiversity and ecosystems	99, 106	*Partially omitted: SIPEF does not use biodiversity offsets in its action plan*	
E4. MDR–A	Action plans and resources to manage material impacts, risks and opportunities	SS – Biodiversity and ecosystems	99		
E4–4	Targets related to biodiversity and ecosystems	SS – Biodiversity and ecosystems; annex 1	105, 108; 270	*Partially omitted: SIPEF does not apply ecological thresholds as per ESRS E4–4 definitions. Therefore 32a (i,ii,iii) and 32b are omitted.*	
E4. MDR–T	Targets set to manage material impacts, risks and opportunities	SS– Biodiversity and ecosystems; annex 1	105, 108; 270		
E4–5	Impact metrics related to biodiversity and ecosystems change	SS – Biodiversity and ecosystems; annex 2	100; 282		
E4–6	Anticipated financial effects from material biodiversity and ecosystem–related risks and opportunities	Omitted	N/A	*Phase–in for E4–6: anticipated financial effects from biodiversity and ecosystem–related impacts, risks and opportunities*	
ESRS S1 – OWN WORKFORCE					
S1. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS– General information, Own workforce	72, 112	*Note: no material own workforce–related risks or opportunities were identified by SIPEF and are therefore not disclosed.* *Sustainability matters: working conditions, no exploitation, diversity and gender equality, employee engagement and talent management*	
S1–1	Policies related to own workforce	SS– General information, Own workforce	72, 112		
S1. MDR–P	Policies to manage material impacts, risks and opportunities	SS– General information, Own workforce	72, 112		

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
s1–2	Processes for engaging with own workforce and workers' representatives about impacts	SS – Own workforce, Good business conduct	113, 125, 151		
s1–3	Processes to remediate negative impacts and channels for own workforce to raise concerns	SS – Own workforce, Good business conduct	125, 151		(1)
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	SS – Own workforce	114		
s1. MDR–A	Action plans and resources to manage its material impacts, risks and opportunities	SS – Own workforce	114		
s1–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS – Own workforce; annex 1	119, 121; 270		
s1. MDR–T	Tracking effectiveness of policies and actions through targets	SS – Own workforce; annex 1	119, 121; 270		
s1–6	Characteristics of the undertaking's employees	SS – Own workforce; annex 2	113; 282		
s1–7	Characteristics of non–employees in the undertaking's own workforce	Omitted	N/A	*Phase–in for S1–7: Characteristics of non– employee workers in the undertaking's own workforce*	
s1–8	Collective bargaining coverage and social dialogue	SS – Own workforce	119	*Partially omitted: phase–in for S1–8: Collective bargaining coverage and social dialogue (AR 70)*	
s1–9	Diversity metrics	SS – Own workforce; annex 2	122; 282		
s1–10	Adequate wages	SS – Own workforce	115	*All employees are paid adequate wage, in line with applicable benchmarks*	
s1–11	Social protection	Omitted	N/A	*Phase–in for S1–11: Social protection*	

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
s1–12	Persons with disabilities	Omitted	N/A	*Not material: employment and inclusion of persons with disabilities was not identified as material*	
s1–13	Training and skills development metrics	SS – Own workforce; annex 2	125; 282	*Partially omitted: phase–in for S1–13: Training and Skills Development metrics (83a)*	
s1–14	Health and safety metrics	SS – Own workforce; annex 2	119; 282	*Partially omitted: phase–in for S1–14: Health and safety metrics (88d, 88e)*	(1)
s1–15	Work-life balance metrics	Omitted	N/A	*Phase–in for S1–15: Work life balance metrics*	
s1–16	Remuneration metrics (pay gap and total remuneration)	SS – Own workforce; annex 2	116, 122; 282		(1), (3)
s1–17	Incidents, complaints and severe human rights impacts	SS – Good business conduct	153		(1)
ESRS S2 – WORKERS IN THE VALUE CHAIN					
s2. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – General information, Workers in SIPEF's value chain	72, 126	*Note: no material risks or opportunities related to workers in the value chain were identified by SIPEF and are therefore not disclosed.* *Sustainability matters: secure employment, adequate wages, child labour, health and safety, training and skills development*	
s2–1	Policies related to value chain workers	SS – General information, Workers in SIPEF's value chain	78, 129		(1)
s2. MDR–P	Policies to manage material impacts, risks and opportunities	SS – General information, Workers in SIPEF's value chain	78, 129		
s2–2	Processes for engaging with value chain workers about impacts	SS – Workers in SIPEF's value chain, Good business conduct	128, 151		
s2–3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SS – Workers in SIPEF's value chain, Good business conduct	128, 151		

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
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	SS – Workers in SIPEF's value chain	128		
S2. MDR–A	Action plans and resources to manage its material impacts, risks and opportunities	SS – Workers in SIPEF's value chain	128		
S2–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS – Workers in SIPEF's value chain; annex 1	133, 134; 270		
S2. MDR–T	Targets set to manage material impacts, risks and opportunities	SS – Workers in SIPEF's value chain; annex 1	133, 134; 270		
ESRS S3 – AFFECTED COMMUNITIES					
S3. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – General information, Affected communities	72, 136	*Note: no material risks or opportunities related to affected communities were identified by SIPEF and are therefore not disclosed.* *Sustainability matters: community rights, community development*	
S3–1	Policies related to affected communities	SS – General information, Affected communities	78, 136		(1)
S3. MDR–P	Policies to manage material impacts, risks and opportunities	SS – General information, Affected communities	78, 136		
S3–2	Processes for engaging with affected communities about impacts	SS – Affected communities, Good business conduct	136, 151		
S3–3	Processes to remediate negative impacts and channels for affected communities to raise concerns	SS – Affected communities, Good business conduct	137, 151		

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
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	SS – Affected communities	137		
S3. MDR–A	Action plans and resources to manage its material impacts, risks and opportunities	SS – Affected communities	137		
S3–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Annex 1	280	*Targets have not yet been set for material impacts related to affected communities*	
S3. MDR–T	Targets set to manage material impacts, risks and opportunities	Annex 1	280	*Targets have not yet been set for material impacts related to affected communities*	
ESRS S4 – CONSUMERS AND END–USERS					
S4. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – General information, Consumers and end users	72, 141	*Note: scope excludes end–users as SIPEF supplies raw materials, and does not manufacture or distribute final consumer goods* *Sustainability matters: access to (quality) information, health and safety (consumers)*	
S4–1	Policies related to consumers and end users	SS – General information, Consumers and end–users	78, 141		(1)
S4. MDR–P	Policies to manage material impacts, risks and opportunities	SS – General information, Consumers and end users	78, 141		
S4–2	Processes for engaging with consumers and end users about impacts	SS – Consumers and end users, Good business conduct	141, 151		
S4–3	Processes to remediate negative impacts and channels for consumers and end users to raise concerns	SS – Consumers and end users, Good business conduct	141, 151		

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
S4–4	Taking action on material impacts on consumers and end– users, and approaches to managing material risks and pursuing material opportunities related to consumers and end users, and effectiveness of those actions	SS – Consumers and end users	142		(1)
S4. MDR–A	Action plans and resources to manage its material impacts, risks and opportunities	SS – Consumers and end users	142		
S4–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS – Consumers and end users; annex 1	148; 270		
S4. MDR–T	Targets set to manage material impacts, risks and opportunities	SS – Consumers and end users; annex 1	148; 270		
ESRS G1 – BUSINESS CONDUCT					
G1. GOV–1	The role of the administrative, management and supervisory bodies	CR – Sustainable growth as the foundation of SIPEF's strategy, Sustainability embedded in SIPEF's strategy governance and management structure; CG – Corporate governance structure on 31 December 2025	30, 31; 160		
G1. SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – General information, Good business conduct	72, 150	*Sustainability matters: corporate culture, corruption and bribery*	
G1–1	Business conduct policies and corporate culture	SS – General information, Good business conduct	78, 150		(1)
G1. MDR–P	Policies in place to manage its material impacts, risks and opportunities	SS – General information, Good business conduct	78, 150		
G1–2	Management of relationships with suppliers	Omitted	N/A	*Not material: management of relationships with suppliers was not identified as material*	

DISCLOSURE REQUIREMENT		SECTION	PAGE(S)	ADDITIONAL INFORMATION	REFERENCE TO DATA POINTS FROM OTHER EU LEGISLATIONS
G1–3	Prevention and detection of corruption and bribery	SS – Good business conduct	153		
G1. MDR–A	Action plans and resources to manage its material impacts, risks and opportunities	SS – Good business conduct	150, 153		
G1–4	Incidents of corruption or bribery	SS – Good business conduct	153		(1), (3)
G1–5	Political influence and lobbying activities	Omitted	N/A	*Not material: political influence and lobbying activities was assessed as not applicable, and not material*	
G1–6	Payment practices	Omitted	N/A	*Not material: payment practices was assessed as not applicable, and not material*	

Annex 6 – key stakeholders and engagement approach

STAKEHOLDER	ENGAGEMENT RELEVANCE AND PURPOSE	ENGAGEMENT APPROACH	RESPONSE TO ENGAGEMENT OUTCOMES
AFFECTED STAKEHOLDERS			
Nature	**RELEVANCE:** Nature provides essential resources for cultivation and ecosystem services and influences the health and productivity of plantations. Environmental impacts linked to SIPEF's activities could also affect the Group's reputation. **PURPOSE:** • assessing actual and potential impact on the natural environment • improving environmental practices towards responsible production	Engagement with environmental experts/organisations, who serve as proxies for nature as a key stakeholder. This includes: • **climate and biodiversity experts,** to conduct physical climate and biodiversity impact, dependencies, risks and opportunities assessments, and review SIPEF's climate-related targets • **technical consultants**, who carry out integrated High Conservation Value (HCV)-High Carbon Stock Approach (HCSA) assessments, environmental impact assessments, deforestation and fire monitoring, and biodiversity monitoring (supported by university students) • **science-based conservation organisations**, such as the Zoological Society of London (ZSL), Save the Indonesian Nature and Threatened Species (SINTAS) Indonesia, Borneo Futures, and Force for Nature, which have provided technical support to the SIPEF Biodiversity Indonesia programme (SBI), including training on monitoring, ranger capacity building, and the development of citizen science initiatives to support biodiversity monitoring across estates • **environmental Non-Governmental Organisations (NGOs)**, to gather information on the latest sustainable agricultural practices, through participation in Roundtable on Sustainable Palm Oil (RSPO) working groups, meetings at RSPO annual conferences, and desktop research	• Climate and biodiversity assessment results have informed SIPEF's double materiality analysis and the development of the Group's climate transition plan. • Assessment and monitoring findings by technical consultants inform SIPEF's due diligence on its no deforestation, no peat, and no exploitation commitment (NDPE), as well as management plans for conservation areas. • Training and support from ZSL and SINTAS have been utilised to improve tiger monitoring at SBI. • Key publications and studies by NGOs help inform the materiality of sustainability matters. • Monitoring of key indicator species will be strengthened to improve understanding of biodiversity and its interactions with operations. • Citizen science initiatives, supported by partners such as Borneo Futures, are being utilised to establish biodiversity baseline data and strengthen monitoring across estates and the SBI programme, while engaging staff and stakeholders. • Training and capacity building for rangers, delivered with conservation partners, strengthen essential field skills and enhance day-to-day engagement on environmental, health, safety, and social issues. • Engagement with local and international universities supports biodiversity research and knowledge development.

<table>
<tr><th>STAKEHOLDER</th><th>ENGAGEMENT RELEVANCE AND PURPOSE</th><th>ENGAGEMENT APPROACH</th><th>RESPONSE TO ENGAGEMENT OUTCOMES</th></tr>
<tr><td>Employees</td><td>RELEVANCE:
SIPEF’s workforce is the driving force behind its success and central to its operations and the successful implementation of its strategy.

PURPOSE:
• ensure compliance with human and labour rights policies
• address employee needs and grievances through structured mechanisms
• engage staff on workplace rights, well-being, and fair treatment
• provide essential services, such as housing, healthcare, and education
• promote sustainability awareness and responsible workplace practices</td><td>Direct engagement with employees, or indirect engagement via trade unions and social experts/ organisations which serve as proxies. This includes:
• risk assessments and training programmes, covering health and safety, sustainability, Best Management Practices, and policy implementation to ensure compliance and continuous improvement
• trade unions, through annual, quarterly, and ad-hoc meetings to discuss collective bargaining agreements, wages, and working conditions
• annual appraisals, to provide employees with performance evaluations, feedback, and development opportunities to support career growth
• social experts, for assistance with addressing grievances, evaluating gaps in labour practices, and improving relevant policies
• social NGOs and academic institutions, to gather insights on leading frameworks and best practices through desktop research
• SIPEF’s grievance mechanism, which employees can engage directly with, through accessible channels, to raise grievances or provide feedback</td><td>• Health and safety risk assessments inform management plans, as well as training content and frequency.
• Feedback from trade union meetings is reviewed by human resources departments in each country of operation, with actions taken to align agreements and workplace conditions.
• Grievances, and any corresponding recommendations from social experts, shape action plans. Past and ongoing grievances have also contributed to SIPEF’s double materiality analysis.
• Desktop research findings help determine the materiality of sustainability matters.</td></tr>
</table>

STAKEHOLDER	ENGAGEMENT RELEVANCE AND PURPOSE	ENGAGEMENT APPROACH	RESPONSE TO ENGAGEMENT OUTCOMES
Smallholder suppliers	**RELEVANCE:** Smallholders contribute significantly to SIPEF's fresh fruit bunch (FFB) supply and global palm oil production. They ensure a stable supply chain and have the potential to enhance the overall social, environmental, and economic sustainability of the palm oil sector. **PURPOSE:** • support smallholders to improve their production and livelihoods, and integrate sustainability practices with the aim to achieve RSPO certification • engage smallholder suppliers in Best Management Practices around optimising yields, soil health, correct pesticide use, and biodiversity protection	Engagement with smallholders, primarily through SIPEF's smallholder departments and sustainability teams in Indonesia and Papua New Guinea. This includes: • **smallholder programmes**, through which SIPEF conducts training, shares Best Management Practices, supplies seedlings, fertiliser, and equipment, supports smallholders with RSPO certification, and offers agronomic and logistical assistance • **monitoring and audits**, carried out internally and by third parties, ensure compliance with supplier requirements, including no deforestation and RSPO certification • **a local planning committee**, comprising Hargy Oil Palms, a local government body, and research and smallholder representative organisations, coordinates research and development, agronomic services, training, and community development support for smallholders	• Assessment and monitoring findings support SIPEF's due diligence on Responsible Purchasing Policy implementation, including smallholder compliance with RSPO certification and SIPEF's NDPE commitment. This process involves ongoing dialogue, with outcomes communicated back to smallholders through the smallholders' departments. • Local planning committee meetings facilitate engagement and collaboration between key stakeholders within the industry, leading to initiatives such as streamlining land title transfers, improving law and order, and implementing community-focused social programmes to support sustainable development and livelihoods.

<table>
<tr><th>STAKEHOLDER</th><th>ENGAGEMENT RELEVANCE AND PURPOSE</th><th>ENGAGEMENT APPROACH</th><th>RESPONSE TO ENGAGEMENT OUTCOMES</th></tr>
<tr><td>Affected communities</td><td>RELEVANCE:
Local communities can be directly impacted by operations through land use, environmental changes, employment opportunities, and social dynamics. Engagement strengthens social licence to operate, reduces conflicts, and enables targeted support.

PURPOSE:
• understand and address community grievances and concerns
• understand and support needs related to employment and community development</td><td>Direct engagement with communities through community engagement departments, or via social experts and organisations, which serve as proxies. This includes:
• social experts and licenced assessors, engaged to guide SIPEF's Free, Prior, and Informed Consent (FPIC) processes with communities, ensuring transparent and inclusive decision-making prior to any new land development
• internal and external social experts, who carry out social impact assessments to evaluate and address the effects of operations on communities
• community programmes, supporting local development, well-being, and economic empowerment
• social NGOs and academic institutions, engaged to gather insights on leading frameworks and best practices through desktop research
• SIPEF's grievance mechanism, which communities can engage directly with, through accessible channels, to raise grievances or provide feedback</td><td>• Management plans are developed based on the results of social impact assessments.
• Integrated conservation land use plans are informed by FPIC results, and no new land is developed without the consent of affected communities.
• Confirmed grievances are followed up by action plans to address them. Past and ongoing grievances have also contributed to SIPEF's double materiality analysis.
• Desktop research findings help determine the materiality of sustainability matters.</td></tr>
<tr><td>Consumers</td><td>RELEVANCE:
Consumers shape demand, particularly in SIPEF's key markets, the European Union (EU) and United Kingdom (UK), where quality and sustainability expectations are high.

PURPOSE:
Understand evolving market expectations on food safety, quality, and sustainability standards</td><td>Insights on consumer concerns are gathered through customers who act as proxies, as SIPEF operates upstream and does not produce consumer goods, or market directly to consumers.</td><td>Since 2022, SIPEF has increased its focus on quality, particularly food safety, as part of its broader business strategy. This shift addresses various industry priorities, including consumer health concerns about contaminants in palm oil.</td></tr>
</table>

STAKEHOLDER	ENGAGEMENT RELEVANCE AND PURPOSE	ENGAGEMENT APPROACH	RESPONSE TO ENGAGEMENT OUTCOMES
USERS OF ANNUAL REPORT AND OTHER KEY STAKEHOLDERS			
Customers	**RELEVANCE:** Customers are critical to SIPEF's business as they purchase its products and set requirements for certification and purchasing policies. **PURPOSE:** • understand customer needs and expectations • communicate developments in quality and sustainability across SIPEF's production practices and products • collaborate on pilot projects to test innovative solutions to shared challenges	Direct engagement with customers through the marketing department, fruits department, and sustainability teams. This includes: • **customer meetings**, to align on expectations, requirements, and sustainability commitments • **environmental, social, and governance (ESG) questionnaires**, that assess SIPEF's compliance with customer policies • **knowledge exchange**, through meetings with customers' sustainability teams, to share best practices and industry developments • **desktop research**, including policy reviews, sustainability reports, and websites, to gather insights and benchmark customer priorities	• Customer requirements and priorities have contributed to SIPEF's strategy to focus on high-quality, sustainable, traceable, and certified palm oil. • Engagement and feedback from customers prepare SIPEF for new and emerging market trends. • Desktop research and benchmark results have informed the validation process of SIPEF's double materiality assessment.
Peers	**RELEVANCE:** Peers can indicate the benchmarks for sustainability already being set for the industry. **PURPOSE:** • benchmark sustainability performance to align with industry standards • exchange knowledge and best practices to drive continuous improvement	Direct and indirect engagement through: • **knowledge exchange**, via meetings with customers' sustainability teams, to share best practices and industry developments • **desktop research**, including policy reviews, sustainability reports, and websites, to gather insights and benchmark priorities	Desktop research findings and benchmark results have supported the identification and prioritisation of the materiality of sustainability matters.

STAKEHOLDER	ENGAGEMENT RELEVANCE AND PURPOSE	ENGAGEMENT APPROACH	RESPONSE TO ENGAGEMENT OUTCOMES
Shareholders and investors	**RELEVANCE:** Shareholders and investors contribute to the financial foundation for SIPEF's business and set key requirements that shape its policies and strategic decisions. **PURPOSE:** • share updates on SIPEF's strategy, business, and financial and sustainability performance • build trust through open dialogue, disclosure, and transparency • understand expectations on financial and sustainability performance	Direct engagement with SIPEF's main shareholder, Ackermans & van Haaren (AvH), including: • **regular meetings and workshops**, organised by AvH and involving the sustainability team and their other participations, featuring retrospective and forward-looking sessions focused on ESG topics, as well as ESG workshops. • **environmental, social, and governance questionnaire and annual ESG meeting**, to review SIPEF's sustainability progress in relation to shareholder expectations and requirements • **board representation**, providing SIPEF with strategic direction Engagement with other shareholders and banks: • **financial and sustainability reporting**, including interim reports, and the Integrated Annual Report (IAR) • **environmental, social, and governance questionnaires**, from banks to assess SIPEF's performance and compliance with their requirements • **roadshows and analyst meetings**, to engage with investors and provide financial and strategic updates • **website**, as a resource for financial and ESG-related disclosures	• Requirements and feedback have influenced policy development, reporting, and strategic direction. • Knowledge sharing and workshops have contributed to the development of SIPEF's double materiality methodology. • Discussions and ESG questionnaires have informed the materiality assessment of sustainability matters.

STAKEHOLDER	ENGAGEMENT RELEVANCE AND PURPOSE	ENGAGEMENT APPROACH	RESPONSE TO ENGAGEMENT OUTCOMES
Governments and regulatory bodies	**RELEVANCE:** Governments and regulatory bodies set legal requirements that SIPEF must comply with. **PURPOSE:** • compliance with international, national, and local regulations • collaborate on infrastructure, service development, smallholder capacity-building initiatives, and conservation efforts	• SIPEF prepares for site inspections by authorities and submits reports in compliance with government regulations in the jurisdictions where it operates and supplies its products. • SIPEF engages with local authorities and ministries to contribute to public service projects.	• SIPEF consistently ensures compliance with all applicable laws and regulations while proactively incorporating feedback from relevant government representatives when provided. • SIPEF regularly reports compliance to the relevant authorities.
Multi-stakeholder initiatives and standards	**RELEVANCE:** Multi-stakeholder initiatives and certification schemes bring stakeholders together, and define sustainability standards and requirements for Best Management Practices. They also play a key role in providing access to the markets served by SIPEF, and facilitate multi-stakeholder knowledge exchange and best practice sharing. **PURPOSE:** • understand and contribute to the development of sustainability standards • share best practices and collaborate to improve industry-wide adherence • ensure compliance through certification audits • promote the production and use of certified sustainable palm oil	SIPEF engages directly through: • **RSPO membership**, including participation in the Biodiversity and High Conservation Values Working Group, Standard Setting Committee, Jurisdictional Approach Working Group, Compensation Task Force, No Deforestation Joint Steering Group, and Living Wage Task Force • **representation on the RSPO Board of Governors**, holding a seat on behalf of rest-of-the-world growers • **RSPO Annual Communication of Progress (ACOP)**, reporting on sustainability commitments and progress • **compliance audits**, both internal and external, for RSPO, Rainforest Alliance, Fairtrade, GLOBALG.A.P., International Sustainability and Carbon Certification (ISCC), and Indonesian Sustainable Palm Oil (ISPO) • **membership of other multi-stakeholder initiatives**, such as the Tropical Forest Alliance (TFA), High Conservation Value Network (HCVN), and Palm Oil Collaboration Group (POCG)	• SIPEF staff with representation roles within RSPO inform internal decision-makers about best practices, solutions, and amendments or new certification requirements that the Group must implement or prepare for. • SIPEF staff participating in working groups or committees are responsible for representing the Group's views and expectations. • The criteria of the standards SIPEF complies with, shape its sustainability management system, policies, due diligence processes, and ESG practices.

STAKEHOLDER	ENGAGEMENT RELEVANCE AND PURPOSE	ENGAGEMENT APPROACH	RESPONSE TO ENGAGEMENT OUTCOMES
Research and development	**RELEVANCE:** Research and development drives innovation, validates Best Management Practices, shapes industry standards, and can support SIPEF's ambitions for sustainability, quality, production efficiency, and long-term resilience. **PURPOSE:** • access to the latest innovative solutions that contribute to improving productivity and quality • collecting information on best industry practices and upcoming trends	SIPEF engages directly through: • **investment in research and development partner**, Verdant Bioscience Pte Ltd, developing F_1 Hybrid crosses designed for high yields in changing rainfall patterns and marginal soils impacted by climate change • **engagement of innovation and technology solution providers**, to identify, set up, and help implement carbon sequestration and specific, measurable, achievable, relevant, and time-bound agriculture solutions	Trial results and scientific research inform the feasibility of SIPEF's long-term strategy and plans, which include a focus on production efficiency, operational excellence, and resilience to changing environmental conditions.
Benchmark and rating organisations	**RELEVANCE:** These organisations conduct sustainability benchmark assessments or ratings that evaluate company transparency and sustainability practices. The results could have potential impacts on reputation and investor appeal for SIPEF. **PURPOSE:** Understand and align with stakeholder expectations on sustainability performance	SIPEF is evaluated by, and responds to, rating agencies and benchmark organisations on an annual basis, based on publicly available information and SIPEF's submissions. These include: • **SPOTT** • **Forest 500** • **CDP: forests and climate change**	• Gap analyses identify sustainability, policy, and reporting gaps. Updates to reporting, policies, and action plans are made based on feasibility. • Assessment results are also reviewed by management alongside past performance and industry peer comparisons.
External experts	**RELEVANCE:** These are external experts engaged by SIPEF to carry out sustainability related assessments, provide specialised expertise, and support the Group in strengthening its sustainability performance. Their work can influence how SIPEF is positioned in relation to stakeholder expectations and industry practices. **PURPOSE:** To obtain expert guidance and technical inputs that help SIPEF improve its sustainability approach	These experts are engaged through specific contracts, assignments, and collaborations, including: • **policy development** • **policy implementation** • **risk assessments**	Inputs and recommendations support the development and improvement of the sustainability management system.

Other information about the Company

Term

The Company exists for an indefinite term.

Capital

Subscribed capital

SIPEF has been granted official approval from the Federal Public Service (FPS) Economy, as from 1 January 2016, to keep its accounts and draw up its financial statements in US dollars (USD), the functional currency of SIPEF.

At 31 December 2025, the fully paid-up registered capital was USD 44 733 752.04. It is represented by 10 579 328 shares without nominal value.

All shares representing the capital have the same rights.

Each share gives the right to one vote. SIPEF has issued no other categories of shares, such as shares without voting rights or preferential shares.

Authorised capital

The extraordinary general meeting of 14 June 2023 passed a resolution to extend by five years the authorisation granted to the board of directors to installments increase the capital on one or more occasions, by an amount of USD 44 733 752.04, according to the terms stipulated in the Articles of Association.

That authorisation is valid for a period of five years, from 24 July 2023, the date of publication in the Appendices to the Belgisch Staatsblad, up to and including 23 July 2028.

The extraordinary general meeting of 14 June 2023 further decided that, if the Company receives an announcement from the Financial Services and Markets Authority (FSMA) that it has been informed of a public bid to acquire the shares of the Company, in accordance with article 7:202 §2, 2° of the Companies Code, the board of directors can only use its authorisation with regard to the authorised capital, if this notification is made no later than three years after the date of this extraordinary general meeting, being from 14 June 2023 up to and including 13 June 2026.

At 31 December 2025, the fully authorised capital was USD 44 733 752.04.

Based on this amount, no more than 10 579 328 new shares can be issued.

Treasury shares

The extraordinary general meeting of 14 June 2023 renewed for a period of five years the authorisation given to the board of directors, as a result of which the board, with due consideration for the legal provisions, may obtain a maximum number of 2 115 865 own shares being 20% of the issued capital, according to the modalities specified in the Articles of Association.

That authorisation is valid for a period of five years from 24 July 2023, the date of publication in the Appendices to the Belgisch Staatsblad, up to and including 23 July 2028.

This extraordinary general meeting also renewed the authorisation granted to the board of directors to obtain own shares, if this purchase is necessary to avoid an imminent serious disadvantage for the Company. That authorisation is valid for a period of three years from 24 July 2023, the date of publication in the Appendices to the Belgisch Staatsblad, up to and including 23 July 2026.

The purchase and sale of own shares in 2025 are described in note 22 of the consolidated financial statements in this Integrated Annual Report (IAR).

At 31 December 2025, SIPEF owns 128 786 treasury shares (1.22% of the total number of outstanding shares) which are reserved for the exercise of granted and not yet exercised options.

Documents available to the public

Access to the information for the shareholders and website

SIPEF has a website where shareholders can access all information about the Company.
www.sipef.com

The Company website is regularly updated and contains the information required under the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market and the Companies Code.

The website also contains the financial statements and annual reports, all press releases published by the Company, and all useful and necessary information on the general meetings and the participation of the shareholders in these meetings, particularly the conditions provided by the Articles of Association for the convening of the (ordinary and extraordinary) general meetings of the shareholders.

The results of the votes and the minutes of the general meetings are also published on the website.

Places where documents accessible to the public can be consulted

The coordinated Articles of Association of the Company can be inspected at the Registry of the Commercial Court in Antwerp, at the Company's registered office and on its website.
www.sipef.com/hq/investors/shareholders-information/ corporate-governance

The annual financial statements are deposited with the National Bank of Belgium and can be consulted on the website of SIPEF.

The resolutions concerning the appointment and the removal of the members of the executive bodies of the Company are published in the Appendices to the Belgisch Staatsblad.

The financial notices of the Company are published in the financial press. Other documents available for public inspection can be consulted at the Company's registered office.

The annual report of the Company is sent each year to registered shareholders and to everyone who has expressed a wish to receive the report. It is available free of charge at the registered office.

The annual reports of the three most recent financial years and all other documents mentioned in the paragraph can be consulted on the Company's website.

Glossary

GENERAL

3-monochloropropane-1,2-diol (3-MCPD) -- A process contaminant that can form in heat-processed, fat-containing foods from glycerol or acylglycerides in the presence of chloride ions. 3-monochloropropane-1,2-diol esters (3-MCPDEs) are the esterified forms of 3-MCPD that are formed during the same processing conditions.

Best Management Practices -- Standardised operational practices designed to optimise productivity while minimising environmental and social impacts, in line with sustainability standards.

Bialla Oil Palm Grower Association (BOPGA) -- An association that supports smallholders and out-growers in oil palm growing regions.

Biochemical oxygen demand (BOD) -- The amount of oxygen needed by bacteria and microorganisms in an aerobic environment to decompose organic matter. Testing for BOD is done to assess the amount of organic matter in water.

Bursa Malaysia Derivatives Exchange (MDEX) -- The palm oil quote at the MDEX is the global leader in price discovery for palm oil. It is a leading pricing mechanism used to determine prices locally as well as overseas. To convert an MDEX quote to a cost, insurance, and freight (CIF) European port price, the prevailing export tax and the corresponding sea freight costs are added.

Chemical oxygen demand (COD) -- The amount of oxygen required to chemically oxidise contaminants in a given volume of water. It is used to measure the level of oxidisable pollutants in surface water and wastewater.

Corporate Sustainability Reporting Directive (CSRD) -- A European Union (EU) legislation that replaces the Non-Financial Reporting Directive (NFRD) and significantly expands and strengthens sustainability reporting requirements. It requires in-scope companies to report annually in accordance with the European Sustainability Reporting Standards (ESRS) and to obtain independent assurance over the reported information.

Cost, insurance, and freight (CIF) Rotterdam -- The selling price to cover all costs including insurance, and freight up to the port of destination, which is Rotterdam in this case. The buyer will pay for the goods delivered in Rotterdam. The CIF Rotterdam price is a worldwide reference in the palm oil market.

Crude palm kernel oil (CPKO) -- An edible plant oil derived from the kernel of the oil palm.

Crude palm oil (CPO) -- An edible oil which is extracted from the pulp of the fruit of the oil palm.

Double materiality -- A reporting principle that looks at both how sustainability issues affect a company's financial performance and how the company affects people and the environment. It is required under the CSRD and helps companies identify what is material to report.

Empty fruit bunches (EFB) -- The fibrous remains of fresh fruit bunches (FFB) after the fruit has been removed for palm oil pressing.

Environmental impact assessment -- A process used to assess the potential environmental effects of a proposed project. Conducting an environmental impact assessment is a requirement under the Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria (P&C).

EU Taxonomy -- This regulation determines which investments can be classified as 'green' and which contribute to the realisation of the EU Green Deal. The classification is based on Technical Screening Criteria (TSC) and minimum criteria for the avoidance of significant harm ('do no significant harm' or 'DNSH').

European Union Deforestation Regulation (EUDR) -- A regulation introduced by the EU aimed at preventing deforestation and forest degradation linked to products sold in the EU market. It requires companies to ensure that certain commodities are not sourced from land that was deforested or degraded.

Ex-mill gate selling price -- The price at which crude palm oil is sold directly from the mill, excluding transport and additional costs.

Fairtrade -- Internationally recognised and trusted sustainability label working to make trade fairer for the people who grow our food.

F_1 Hybrid (oil palm) -- First generation hybrid varieties designed for higher yield and resilience.

Free fatty acids (FFA) -- These are found in palm oil, as well as in other edible oils. The main FFA in palm oil are palmitic and oleic acids. The quality and market value of crude palm oil depend largely on its FFA content at the time of shipment.

Free on board (FOB) -- This is the selling price indicating that the seller pays for the transportation of the goods to the port of shipment plus loading costs. The buyer pays, in addition to the goods, the cost of freight, insurance, unloading, and transportation from the port of arrival to the final destination.

Free, Prior, and Informed Consent (FPIC) -- This principle is applied in sustainability standards to Indigenous peoples and other local communities with customary or legitimate tenure or use rights. It enables affected rights-holders to give or withhold consent to a project or activity that may affect them, their lands, territories, or resources. Free, Prior, and Informed Consent is recognised under international human rights law as a specific collective right of Indigenous peoples, notably in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

Fresh fruit bunches (FFB) -- Bunches of fruits harvested from oil palm trees and transported to a palm oil mill for processing. The mill process extracts the palm oil from the flesh of each individual piece of fruit on the bunch.

GeoSIPEF -- SIPEF's digital platform for tracking production locations, certified product volumes, and environmental monitoring.

GlobalG.A.P. -- Internationally recognised farm certification programme that translates consumer requirements into good agricultural practices among multiple retailers and their suppliers.

Glycidyl esters (GE) -- These are contaminants formed during food production and preparation at high temperatures.

H1 food-grade lubricants -- Lubricants that are safe for incidental food contact in processing machinery.

Hazard Analysis and Critical Control Point (HACCP) -- This certification is an internationally recognised, preventive food safety management system that identifies, evaluates, and controls hazards (biological, chemical and physical) throughout food production.

***Hak Guna Usaha* (HGU)** -- A cultivation licence issued by the Indonesian Government.

Halal certification -- Certification confirming that products and production processes comply with Islamic dietary laws and recognised halal standards.

High Carbon Stock Approach (HCSA) -- A methodology used to distinguish between forest areas that should be conserved and degraded land with low carbon and biodiversity values that may be developed. The methodology was developed with the aim of ensuring a widely accepted practical, transparent, robust, and scientifically credible approach to implement commitments to halt deforestation in the tropics, while ensuring the rights and livelihoods of local peoples are respected.

High Conservation Value (HCV) -- The HCV concept was originally developed by the Forest Stewardship Council (FSC) in 1999 for use in forest management certification. In 2005, the HCV Network (HCVN, formally HCV Resource Network) was established, and the scope was widened from 'HCV forest' to 'HCV area'. It is now a keystone principle of sustainability standards for palm oil, soy, sugar, biofuels, and carbon, as well as being widely used for landscape mapping, conservation, and natural resource planning and advocacy.

Identity Preserved (IP) -- A supply chain model in which RSPO certified palm oil remains physically segregated from non-certified palm oil at every stage, ensuring full traceability to a specific certified mill and its supply base.

Indonesian Sustainable Palm Oil (ISPO) -- A mandatory government certification scheme introduced by the Indonesian Government through the Ministry of Agriculture. The ISPO aims to ensure that palm oil production in Indonesia complies with national laws and regulations, supports environmental sustainability, and improves the competitiveness of Indonesian palm oil in international markets.

Landscape approach -- A collaborative, multi-stakeholder strategy designed to reconcile competing land uses and promote sustainable outcomes within a defined geographical area, by balancing environmental, social, and economic objectives.

Integrated pest management (IPM) -- An ecosystem approach to crop production that combines different management strategies and practices to grow healthy crops and minimise the use of pesticides.

International Sustainability and Carbon Certification (ISCC) -- An independent scheme that verifies that biomass and bio-based products meet sustainability and greenhouse gas (GHG) emission standards, protect high-carbon and high-biodiversity land, promote good agricultural practices, and respect human, labour, and land rights.

Lost time injury frequency rate (LTIFR) -- Safety performance metric used to measure the frequency of workplace injuries that result in lost workdays.

Mass Balance (MB) -- A supply chain model that permits the blending of RSPO certified and non-certified palm oil, as long as the volume of certified palm oil sold corresponds to the volume purchased.

Maximum residue levels (MRL) -- Regulatory limits on pesticide residues allowed in food products.

Mineral oil aromatic hydrocarbons (MOAH) -- A group of mineral oil compounds that contain aromatic rings, including mono- and poly-aromatic hydrocarbons. These may pose health risks, such as potential carcinogenic effects.

Mineral oil saturated hydrocarbons (MOSH) -- A group of mineral oil compounds consisting of saturated hydrocarbons, such as alkanes and cycloalkanes. Mineral oil saturated hydrocarbons can be present in packaging materials and industrial products and can accumulate in the liver and lymphoid tissue, where they have been associated with inflammatory effects.

NACE codes -- A European industry standard classification system used to categorise economic activities.

No deforestation, no peat, and no exploitation (NDPE) -- A sustainability commitment in the palm oil and other commodity sectors aimed at eliminating deforestation, peatland development, and exploitation of people and communities from supply chains. No deforestation, no peat, and no exploitation policies require producers to conserve natural forests, avoid planting on organic soils of any depth, and respect human rights, including the rights of workers, Indigenous peoples, and local communities.

Occupational health and safety (OHS) -- Standards, practices, and systems put in place to ensure the well-being, health, and safety of workers across palm oil operations.

Oil Palm Industry Corporation (OPIC) -- An association that supports smallholders and out-growers in oil palm growing regions.

Oil Palm Research Association (OPRA) -- An association that delivers extension services and research and development support to smallholders.

Palm Oil Collaboration Group (POCG) -- A multi-stakeholder initiative focused on promoting collaboration, innovation, and continuous improvement in sustainable palm oil production.

Palm kernel (PK) -- The edible seed of the oil palm fruit.

Palm kernel oil (PKO) -- An edible vegetable oil derived from the kernel of the oil palm fruit.

Palm oil mill effluent (POME) -- Wastewater generated from palm oil milling activities. With its high organic content, POME is a source with great potential for biogas production and/or composting.

Participatory land-use planning -- A land-use planning process that actively involves local communities and stakeholders in decision-making.

Personal protective equipment (PPE) -- Equipment worn to minimise exposure to workplace hazards, such as gloves, goggles, helmets, and masks.

PROPER *(Program Penilaian Peringkat Kinerja Perusahaan Dalam Pengelolaan Lingkungan Hidup)* -- An environmental performance rating programme led by Indonesia's Ministry of Environment and Forestry to assess and improve the environmental performance of companies.

Rainforest Alliance -- An international non-profit that promotes responsible business in agriculture and forestry by certifying companies and working with farmers, communities, and consumers to help people and nature thrive together.

Roundtable on Sustainable Palm Oil (RSPO) -- A non-profit global certification scheme that unites stakeholders from the palm oil industry: palm oil producers, processors or traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organisations (NGOs), to develop and implement global standards for sustainable palm oil. The RSPO has developed a set of environmental and social criteria, with which companies must comply in order to produce Certified Sustainable Palm Oil (CSPO).

RSPO New Planting Procedure (NPP) -- This procedure sets out a framework for the responsible development of new oil palm plantations. It requires assessments and verification by growers and certification bodies before planting begins, ensuring that new developments do not harm primary forests, HCV and and High Carbon Stock (HCS) areas, fragile soils, or local communities' land, and that the relevant RSPO Principles and Criteria (P&C) are implemented.

RSPO Remediation and Compensation Procedure (RaCP) -- An RSPO mechanism that sets out the requirements and steps companies must follow to remediate and compensate for land clearance carried out in violation of RSPO sustainability standards.

Sedex -- Being Sedex-certified means that a company or organisation has undergone an ethical and social compliance assessment, which is based on the Sedex Members Ethical Trade Audit (SMETA) or similar ethical auditing standards.

Segregated (SG) -- A supply chain model where RSPO certified palm oil products are kept separate from non-certified palm oil throughout the supply chain, while permitting the mixing of certified products from different certified sources.

Smallholders -- Smallholders are individual farmers or farmer groups who own or manage small-scale oil palm plots either through company-managed schemes or as independent suppliers.

Social impact assessment -- Systematic process of identifying, evaluating, and managing the positive and negative social effects, both intended and unintended, of planned interventions such as policies, programmes, or projects, and any resulting social changes caused by those interventions.

Total suspended solids (TSS) -- The dry weight of suspended particles in a sample of water that can be trapped by a filter.

Responsible persons

Responsibility for financial information

Petra Meekers
Managing director

Bart Cambré
Chief financial officer

Declaration of the persons responsible for the financial statements and for the management report

Luc Bertrand, chairman, and Petra Meekers, managing director, declare that, to their knowledge:

- the consolidated financial statements for the financial year ended on 31 December 2025 were drawn up in accordance with the International Financial Reporting Standards (IFRS) and provide an accurate picture of the consolidated financial position and the consolidated results of the SIPEF group and its subsidiary companies that are included in the consolidation.

- the financial report provides an accurate overview of the main events and transactions with affiliated parties, which occurred during the financial year 2025 and their effects on the financial position, as well as a description of the main risks and uncertainties for the SIPEF group.

Statutory auditor

EY Bedrijfsrevisoren BV

Represented by
Christoph Oris,
Borsbeeksebrug 26
2600 Antwerp (Berchem)
Belgium

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Dit Geïntegreerd Jaarverslag is ook verkrijgbaar in het Nederlands.

Translation: this Integrated Annual Report (IAR) is available in Dutch and English. The Dutch version is the original; the other language version is a free translation. We have made every reasonable effort to avoid any discrepancies between the different language versions. However, should such discrepancies exist, the Dutch version will take precedence.

The official IAR of the SIPEF group in European Single Electronic Format (ESEF) format can be found on the SIPEF website, under the section 'investors'. All other formats are considered to be unofficial versions of the IAR.

Concept and realisation: Focus advertising

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Portraits of the chairman, the members of the board of directors and the members of the executive committee © Sebastiaan Franco – images of employees, estates, plantations, and products © Jez O'Hare Photography, © Adrian Tan Photography, © Marc Adou and © Robert Weber, © Focus Advertising.

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An oil palm seedling being carefully planted at a nursery in Papua New Guinea.

www.sipef.com

SIPEF