



RESTU SEJATI
Cloves & Leaf Agent

2025 SUSTAINABILITY REPORT



About This Report

This Sustainability Report for 2025 presents Restu Sejati's progress and performance in managing key environmental, social, and governance (ESG) aspects, with a continued focus on Governance, Human & Labor Rights, and Crop Management. The report covers the Company's tobacco and clove operations in Indonesia, providing transparent information on its sustainability practices and ongoing efforts to support responsible agricultural operations and long-term value creation.



www.restusejati.com

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Program Scope Clarification (STP definition)

Restu Sejati's sustainability initiatives are implemented under the Sustainable Tobacco Program (STP), which historically originated in tobacco operations. As the Company expanded its sustainability practices across other agricultural commodities, including clove, the STP framework has been applied consistently to all partner farmers.

The term STP is therefore used as the name of the Company's sustainability framework rather than being limited to a specific crop. Program principles, requirements, and monitoring mechanisms are implemented across tobacco and clove supply chains with adjustments reflecting crop-specific characteristics.



Reporting Approach

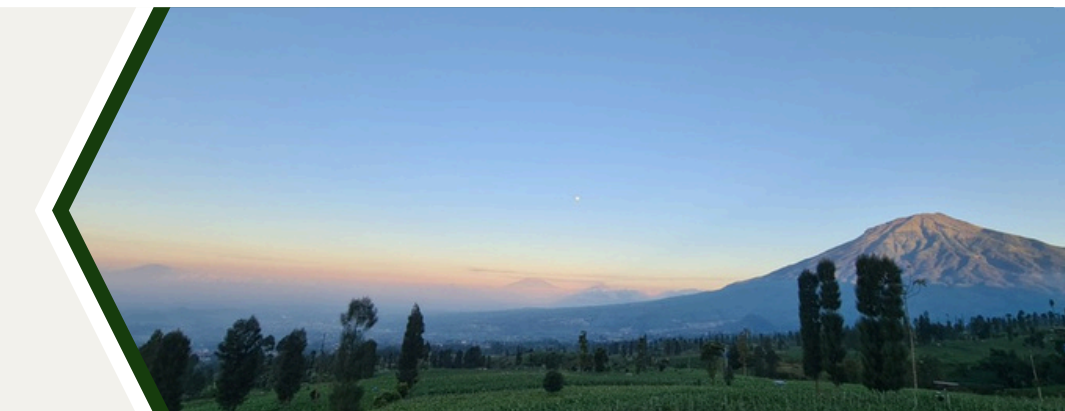
This Sustainability Report for 2025 is prepared in accordance with the Global Reporting Initiative (GRI) Standards, Core option. Material topics were identified through stakeholder engagement and internal assessment of the Company's impacts and operational context.

The Company applies relevant GRI reporting principles to ensure the information disclosed is accurate, balanced, and aligned with identified sustainability priorities.



Scope and Boundary

This report covers Restu Sejati's sustainability performance across its core tobacco and clove operations in Indonesia, including governance, social and labor practices, and environmental management across the supply chain.



Assurance

This Sustainability Report has been prepared through an internal review process involving relevant management functions to improve the accuracy, consistency, and reliability of the information presented. Restu Sejati is committed to continuously strengthening its sustainability data management and reporting practices and will consider obtaining independent external assurance in future reporting periods.





Letter from the Board of Directors

Sustainability is no longer an optional initiative—it is a fundamental element of how Restu Sejati manages risk, safeguards supply continuity, and strengthens long-term partnerships with farmers, customers, and communities.

As an agribusiness operating within the tobacco and clove value chain, we recognize our responsibility to address environmental challenges, protect human rights, and ensure ethical business practices while maintaining product quality and reliability. Climate variability, water availability, labor practices, and regulatory developments increasingly shape the future of our sector.

In 2025, Restu Sejati continues to strengthen its Sustainability Tobacco Program (STP), integrating sustainability considerations more deeply into operational decision-making, risk management, and farmer engagement. We remain committed to transparency, continuous improvement, and collaboration with all stakeholders.

This report reflects our progress, challenges, and priorities as we move forward on our sustainability journey.

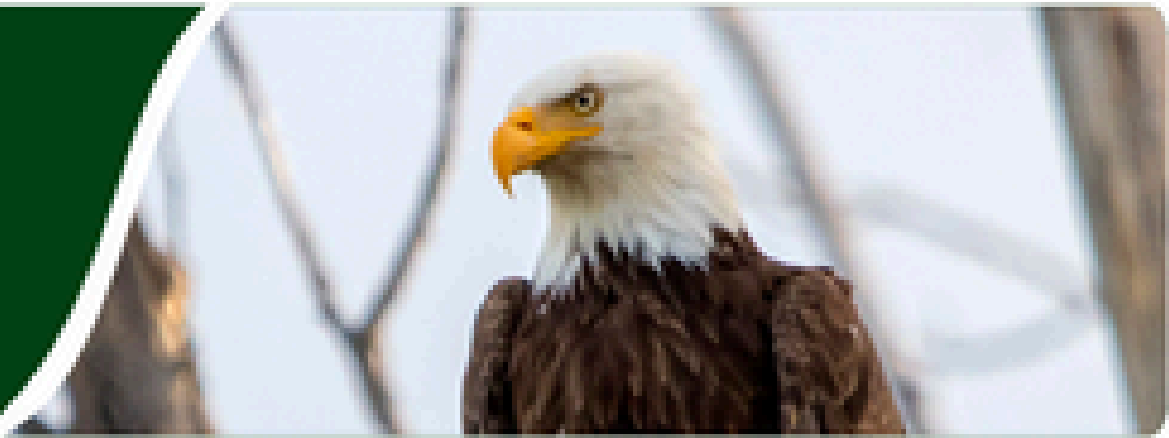


Taufan Sebastian Suharsono
President Director





About Us



Restu Sejati is an Indonesian agribusiness company with a long-standing history in the tobacco supply chain, beginning in 1951 and expanding into clove sourcing and broader agricultural activities over subsequent generations.

Our operations are built on strong partnerships with farmers, supported by traceability systems, agronomic guidance, and sustainability programs designed to enhance productivity, quality, and resilience while safeguarding environmental and social values.



Our Vision

To become Indonesia’s fastest-growing and most reliable sustainable agriculture company through professionalism and continuous innovation.



Our Mission

To deliver superior agricultural products and services that exceed customer expectations through continuous improvement, innovation, and sustainable business practices.



RESTU AT GLANCE

More than 1,000
FARMERS PARTNERSHIP

9 TOBACCO PLANTING AREAS

8 CLOVE PLANTING AREAS

62 AVERAGE FARMER PER
FIELD TECHNICIAN

100% TRACEABLE PRODUCT

100% FARMER MONITORING ON
SUSTAINABILITY PROGRAM



Materiality Assessment Process

Restu Sejati determines its material topics through a structured, impact-based assessment based on operational risk management across the tobacco and clove value chain. This process ensures that the material topics reflect the most significant environmental, social, and governance (ESG) impacts to the business and our stakeholders.



1

Risk Identification

- Potential sustainability risks are identified across our agricultural operations, including farm activities, labor practices, environmental management, and supply chain.
- Sources include field monitoring, internal audits, incident reports, worker feedback, and regulatory updates.



2

Root Cause Analysis

- Each identified risk is analyzed to determine its underlying causes using field data, farmer practices, operational conditions, and management systems.
- This helps define the context and drivers behind each risk.



3

Impact Assessment

- The potential impacts of each risk are assessed across three dimensions:
 -  Environmental (planet)
 -  Social (people)
 -  Governance (principles)
- Impacts are evaluated based on scale, scope, likelihood, and reversibility.



4

Risk Evaluation

Risks are scored based on:



Probability
(likelihood of occurrence)



Severity (level of impact)

Risk Rating = Probability × Severity

Risks with higher scores indicate greater potential impacts and urgency for management.



5

Management Review

- The results are reviewed by the Sustainability Team and relevant function leaders.
- Risks are validated based on strategic relevance, stakeholder concerns, and alignment with sustainability priorities.
- Overlap risks are consolidated into broader topic areas.



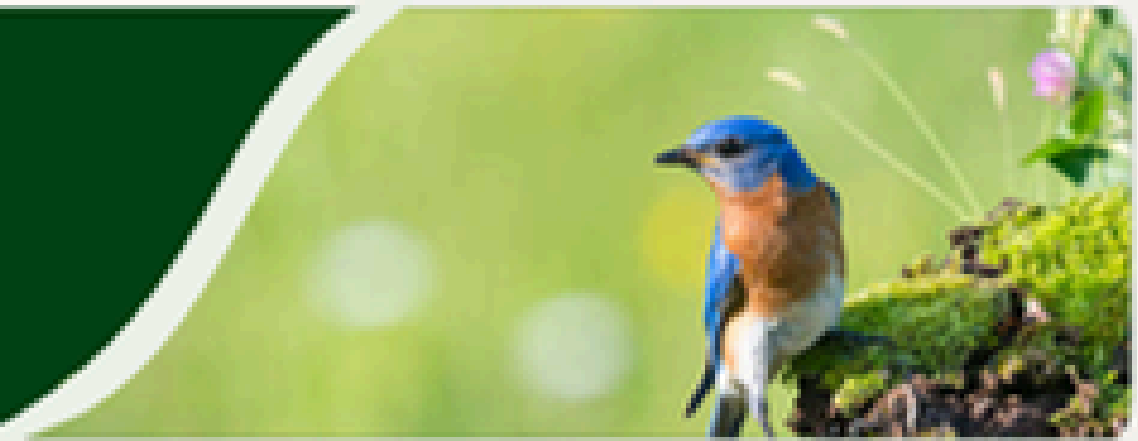
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Material Topics

- The prioritized risks are consolidated into a set of material topics that represent our most significant ESG impacts.
- These topics guide our sustainability strategy, target setting, program development, and performance reporting.

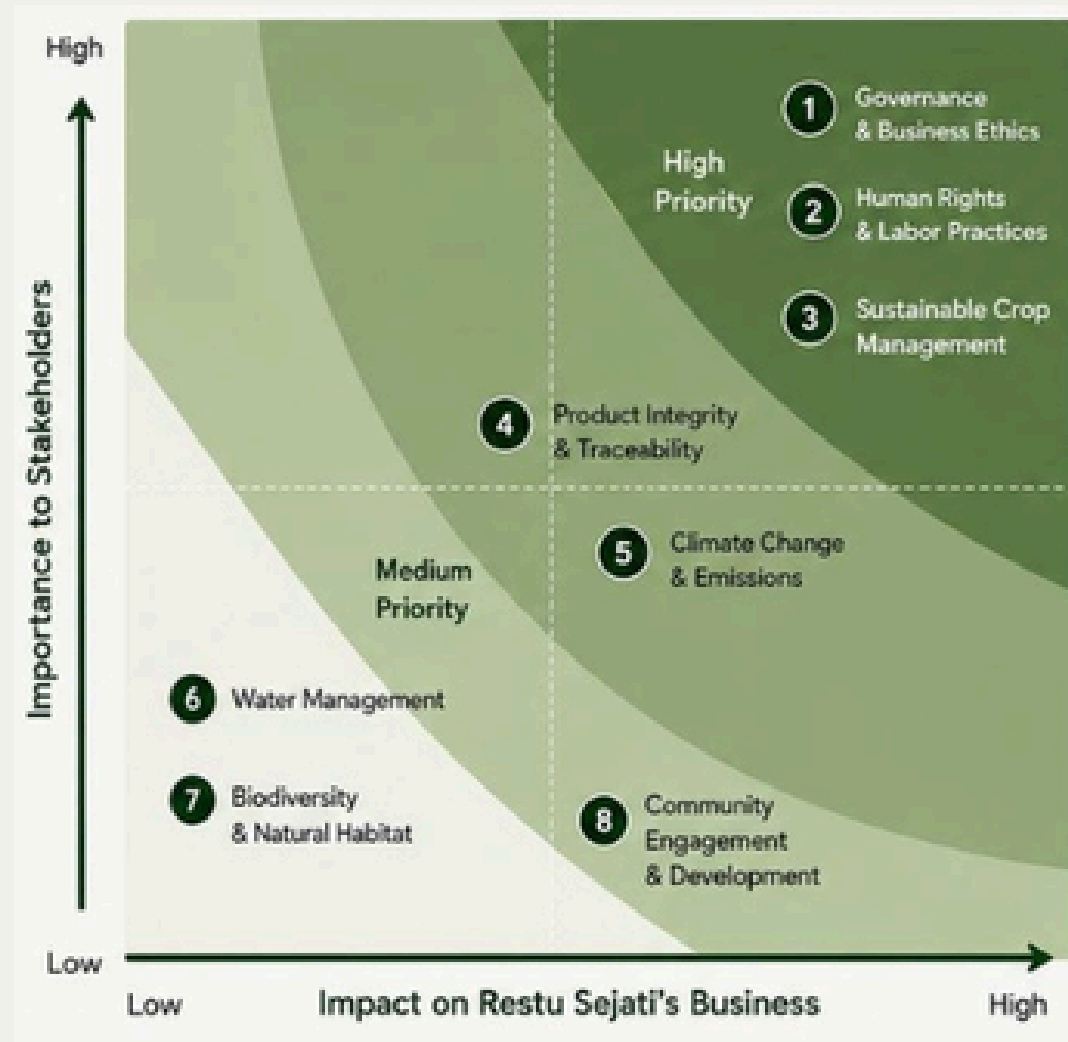


Material Topics and Materiality Matrix



Based on our impact-based assessment, the following material topics have been prioritized as the most significant to Restu Sejati's sustainability performance and stakeholder expectations.

MATERIALITY MATRIX



PRIORITIZED MATERIAL TOPICS

Prioritas	Material Topic	Why It Matters	Related GRI
1	Governance & Business Ethics	Strong governance and ethical business conduct ensure transparency, accountability, and long-term trust with stakeholders.	GRI 2, GRI 205
2	Human Rights & Labor Practices	Respecting human rights and ensuring safe, fair, and decent working conditions for all workers is fundamental to our operations.	GRI 2, GRI 401, GRI 403, GRI 408, GRI 409
3	Sustainable Crop Management	Implementing good agricultural practices and integrated pest management to ensure productivity, quality, and environmental stewardship.	GRI 3, GRI 304, GRI 306
4	Product Integrity & Traceability	Ensuring product safety, residue compliance, and full traceability to meet customer requirements and regulatory standards.	GRI 416, GRI 417, GRI 418
5	Climate Change & Emissions	Managing greenhouse gas emissions and building climate resilience to minimize environmental impact and support global climate goals.	GRI 305
6	Water Management	Efficient water use and protecting water quality are essential for sustainable agriculture and ecosystem health.	GRI 303
7	Biodiversity & Natural Habitat	Protecting biodiversity and natural habitats supports ecosystem balance and the long-term sustainability of our agricultural areas.	GRI 304
8	Community Engagement & Development	Engaging with local communities and contributing to their well-being strengthens social license to operate and creates shared value.	GRI 413



About This Assessment

The material topics were identified through an impact-based risk assessment across our operations, supported by stakeholder engagement, field monitoring, internal audits, and management review. These topics will be reviewed annually or when significant changes occur.



Stakeholder Engagement

Building Partnerships for a Sustainable Future



Restu Sejati believes that meaningful engagement with our stakeholders is essential to understand their expectations, manage risks, create shared value, and continuously improve our sustainability performance.

We engage with our stakeholders through open dialogue, regular communication, and collaborative initiatives.

OUR STAKEHOLDERS



Farmers & Farm Workers

Our partners in implementing sustainable agricultural practices and ensuring a positive social impact.



Employees

Our internal stakeholders who drive our sustainability agenda and operational excellence.



Suppliers & Business Partners

Our key partners in delivering quality products and upholding environmental and social standards.



Customers

Our customers who inspire us to deliver responsible and high-quality leaf & cloves products.



Government & Regulators

Our partners in ensuring compliance and supporting sustainable agriculture development.



Local Communities

Our neighbors and partners in creating shared value and supporting community development.



Industry & NGOs

Our collaborators in promoting best practices and advancing a sustainable leaf & cloves industry

HOW WE ENGAGE

Stakeholder	Engagement Methods	Key Topics	Frequency	Our Response / Action
Farmers & Farm Workers	Farm visits & field meetings; Training & workshops; Helpline & feedback channel	Good Agricultural Practices (GAP); Fair treatment & labor conditions; Productivity & income improvement	Regular (on-going)	Provide training & technical support; Implement fair labor practices; Improve productivity & farm profitability
Employees	Internal meetings; Suggestion box & surveys; Training & development	Health, safety & well-being; Career development; Workplace environment	Regular (on-going)	Enhance HSE programs; Provide learning opportunities; Foster inclusive workplace culture
Suppliers & Business Partners	Supplier meetings; Audits & assessments; Communication & review	Compliance & ethics; Quality & delivery performance; Sustainability requirements	Regular (on-going)	Strengthen supplier compliance; Provide capacity building; Build long-term partnerships
Customers	Customer visits; Surveys & feedback; Sustainability reporting	Product quality & safety; Sustainability performance; Traceability & transparency	Regular (on-going)	Deliver high-quality products; Share sustainability progress; Enhance traceability system
Government & Regulators	Meetings & consultations; Compliance reporting; Site inspections	Regulatory compliance; Environmental management; Community & labor aspects	Regular (on-going)	Ensure full compliance; Support government programs; Maintain open communication
Local Communities	Community meetings; Social programs; Feedback channel	Community development; Education & health support; Environmental conservation	Regular (on-going)	Implement community programs; Support local initiatives; Promote environmental awareness
Industry & NGOs	Forums & partnerships; Knowledge sharing; Collaborative programs	Best practices; Sustainability standards; Sector challenges	Regular (on-going)	Collaborate on sustainability initiatives; Participate in industry forums; Adopt and promote best practices

KEY HIGHLIGHTS 2025



Engaged with **1,000+ farmers** through trainings, meetings, and field visits.



Conducted **sustainability trainings** and workshops for farmers and employees.



Government involvement in every face-to-face training session across 100% of the areas.



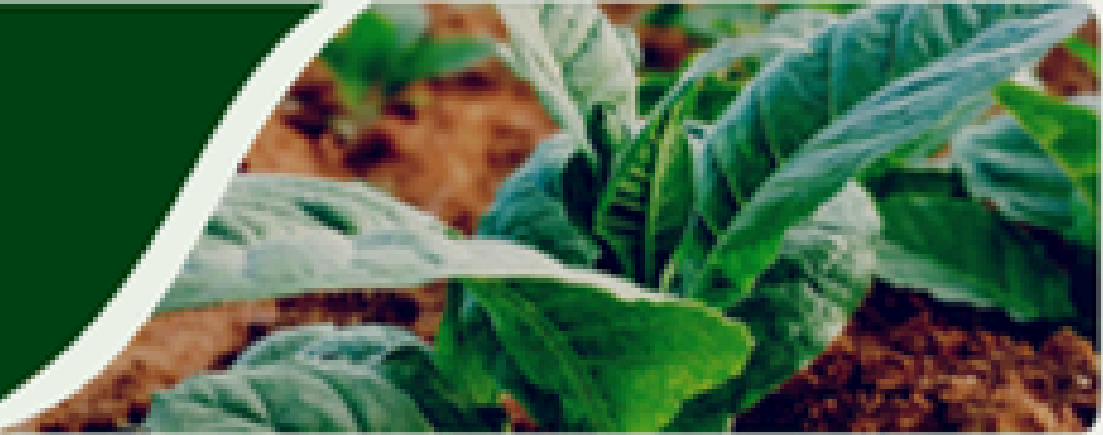
Implemented **community programs** focusing on education, health, and environment.



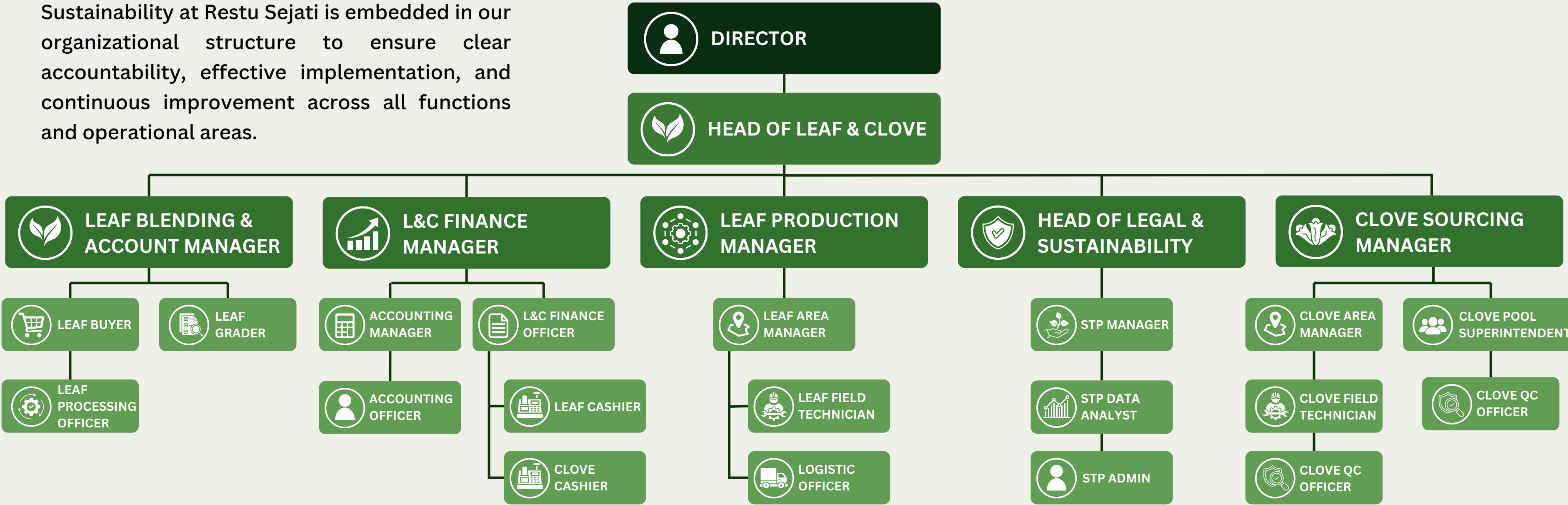
Achieved **100% compliance** with applicable laws and regulations.



Sustainability Governance Structure



Sustainability at Restu Sejati is embedded in our organizational structure to ensure clear accountability, effective implementation, and continuous improvement across all functions and operational areas.



Roles & Responsibilities

Leadership
Set sustainability direction, approve policies, and review performance.

Management
Integrate sustainability into planning, manage risks, and ensure effective implementation.

Implementation
Execute sustainability programs, conduct monitoring, and ensure compliance in the field.

Support Functions
Provide administrative, financial, and technical support to enable sustainability goals.

Continuous Improvement
Evaluate performance, address gaps, and drive ongoing improvement across all operations.



ESG Roadmap & KPI Progress 2025

Our Journey Towards a Sustainable Future



Restu Sejati is committed to create long-term value through responsible business practices. Our roadmap reflects our continuous efforts to strengthen sustainability performance and deliver positive impact for people, planet, and prosperity.



ESG KPI & ACHIEVEMENT 2025

 Environmental	
KPI	Achievement 2025
CPA container return	39% farmer participant
Soil & water monitoring	Soil, irrigation water, and clean water sampling completed
Biodiversity conservation	Zero defforestation in monitored areas, biodiversity initiaves implemented
Responsible CPA use	100% monitored farmers received recommended CPA guidance
GHG monitoring	GHG scope 3 monitoring for all tobacco type

 Social	
KPI	Achievement 2025
Child labor prevention	Child labor monitoring implemented, all identified cases are followed up
Farmer capacity building	Training conducted on GAP, IPM, ALP, and CPA management
Safe working environment	Zero lost time injury
Livelihood improvement	84% farmers cultivate additional crops for self-consumption & income
Monitoring coverage	100% contracted farmers covered by sustainability monitoring

 Governance	
KPI	Achievement 2025
Policy and procedure management	Sustainability-related policies and procedure reviewed, updated, and implemented across operations
Agriculture Labor Practice	ALP requirement integrated into monitoring and verified
Stakeholder's engagement	Engagement through trainings, meetings, survey, and collaboration
ISO integration	STP guideline aligned with ISO 9001, 14001, and 45001
Internal audit	Cross-area internal audits conducted annually.



Company Policy



Company Policy

- **Sourcing & Production**

We provide and manufacture competitive products with integrity and traceability through systems that optimize value for society and customers.

- **Customer Partnership**

Customers are our sustainable long-term business partners, and we are committed to achieving common business goals.

- **Compliance**

We comply with all applicable national and international regulations relevant to all aspects of our business through good business management and transparent record-keeping.

- **Resource Allocation**

We allocate appropriate, competent, and trustworthy resources to develop service management systems that implement principles of sustainability and fair trade, ensuring optimal productivity and quality that meets customer requirements.

- **Good Governance**

We manage our business professionally to avoid conflicts of interest, maintain zero tolerance for bribery, and uphold trust, integrity, and fairness in trade.

- **Collaboration**

We uphold strong collaboration with all parties related to our business by prioritizing respect, trust, best practices, and openness to achieve optimal results.

- **Environmental Commitment**

As part of the global community, we are committed to preserving both social and natural environments through continuous monitoring and action to reduce our business impact on climate change, crop protection and integrity, human and labor rights, livelihoods, natural habitats, soil health, sustainable pest management, and water stewardship.



Our Values

- **Ownership, Responsibility & Integrity**

We act as if the company is ours, with integrity, to be fully responsible for what we do.

- **Respect, Trust & Honesty**

We treat people and the environment with respect, build trust among each other, and uphold honesty.

- **Uniqueness, Diversity & Teamwork**

We embrace uniqueness and diversity as part of our competitiveness to achieve business objectives. We believe teamwork makes ordinary people extraordinary.

- **Open-mindedness & Innovation**

Every idea contributes to our success. We encourage people to share ideas and make continuous improvement and innovation part of our culture.





Our Commitment



To Good Governance

- **Law & Regulations**
We are committed to complying with all applicable local and national laws, as well as relevant international regulations, across all aspects of our operations.
- **Employee Commitment**
All employees are expected to adhere to legal requirements and the company's code of conduct, and to comply with the laws and policies that govern their work.
- **Company Book and Records**
Our books and records must be accurate, honest, and complete to ensure reliable reporting to management, shareholders, government entities, and other relevant stakeholders.
- **Internal Control**
Our internal control systems are designed to ensure that business operations are managed effectively. Each department is responsible for maintaining proper records to support a strong and efficient control framework.
- **Taxes**
We are committed to full compliance with tax laws in every jurisdiction where we operate. We ensure that all tax-related records and reporting are accurate and transparent.



To The Workplace

- **Safety, Health and Environment**
We are committed to providing a safe and healthy work environment across all our workplace areas. All employees have the right to a safe workspace, and we ensure that our products are safe for employees, customers, business partners, and the environment. Employees are expected to practice and promote safety and health in their daily activities.
- **Diversity and Inclusion**
We are committed to fostering a workplace where every employee is treated with respect, and diversity is celebrated. We value differences in backgrounds and experiences and believe that diversity strengthens collaboration toward shared goals. We expect every employee to support our ongoing commitment to equal opportunity and inclusive practices.
- **Child Labor and Worker Exploitation**
We have zero tolerance for child labor in any part of our operations. We do not accept any form of exploitation, including exposure to abuse, unsafe working conditions, excessive working hours, forced labor, substandard wages, or the use of dangerous equipment without proper certification. We expect all our suppliers and business partners to uphold these same standards.
- **Conflict of Interest**
Employees must always act in the best interest of the company. Any potential conflicts of interest must be disclosed, and employees are expected to take corrective action when requested by the company.

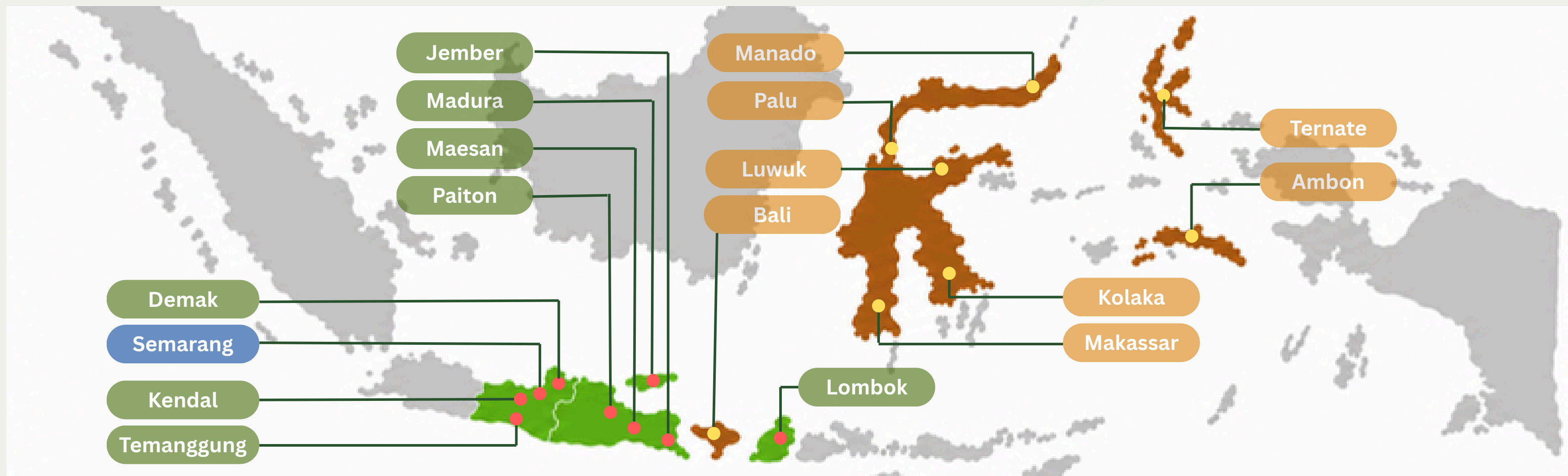


To Market

- **Ethical Business Practice**
We are committed to treating all customers ethically and without discrimination. We aim to gain competitive advantage through the quality of our products and services — never through unethical or illegal business practices.
- **Anti-Bribery, Corruption, and Illicit Trade**
Integrity is central to our success. Our business relationships are built on trust, transparency, and accountability.
We strictly prohibit all forms of bribery, corruption, and illicit trade. Employees must never compromise the company's reputation by engaging in such practices.
We also prohibit money laundering, including any efforts to conceal the origin, ownership, or destination of illegally obtained funds.
- **Fair Dealing, Anti-Trust and Competition**
We grow our business through honest, respectful relationships with customers, suppliers, and partners.
Employees must never take unfair advantage of others through manipulation, misuse of confidential information, deception, or unethical practices.
We believe in fair competition and will not create unfair disadvantages for our competitors.
- **Confidentiality of Business Partner, Supplier and Customer Privacy**
We grow our business through honest, respectful relationships with customers, suppliers, and partners.
Employees must never take unfair advantage of others through manipulation, misuse of confidential information, deception, or unethical practices.
We believe in fair competition and will not create unfair disadvantages for our competitors.
- **Entertainment and Gift**
Giving gifts or offering entertainment can support business relationships and cultural practices, especially during holidays. However, such gestures must never create a conflict of interest or influence business decisions. Any gift, entertainment, or hospitality that exceeds reasonable value or appears to influence the recipient's judgment is strictly prohibited.



Sourcing Area



TOBACCO SOURCE AREA



CLOVE SOURCE AREA



HEAD OFFICE



A strong partnership and network with tobacco and clove farmers, cultivated over three generations, are essential for our company to ensure a sustainable and high-quality supply of these vital ingredients.





ISO Certification & Flow Process

ISO SERTIFICATION



ISO 9001: 2015

Quality Management
System



ISO 14001: 2015

Environmental
Management System



ISO 45001: 2018

Occupational Health &
Safety Management System



TOBACCO FLOW PROCESS

FARMER MANAGEMENT

- Farmer registration
- Contract signing
- Farmer monitoring
Farmer training
Material support distribution
- Purchasing & payment

CROP MANAGEMENT

- Seedling
- Land preparation & transplanting
- Crop maintenance
- Harvest & post harvest

PRODUCT MANAGEMENT

- Purchasing
- GLT Processing
- Quality inspection
- Loading to container
- Shipment



CLOVE FLOW PROCESS

FARMER MANAGEMENT

- Farmer registration
- Contract signing
- Farmer monitoring
Farmer training
Material support distribution
- Purchasing & payment

CROP MANAGEMENT

- Pre flowering
- Flowering
- Clove development
- Harvest & post harvest

PRODUCT MANAGEMENT

- Purchasing
- Clove Processing
- Quality inspection
- Loading to container
- Shipment



How Our Sustainability Framework Works in Practice



STP Pillars



Governance



Soil Health



Human Rights
& Labor



Livelihood



Crop
Management



Natural
Habitat



Climate Change



Water



Overview

Restu Sejati applies its sustainability framework as part of daily agricultural operations and farmer engagement, integrating responsible practices into routine activities rather than separate programs.



Company Prioritize Activities

The implementation prioritizes three STP Pillars:

- Governance
- Human Rights & Labor
- Crop Management

These areas represent the most direct operational risks and impacts in the agricultural supply chain.



How It Works in Practice

The program is implemented through regular monitoring, farmer training, field verification, and corrective actions. Feedback from field observations and stakeholder engagement is used to continuously improve implementation effectiveness.

Due Diligence Cycle

We follow a continuous due diligence cycle to identify, assess, manage, and address sustainability risks throughout our supply chain.



1 COMMIT

Establish sustainability policies, governance, and management systems that integrate responsible business conduct into daily operations.

2 IDENTIFY

Identify actual and potential environmental, social, labor, governance, and operational risks across the supply chain.

3 PRIORITIZE

Evaluate identified risks based on severity, likelihood, and business impact to determine priority actions.

4 RESPOND

Develop and implement corrective actions, preventive measures, and stakeholder engagement plans to address prioritized risks.

5 MEASURE

Monitor implementation progress, evaluate effectiveness, and verify whether corrective actions achieve the intended outcomes.

6 REPORT

Communicate progress, performance, and lessons learned transparently to management, customers, and other stakeholders through regular reporting.



Governance - Overview



Governance is a key foundation of Restu Sejati's Sustainable Tobacco Program (STP), ensuring that sustainability commitments are implemented in a structured, consistent, and accountable manner across operations and farmer partnerships. The Company applies a system-based approach that integrates policies, procedures, monitoring, and evaluation processes to manage sustainability risks and operational impacts.



In 2025, Restu Sejati strengthened the implementation of STP by aligning program requirements with the Company's management systems and operational practices. This approach supports consistent execution of sustainability requirements while maintaining product quality, environmental responsibility, and worker safety throughout the agricultural cycle.



Governance implementation is supported by trained personnel, regular field verification, corrective action mechanisms, and internal evaluation processes. These elements enable the Company to identify gaps, respond to non-compliance, and continuously improve program effectiveness across growing regions.



Through this structured governance approach, sustainability commitments are embedded into daily activities rather than treated as standalone initiatives, supporting transparency, accountability, and long-term supply reliability.



**Good Governance,
Stronger Impact**



Good governance ensures that sustainability is implemented consistently, measured transparently, and continuously improved for a more responsible and resilient agricultural supply chain.

GOVERNANCE HIGHLIGHT 2025



154

Village of sustainability
farmer contracted



100%

Contracted farmer
monitoring coverage



76

Prompt action issue
recorded for tobacco and
clove



100%

Prompt action issue
follow-up completed



9

Operational areas internal
audit



4

Operational areas
In-Depth Assessment by
IMPACTT

Governance

Soil Health

Human Rights
& Labor

Livelihood

Crop
Management

Natural
Habitat

Climate Change

Water



Governance - Overview



A. STP Implementation Guideline & ISO Integration

Governance is a key foundation of Restu Sejati's Sustainable Tobacco Program (STP), ensuring that sustainability commitments are implemented in a structured, consistent, and accountable manner across operations and farmer partnerships. The Company applies a system-based approach that integrates policies, procedures, monitoring, and evaluation processes to manage sustainability risks and operational impacts.

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Embedding Sustainability into Daily Operations

Integrated systems and practical guidelines ensure consistent implementation and continuous improvement.



Aligned with ISO Standards

Integrated with ISO 9001, ISO 14001, and ISO 45001 to strengthen management systems.



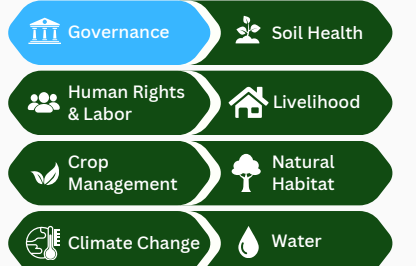
Standardized Procedures

Clear procedures, defined responsibilities, and documented records ensure consistency.



Stronger Accountability & Traceability

Improved traceability and accountability across operational areas and the supply chain.





Governance - Overview



B. Team Building & Capacity Building

Restu Sejati recognizes that effective implementation of the Sustainable Tobacco Program (STP) depends on the competence of both internal personnel and partner farmers. Therefore, the Company continued to strengthen capacity building through structured training and field guidance throughout the 2025 crop cycle.



Key Personnel

STP refreshment sessions were conducted for key personnel at the beginning of the season to communicate program updates, implementation plans, and operational expectations. The sessions also served as a platform for two-way discussion, enabling field teams to provide feedback and recommendations that support program evaluation and continuous improvement.



Farmer Capacity Building

Farmer capacity building was delivered through two complementary approaches: organized training events and regular on-site guidance by Field Technicians.

Three training events were conducted during the crop cycle:

- **Early Season Extension Service** – introducing program requirements and recommended agricultural practices.
- **Integrated Pest Management (IPM) Training** – promoting responsible pest management, safe pesticide use, and environmental protection.
- **Buying Socialization** – explaining purchasing procedures, quality expectations, and product integrity requirements.



Field Guidance Support

In addition, Field Technicians conducted routine farm visits to reinforce training through practical field guidance and support farmers in implementing sustainable agricultural practices.



Strengthening People, Building Capacity, Driving Sustainability

Empowering teams and farmers for better implementation and sustainable impact.



Competent People

Training and refreshment sessions for key personnel to ensure understanding and alignment.



Farmer Empowerment

Capacity building through training events and on-site guidance to improve skills and practices.



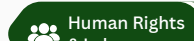
Continuous Support

Field visits and practical guidance to reinforce training and ensure implementation.

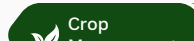
Governance



Human Rights & Labor



Crop Management



Climate Change



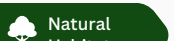
Soil Health



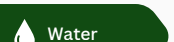
Livelihood



Natural Habitat



Water





Governance - Overview



C. Farm Monitoring, Unannounced Visit & Corrective Action

Restu Sejati conducts regular farm monitoring throughout the crop cycle to verify the implementation of sustainability requirements across partner farming areas. Monitoring visits are carried out by Field Technicians, who observe agricultural practices, labor conditions, occupational health and safety, environmental management, and product integrity, while also providing on-site guidance to farmers.

In addition to routine monitoring, the Company performs Unannounced Visits as an additional verification mechanism. These visits are conducted by management personnel, including Area Managers, Senior Managers, or the central STP team, to independently validate field conditions and ensure consistency between reported and actual practices.

Findings from both monitoring visits and Unannounced Visits are manually recorded and documented with signatures from the Field Technician or visitor and the farmer as acknowledgement. This documentation supports traceability, accountability, and transparency in the implementation process.

Any identified non-conformity is recorded as a Prompt Action Issue (PAI) and followed up through corrective actions involving the relevant parties. The progress of corrective actions is monitored until resolution, and the results are evaluated to prevent recurrence and improve program effectiveness.

Through this verification and corrective action process, Restu Sejati strengthens implementation consistency and ensures sustainability requirements are applied across its agricultural supply chain.



Strengthening Verification, Ensuring Compliance

Independent verification and corrective actions for continuous improvement.



Regular Farm Monitoring

Routine field observations to verify sustainability practices and provide guidance to farmers.



Unannounced Visits

Independent verification through surprise visits to validate field conditions and reported practices.



Documentation & Traceability

All findings are recorded with signatures to ensure accountability and transparency.

Governance

Human Rights & Labor

Crop Management

Climate Change

Soil Health

Livelihood

Natural Habitat

Water



Governance - Overview



D. Internal Audit

In 2025, Restu Sejati introduced a structured internal audit process to strengthen oversight of the Sustainable Tobacco Program (STP) implementation. The audit is conducted using a cross-area approach, where personnel from one operational area evaluate another area outside their direct responsibility. This approach enhances objectivity and provides an independent internal perspective on program implementation.

The internal audit evaluates compliance with the STP Implementation Guideline, supporting procedures, and related management system requirements. The process includes review of documentation, monitoring records, and corrective action follow-ups to verify that program activities are implemented consistently and that identified issues have been properly addressed.

Audit findings are communicated to relevant personnel and management for further action and improvement. Necessary adjustments to procedures, guidance, or implementation practices are made based on the audit results.

Through this internal audit mechanism, Restu Sejati strengthens accountability, improves implementation consistency, and supports continuous improvement of sustainability practices across its operations and supply chain.



Strengthening Oversight for Better Implementation



Cross-Area Approach

Personnel evaluate other areas to ensure objectivity and independence.



Compliance & Verification

Review of documents, records, and follow-ups to verify consistent implementation.



Action & Improvement

Findings are communicated for corrective actions and continuous improvement.

Governance

Human Rights & Labor

Crop Management

Climate Change

Soil Health

Livelihood

Natural Habitat

Water



Independent In-Depth Assessment



In 2025, Restu Sejati participated in an independent In-Depth Assessment conducted by IMPACTT to review the implementation of its sustainability practices. The assessment covered three areas – Governance, Human & Labor Rights, and Natural Habitats – using a risk-based methodology that included management discussions, field observations, and stakeholder engagement. The assessment also included both tobacco and clove supply chain activities to reflect the Company’s multi-commodity agricultural operations.

The assessment was not intended as a compliance audit, but as an external evaluation to better understand potential and actual sustainability risks and identify opportunities for improvement. The process provided observations and practical recommendations to strengthen management systems, communication, and follow-up mechanisms within the supply chain.



Restu Sejati currently prioritizes three operational pillars – Governance, Human Rights & Labor, and Crop Management – which are most directly linked to day-to-day agricultural activities and supply reliability. While Natural Habitats is not yet a standalone operational pillar within the current program structure, the topic was still reviewed to provide broader understanding of environmental context and future risk considerations.

The Company uses the assessment outcomes as learning input to refine procedures, improve field-level implementation, and gradually expand sustainability coverage in line with operational readiness and risk prioritization.

Through this approach, Restu Sejati aims to strengthen its due diligence process and support continuous improvement across its agricultural supply chain.

INDEPENDENT ASSESMENT 2025

-  4 operational areas assessed
-  Tobacco & Clove Supply Chain Activities
-  3 key sustainability pillars reviewed
-  Conducted by IMPACTT

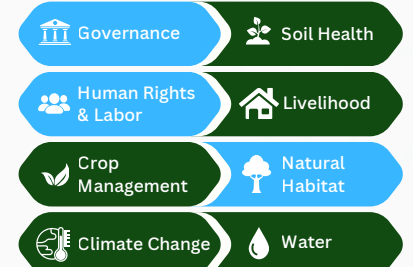
KEY PILLAR ASSESSMENT

-  **Governance**
Strengthening management systems, monitoring processes, and accountability to support effective sustainability implementation.
-  **Human Rights & Labor**
Reviewing child labor prevention, safe working environments, and labor practices throughout the supply chain.
-  **Natural Habitat**
Assessing biodiversity, land use, water resources, and environmental risks to support responsible agricultural practices.



Our Commitment

We are committed to using independent assessments as a valuable learning tool to enhance our management systems, strengthen stakeholder collaboration, and drive continuous improvement for a more responsible and resilient agricultural supply chain.





Human Rights & Labor – Overview



Respect for human rights and responsible labor practices are integral components of Restu Sejati's Sustainable Tobacco Program (STP). The Company implements Agricultural Labor Practices (ALP) to promote fair and safe working conditions across its agricultural operations and farmer partnerships.

The ALP framework covers multiple aspects, including child labor prevention, safe working environment, fair treatment, prevention of forced labor, compliance with applicable laws, wages and working hours, and freedom of association. These aspects are incorporated into routine monitoring activities and the Prompt Action Issue (PAI) system to ensure potential issues can be identified and addressed systematically.

Based on monitoring results and field risk evaluation conducted in 2025, Restu Sejati prioritized child labor prevention and safe working environment as key focus areas due to their higher relevance to agricultural activities. Awareness programs, field guidance, and follow-up actions were therefore strengthened in these areas during the reporting period.

Other labor-related aspects continue to be monitored through established procedures and farmer engagement processes. Through this approach, the Company seeks to maintain responsible working conditions while allocating resources to areas with the greatest potential impact.

HUMAN RIGHTS & LABOR HIGHLIGHT 2025



100%

- Employees and farmers received Code of Conduct awareness.
- Employee covered by BPJS
- Farmers received ALP awareness



13%

Female employees

Women represented across office and field functions



12%

Female farmer participation

Female farmers involved in program implementation



9,000+

Workers in partner farms



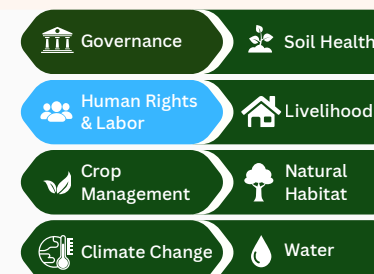
8,869

Farm monitoring visits



Our Commitment

We are committed to respecting human rights and promoting fair, safe, and inclusive working conditions across all agricultural operations and partnerships.





Human Rights & Labor



A. Child Labor Prevention

Restu Sejati applies a preventive and collaborative approach to managing child labor risks within its agricultural operations. Through the Sustainable Tobacco Program (STP), the Company integrates policies, farmer awareness, field monitoring, and stakeholder engagement to promote responsible farming practices while safeguarding children's well-being and education.

Child labor prevention requirements are communicated through internal policies, standardized training materials, farmer registration, seasonal training, and routine farm visits. Field Technicians and key personnel receive regular guidance to ensure consistent implementation and communication across operational areas.

Potential child labor risks are monitored through routine farm monitoring and Unannounced Visits. Observations are documented and followed up through the Prompt Action Issue (PAI) mechanism, supporting timely corrective actions and continuous improvement.

In 2025, Restu Sejati strengthened external collaboration by participating in PAACLA as part of the global ECLT network. The Company contributed as a speaker in a seminar on practical approaches to child labor prevention, sharing field experiences and learning from other stakeholders.

The Company also implemented a pilot After-School Program in Temanggung, Central Java, engaging children and parents through fruit tree planting activities. The initiative promoted education, age-appropriate activities, and community awareness as part of the Company's preventive approach to child labor.

Through continuous awareness, monitoring, and collaboration, Restu Sejati seeks to strengthen child labor prevention practices across its agricultural supply chain.



100%

Contracted Farmers Covered by
Child Labor Awareness Activities



9

 Child Labor Findings
Identified and Followed Up

All identified findings were assessed and
addressed through corrective action plans
and monitoring follow-up



43

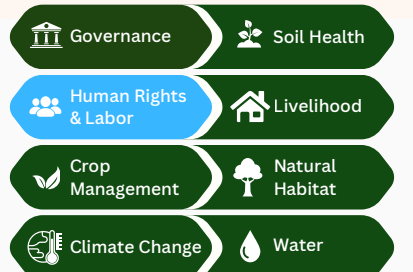
 Children Participated
in After-School Pilot
Project

Pilot project implemented in Temanggung to
promote education and reduce child labor
risks.



Our
Commitment

We are committed to protecting children's rights and promoting their well-being
through prevention, education, and collaboration with all stakeholders





Human Rights & Labor

Safe Working Environment



B. Safe Working Environment

Restu Sejati promotes a safe working environment as part of the Agricultural Labor Practices (ALP) implementation within the Sustainable Tobacco Program (STP). Agricultural activities involve physical labor, exposure to weather conditions, and the use of farming equipment and crop protection agents; therefore, the Company focuses on improving awareness and preventive practices among farmers and workers.

Guidance on safe working practices is delivered through training sessions, seasonal counseling, and field visits conducted by Field Technicians. Communication covers proper handling of farming equipment, safe use of crop protection agents, and the importance of appropriate protective measures during field activities. The objective is to build practical understanding so that safe practices can be applied under actual field conditions.

Verification of working conditions is conducted through regular farm monitoring and Unannounced Visits. Observations related to unsafe practices are documented and followed up through the Prompt Action Issue (PAI) mechanism. Corrective actions typically involve direct discussion, clarification of safe procedures, and reinforcement of preventive measures to reduce recurrence.

To further support implementation, Restu Sejati provides safety-related materials to partner farmers free of charge. The materials are intended to reduce occupational risks associated with daily agricultural activities, particularly exposure to crop protection agents, physical hazards, and harvesting activities. The support includes personal protective equipment, tools for safe storage and handling of crop protection agents, and basic emergency preparedness equipment. Certain materials are also provided based on crop-specific activities, such as additional safety equipment for clove harvesting.

The distribution of materials is accompanied by practical guidance from Field Technicians to ensure proper use and understanding of their protective purpose. This approach emphasizes behavioral improvement and risk prevention rather than equipment provision alone. Through continuous communication, monitoring, and support, Restu Sejati seeks to strengthen safe working habits and reduce potential occupational risks across its agricultural supply chain.



ZERO
Lost Time Injury



63%
PPE kits for agrochemical distributed to farmers



100%
PPE kits for tobacco harvest distributed to farmers



100%
Cloves farmers received safety body harness



100%
First aid kit and CPA box



TRAINING & COUNSELING

Delivered through training sessions, seasonal counseling, and field visits.

SAFE PRACTICES AWARENESS

Focus on proper handling of equipment, safe use of crop protection agents, and protective measures.

MONITORING & VERIFICATION

Regular farm monitoring and unannounced visits ensure safe working conditions.

CORRECTIVE ACTION (PAI MECHANISM)

Unsafe practices are addressed through Prompt Action Issue (PAI) follow-up.

SUPPORT & PROTECTIVE EQUIPMENT

Safety materials and PPE are provided free of charge to reduce occupational risks.

COMMUNICATION & BEHAVIOR IMPROVEMENT

Continuous communication and guidance strengthen safe working habits and reduce risks.



Our Commitment

We are committed to promoting safe working practices, providing the right support and protective equipment, and empowering farmers to build a safer and more sustainable future.

Governance

Soil Health

Human Rights & Labor

Livelihood

Crop Management

Natural Habitat

Climate Change

Water



Crop Management

Restu Sejati manages agricultural practices through a preventive and field-oriented approach aimed at maintaining crop productivity while minimizing environmental impact. The Company promotes practical agronomic improvements that can be realistically applied by partner farmers and gradually adopted across different regions and crop characteristics.



SUSTAINABLE LAND MANAGEMENT

Crop rotation is implemented to maintain soil fertility and reduce pest pressure. Integrated pest management is applied where chemical control is used only as a last option after monitoring and preventive measures.



NATURAL AND LOCAL INPUTS

Farmers are encouraged to utilize natural and locally available inputs, such as organic manure and straw mulch, which are suitable to improve soil structure and moisture retention.



ENVIRONMENTAL MONITORING

Environmental conditions are monitored through periodic soil pH sampling and soil and water quality testing, including irrigation and clean water sources to ensure healthy cropping systems.



PRACTICAL AND GRADUAL IMPROVEMENT

Rather than applying a single standardized cultivation method, Restu Sejati adopts a gradual improvement approach. Demonstration areas, including best-practice locations such as Temanggung, are used as learning references to introduce practical techniques that can be replicated by farmers according to their capacity and environmental context.



ZERO

Land usage from deforestation



35%

Farmer conducted pH measurement



100%

Tobacco & cloves area are being tested for soil & water quality



Our Commitment

We are committed to maintaining crop quality and supply reliability while supporting responsible resource use and reducing potential environmental risks associated with agricultural activities.

Governance

Soil Health

Human Rights & Labor

Livelihood

Crop Management

Natural Habitat

Climate Change

Water



Crop Management



A. INTEGRATED PEST MANAGEMENT & CROP PROTECTION AGENTS (CPA)

Restu Sejati manages crop protection through an integrated approach combining preventive, farmer awareness, monitoring, and verification. The objective is to ensure crop protection agents (CPA) are used only when necessary and in accordance with recommended practices.

The Company promotes Integrated Pest Management (IPM), where pesticide application is considered only after field observation and pest population assessment. Farmers conduct scouting during the growing season using simple plant observations to determine infestation levels. Chemical control is recommended only when the economic threshold is exceeded, reducing unnecessary pesticide use.

Clear guidance is provided to farmers through seasonal training, posters, and field communication. Farmers are informed about approved and non-approved active ingredients, safe handling practices, and storage requirements. Crop input support is accompanied by explanation to ensure understanding rather than reliance on distribution alone.

Implementation is verified through farm monitoring and Unannounced Visits. Field Technicians observe pesticide usage, protective equipment practices, and storage conditions, including the use of locked storage boxes to prevent unauthorized access. Any deviation from recommended practices is recorded through the Prompt Action Issue (PAI) mechanism and followed up with corrective guidance.

To further strengthen control, Restu Sejati conducts laboratory testing for pesticide residue and promotes the return of empty pesticide containers to prevent improper disposal. Through this combination of awareness, monitoring, and verification, the Company aims to minimize environmental and safety risks associated with pesticide use while maintaining crop productivity.



01

APPROVED PESTICIDES

Only registered and approved pesticides are used in accordance with applicable regulations.



02

TRAINING

Farmers and workers receive regular training on safe handling, application, and storage of pesticides.



03

EMPTY CONTAINER RETURN

Empty pesticide containers are returned to prevent improper disposal and environmental contamination.



04

RESIDUE MONITORING

Regular residue monitoring ensures compliance with maximum residue limits and supports product safety and quality.



Our Commitment

We are committed to promoting responsible crop protection practices through farmer empowerment, monitoring, and continuous improvement to ensure safe, productive, and sustainable farming.



100%

- Tobacco farmers received training on IPM & CPA management
- Tobacco farmers applied crop rotation
- Received recommended CPA subsidize



39%

Farmer properly disposing of empty CPA containers



44%

Farmer received direct & practical IPM training on the field

Governance

Soil Health

Human Rights & Labor

Livelihood

Crop Management

Natural Habitat

Climate Change

Water



Crop Management

B. PRODUCT INTEGRITY & NTRM PREVENTION

Restu Sejati manages product integrity through prevention of Non-Tobacco Related Material (NTRM) contamination across the agricultural supply chain. The approach combines farmer awareness, field monitoring, buying controls, and processing-level detection to minimize the risk of foreign material entering the product.

Prevention begins at farmer level through contractual commitment and early-season extension services, where farmers receive guidance on contamination risks and required preventive practices. Communication is reinforced through posters, seasonal training, and joint IPM–NTRM sessions to clarify sources of contamination and appropriate handling during harvesting, drying, and storage.

Implementation is verified during farm monitoring and Unannounced Visits. Field Technicians observe drying areas, sorting practices, and preparation for selling to ensure materials such as plastic, stones, metal, and other foreign objects are avoided. Any identified issues are followed up through communication and corrective guidance.

Control continues during purchasing activities. Farmers receive buying socialization explaining quality requirements and contamination criteria. Materials that do not meet requirements may be rejected, and bale assessment results are communicated to farmers as feedback for improvement.

Additional safeguards are applied at processing level through several detection points, including manual picking, magnetic separation, and mechanical sorting equipment designed to capture remaining contaminants. This layered control approach allows risks to be managed progressively from field to factory.

Through awareness, verification, and multi-stage detection, Restu Sejati aims to maintain product quality and traceability while reducing contamination risk across its agricultural supply chain.

LAYERS OF NTRM CONTROL

01

AWARENESS

Building awareness through posters, training, and sessions to reduce contamination risks on NTRM risks and prevention practices.

02

MONITORING

Regular farm monitoring and unannounced visits to ensure good practices and early detection of potential risks.

03

BUYING INSPECTION

Strict inspection at buying stations to identify and remove non-compliant materials before entering the process.

04

PROCESSING DETECTION

Multi-stage detection including manual sorting, magnetic separation, and mechanical equipment to capture remaining contaminants.

05

REWARD PROGRAM

Recognizing and rewarding farmers who consistently implement NTRM control and maintain compliant quality.



100%

- Farmers sign commitment for NTRM elimination
- Farm Monitoring included NTRM verification
- Buying station implemented NTRM inspection



4

Layers of NTRM control



Our Commitment

We are committed to maintaining product quality and traceability through awareness, verification, and multi-stage detection to prevent contamination across the supply chain.

Governance

Soil Health

Human Rights & Labor

Livelihood

Crop Management

Natural Habitat

Climate Change

Water



Environmental Performance & Impact

Environmental Approach

While Restu Sejati’s operational sustainability program focuses on Governance, Human Rights & Labor, and Crop Management, the Company also monitors environmental impacts arising from its agricultural activities. These impacts are primarily related to resource use and field practices rather than industrial processing activities.

Environmental monitoring is conducted to understand field conditions, support agronomic recommendations, and identify potential risks associated with agricultural operations. The information is used to guide gradual improvement rather than to impose uniform requirements across all farming areas.

Key aspects observed include water use, soil condition, and greenhouse gas emissions generated from cultivation inputs and mechanization. These aspects are closely connected to farming practices; therefore, environmental performance is evaluated together with crop management implementation.

The Company applies a practical approach by collecting field data, conducting periodic testing, and reviewing operational practices. The objective is to improve resource efficiency and reduce potential environmental impact while maintaining agricultural productivity and farmer practicality.

Through this approach, Restu Sejati aims to strengthen environmental understanding and support continuous improvement in responsible agricultural operations.



369,089 m³
Water withdrawn



60%
Clove farmers get clove seedling for regeneration



Environmental monitoring
Conducted across farming areas



KEY ASPECTS MONITORED



WATER USE

Monitoring water use in cultivation practices to encourage efficient and responsible usage.



SOIL CONDITION

Regular soil sampling and analysis to maintain soil health and support sustainable productivity.



GREENHOUSE GAS EMISSIONS

Monitoring emissions from cultivation inputs and field mechanization to support emission reduction.



FARM PRACTICES

Evaluating field practices to improve resource efficiency and reduce environmental impact.



Our Commitment

We are committed to understanding our environmental impact and continuously improving agricultural practices together with our farmers for a more sustainable future.

Governance

Soil Health

Human Rights & Labor

Livelihood

Crop Management

Natural Habitat

Climate Change

Water



Environmental Performance & Impact

A. CLIMATE & GREENHOUSE GAS EMISSIONS

Restu Sejati monitors greenhouse gas (GHG) emissions to better understand the environmental impact of its agricultural activities and support gradual improvement of operational practices. The main emission sources are related to cultivation inputs and field activities carried out within the agricultural supply chain.

Emission estimation covers activities such as fertilizer application, fuel use for field mechanization, curing processes, electricity used in farmer processing facilities, and transportation of agricultural products to company facilities. These sources reflect the practical characteristics of agricultural operations where emissions are closely linked to farming practices and local conditions.

C.1 EMISSION BOUNDARY & SCOPE

The emission calculation in this report focuses on agricultural activities performed by partner farmers. The estimated emissions represent upstream cultivation processes including field operations, curing, and transportation to company facilities. These emissions are categorized as supply chain (Scope 3) emissions, not direct company operational emissions.

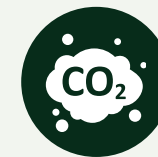
C.2 METHODOLOGY

The Company applies a calculation approach based on the GHG Protocol using available operational data collected from field activities. Emission factors are referenced from internationally recognized sources to estimate carbon dioxide equivalent (CO₂e) values. The purpose of the calculation is to establish a baseline understanding and improve data consistency over time. Restu Sejati uses the results to understand emission sources and identify practical improvement opportunities within existing agricultural practices while maintaining productivity and feasibility for farmers.



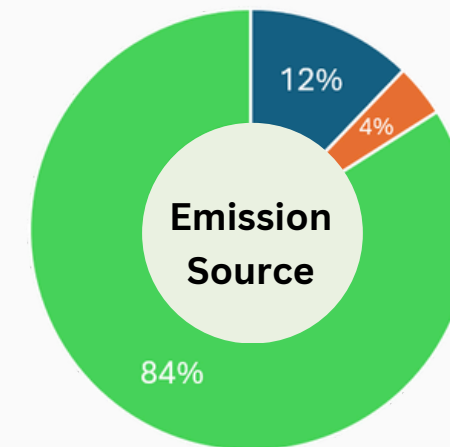
100%

Biomass fuel for FCV curing



2,005 tCO₂e

Estimated agricultural emissions



● Sun Cured ● Air Cured ● Flue Cured



Our Commitment

We are committed to understanding our environmental impact and continuously improving agricultural practices together with our farmers for a more sustainable future.

Governance

Soil Health

Human Rights & Labor

Livelihood

Crop Management

Natural Habitat

Climate Change

Water

KEY FOCUS 2026

BUILDING CONTINUOUS IMPROVEMENT

In 2026, Restu Sejati will continue strengthening the implementation of its Sustainable Tobacco Program (STP) by focusing on practical improvements across governance, human rights, crop management, and environmental stewardship. The Company remains committed to supporting farmers in producing high-quality agricultural products through responsible and sustainable practices.


Continuous improvement today for sustainable tomorrow.

OUR 2026 PRIORITIES

01



STRENGTHEN GOVERNANCE

- Expand internal sustainability audits across operational areas.
- Enhance monitoring quality and data verification.
- Improve digital documentation and traceability systems.
- Strengthen corrective action (PAI) management.
- Maintain 100% BPJS participation for eligible employees.

02



IMPROVE HUMAN RIGHTS & LABOR

- Increase farmer awareness on child labor prevention.
- Improve safe working environment practices.
- Strengthen grievance mechanism implementation.
- Continue Human Rights training for employees and field technicians.

03



IMPROVE SUSTAINABLE CROP MANAGEMENT

- Expand farmer training on Good Agricultural Practices (GAP).
- Strengthen Integrated Pest Management (IPM).
- Improve fertilizer efficiency through better nutrient management.
- Increase soil and water monitoring activities.

04



REDUCE ENVIRONMENTAL IMPACT

- Improve greenhouse gas (GHG) data quality and emission monitoring.
- Identify opportunities to reduce fertilizer-related emissions.
- Continue biodiversity and agroforestry initiatives.
- Promote responsible pesticide management and residue compliance.

05



STRENGTHEN FARMER PARTNERSHIP

- Enhance technical assistance through regular field monitoring.
- Improve farmer knowledge through structured training programs.
- Strengthen long-term partnerships based on transparency and continuous improvement.



Our Commitment

Together with our farmers, employees, customers, and communities, we will continue creating long-term value and contributing to a more sustainable agricultural future.

GRI INDEX

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	p.4–5
	2-6 Activities, value chain and business relationships	p.8–9
	2-9 Governance structure and composition	p.12
	2-12 Role of highest governance body in overseeing sustainability impacts	p.12
	2-23 Policy commitments	p.13
	2-24 Embedding policy commitments	p.13–14
	2-25 Processes to remediate negative impacts	p.14–15
	2-29 Approach to stakeholder engagement	p.15
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p.10
	3-2 List of material topics	p.11
	3-3 Management of material topics	p.12–29

GRI Standard	Disclosure	Location
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	p.13
GRI 303: Water and Effluents 2018	303-5 Water consumption	p.27
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	p.24, 27
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	p.28
GRI 306: Waste 2020	306-3 Waste generated	p.25
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	p.18–19
	403-9 Work-related injuries	p.18
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	p.17
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	p.20
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened using social criteria	p.15–16
GRI 416: Customer Health and Safety 2016	416-1 Assessment of health and safety impacts of product and service categories	p.25–26

Statement of Use

This Sustainability Report has been prepared with reference to the GRI Standards 2021 and covers sustainability activities undertaken by CV Restu Sejati during the reporting period from 1 January to 31 December 2025.



RESTU SEJATI
Cloves & Leaf Agent

THANK YOU

It's been our pleasure to be your partner...

