Ordinary General Assembly of 11 June 2025

Written Questions and Answers

Etienne Maes (Email of 23 May 2025)

Question: When I saw cocoa prices soaring recently (and remaining high), I thought of Bukit Maradja, where SIPEF once operated a substantial cocoa plantation (at least in the early 1990s), and perhaps still does – unless it has since made way for oil palms.

Considering these favourable market conditions, would it not be worth considering a revival of cocoa cultivation within SIPEF, especially in regions well-suited to cocoa such as North Sumatra, but perhaps even more so in Côte d'Ivoire (the world's largest cocoa producer), where SIPEF already has a presence through its banana operations?

From a diversification point of view alongside palm oil and bananas, developing a cocoa division might prove a worthwhile investment, even with initially lower profitability.

Answer: SIPEF has indeed been active in cocoa cultivation in the past, notably through its former plantations at Bukit Maradja in North Sumatra. However, over the years, the Group has deliberately chosen to concentrate its core activities on tropical crops that offer structural economies of scale, meet sustainability standards, and provide high processing efficiency. In that regard, palm oil and bananas form the operational backbone of the Group's agro-industrial activities.

Furthermore, the cocoa sector in Indonesia faces persistent disease pressure (such as Vascular-Streak Dieback, Cocoa Pod Borer, and Black Pod Disease), low yields, and limited infrastructure for processing and export. These factors reduce the attractiveness of cocoa investments in the region.

While SIPEF does have operations in Côte d'Ivoire through its banana business, expanding into an additional crop like cocoa would require a thorough assessment in terms of strategic value, risk management, and alignment with sustainability. At present, establishing a separate cocoa business line is not among the Group's investment priorities.

Nonetheless, SIPEF actively monitors developments in global tropical agriculture, including cocoa, and evaluates potential opportunities based on long-term value, constructive collaboration potential, and consistency with the Group's sustainability framework.

Henk Rienks (Email of 4 June 2025)

Questions regarding the proposed remuneration policy for the period 2025–2028

Question: On page 4 [of the proposed remuneration policy for the period 2025–2028], the following sentence appears:

“This deviation from Principle 7.9 of the Code is justified by the fact that are always driven by a long-term vision that is inextricably linked to the Company’s agro-industrial activities.”

In my view, this is not correct Dutch. I have an idea of what you mean, but I would appreciate it if you could revise the sentence yourself to ensure that it clearly conveys your intended meaning in correct Dutch.

Answer: The cited sentence, found in the final paragraph on page 4 of the remuneration policy for 2025–2028 submitted for approval by the Annual General Meeting, should be interpreted as follows (emphasis added):“This deviation from Principle 7.9 of the Code is justified by the fact that they are always driven by a long-term vision that is inextricably linked to the Company’s agro-industrial activities.”

The pronoun “they” refers to the members of the executive committee. This clarification will be incorporated into the version of the proposed remuneration policy approved by the Annual General Meeting and subsequently published on the Company’s website.

Question**:** The criteria for bonuses are often largely confidential, as they rely on company information that must remain undisclosed and out of reach of competitors. Why do you not base the Short-Term Incentive (STI) entirely on publicly available information from the annual report?

Answer: The Short-Term Incentive (STI) is one component of the total remuneration awarded to the managing director (CEO) and the other members of the executive committee. In accordance with applicable regulations, this remuneration is determined by the board of directors, based on a proposal by the remuneration committee, and in line with the remuneration policy approved by the Annual General Meeting.

80% of the STI granted to the members of the executive committee is exclusively linked to the consolidated recurring result before taxes (share of the Group). This result is published in the consolidated financial statements, which are included in the Integrated Annual Report. If this result is negative, no variable STI remuneration is awarded to the members of the executive committee.

The evaluation of the STI is explained in general terms within the Integrated Annual Report, with reference to realised performance in financial and operational areas. This provides public context without disclosing competitively sensitive information.

20% of the STI is tied to non-financial indicators, specifically ESG KPIs, which are set annually by the board of directors on the recommendation of the remuneration committee. These KPIs are disclosed in Annex 1 of the Integrated Annual Report. This approach allows the ESG targets to remain dynamic and relevant in light of the Company’s evolving sustainability strategy, within a framework of governance responsibility.

In addition, the total STI amount is subject to a dual cap: it may not exceed 2% of the consolidated recurring result before taxes (share of the Group) and, for each member of the executive committee, may not exceed twice their annual fixed remuneration. Only in exceptional circumstances may the board of directors, upon recommendation of the remuneration committee, grant an additional one-time bonus for outstanding performance.

The total remuneration of the Managing Director (CEO) and the executive committee members — as well as that of the directors — is explained annually in detail in the remuneration report, which forms an integral part of the Integrated Annual Report. In this way, SIPEF ensures transparent and compliant communication regarding the application of its remuneration policy and the compensation awarded.

Question: In my opinion, the relative weighting of the remuneration components, as described in section 2.5, should be different: 60% fixed remuneration and 30% variable. I believe the influence of variable compensation on executive behaviour is often overstated. Moreover, variable remuneration is largely dependent on external factors over which executives have little control — such as the weather, exchange rates, and in SIPEF's case, the global market prices for bananas and palm oil. That being said, I have no objection to a fixed salary above the median of the "peer group," provided that the STI is limited to a maximum of one time the annual fixed salary, rather than two times, as you propose. Why do you disagree?

Answer: The proposed remuneration policy, which will apply from 1 January 2025, provides for a balanced composition of the total remuneration structure for the members of the executive committee, consisting of 45% fixed remuneration, 45% variable remuneration (STI), 5% share options (LTI), and 5% supplementary benefits via a group insurance scheme.

The Company acknowledges that certain external factors — such as climatic conditions, exchange rate fluctuations, or international commodity prices — can influence financial performance. However, these elements are inherently linked to the agro-industrial activities of the SIPEF Group. Just as dividends for shareholders evolve with realised profits, it is appropriate that the variable remuneration of the executive committee members is also aligned with those results. The presence of a substantial variable component within total remuneration therefore contributes to a balanced alignment between business performance and compensation level, while maintaining the necessary prudence and transparency in the application of the remuneration policy.

Question: You propose linking 80% of the STI to financial targets and 20% to non-financial ones, including those related to ESG. I suggest adjusting those percentages to 60% financial and 40% non-financial. In recent years, thanks to the CSRD, a growing volume of ESG information has become available and now takes up an increasing share of the annual report. Moreover, this information is reviewed and validated by the statutory auditor. Its importance continues to grow. Why do you consider the 80/20 split appropriate and not my proposed 60/40?

Answer: The proposed 80/20 ratio between financial and non-financial (ESG-related) performance criteria for the STI reflects a balanced approach that takes into account both the nature of SIPEF Group's activities and the principles of sustainable corporate governance. This 80/20 split is designed to maintain a workable and proportionate balance between, on the one hand, financial accountability, performance orientation, and long-term value creation, and on the other hand, societal responsibility.

Question: When things go wrong, that is precisely when managers must demonstrate their quality. Take the volcanic eruption two years ago, for example — they must respond effectively and mitigate the damage. Such events often negatively affect financial results and share prices, and consequently the portion of the STI linked to them. In such cases, I would want to reward managers for finding effective solutions. But under your system, they would receive less. Why is there no component in the variable remuneration that provides an extra reward for strong crisis management and handling setbacks?

Answer: A central principle of the proposed remuneration policy is that the majority of the variable remuneration — just like the dividend for shareholders — depends on the Group's financial results. It is not the intention to allocate funds in challenging (market) conditions or during periods of negative results that would otherwise be required for recovery or reinvestment. This reflects SIPEF's vision of fairness, accountability, and shared business risk.

At the same time, the remuneration policy acknowledges that exceptional performance cannot always be captured through predefined parameters. Therefore, in exceptional circumstances, the board of directors may, on the recommendation of the remuneration committee, grant a discretionary additional reward. Such rewards are strictly exceptional and are not intended to become standard practice. After all, it is expected that the executive committee will act decisively in difficult situations, this being an integral part of their responsibility.

Question: Lastly, I object to the board's authority to deviate from the remuneration policy agreed with shareholders, as described on page 8 under the heading "Deviations from the Remuneration Policy." It gives the impression that a significant portion of the STI will be granted no matter what. I insist that such payments only be made after shareholders have approved any deviation from the agreed policy. What is your response?

Answer: The board of directors' ability to deviate from the remuneration policy is provided for under the Belgian Companies and Associations Code and has been included in the text of the remuneration policy in the interest of transparency.

This deviation mechanism is strictly limited to exceptional circumstances where a temporary deviation is necessary to protect the long-term interests and sustainability of the Company as a whole or to safeguard its viability. Moreover, any deviation is only permitted in the specific cases and under the conditions explicitly defined in the remuneration policy as approved by the General Meeting. Each such deviation must also be clearly explained in the remuneration report for the relevant financial year and is therefore subject to public accountability at the General Meeting.

This provision is by no means intended to enable structural deviation from the agreed framework with shareholders. It merely offers limited managerial flexibility to respond appropriately to exceptional and unforeseen situations. Its application is interpreted strictly and only considered when demonstrably justified. To date, the board of directors of SIPEF has never made use of this legal deviation clause.

Eddy Wouters (E-mail of 4 June 2025)

Question: I read on page 12 of the *Integrated Annual Report 2024* that product quality improved and now meets the strict specifications for mineral oil (MOSH/MOAH) and chloride. Is this a step towards achieving the mission outlined on page 25 (… with the aim of diversifying into targeted markets…)? What concrete steps must be taken to realise this mission?

Answer: Improving product quality and meeting more stringent standards regarding MOSH/MOAH and chloride is indeed a clear step towards the mission set out on page 25 of the Annual Report: to diversify into targeted markets that demand higher levels of food safety, traceability, and sustainability.

The ability to deliver oil products that comply with these strict specifications opens up opportunities in new sales markets, such as the food industry in Europe and other regulated regions, where adherence to such quality norms is a prerequisite for market access.

To this end, we are taking the following concrete steps:

- Rigorous quality control and monitoring throughout our processing operations, including laboratory analyses of contaminants and the implementation of quality programmes and certifications.
- Investments in factory technology to reduce contamination risks during processing.
- Product differentiation through the supply of certified (SG) and high-grade volumes with full traceability via GeoSIPEF, sold via segregated logistics channels to premium markets.
- Partnerships with customers who operate under higher standards (e.g. food industry, infant nutrition, and pharmaceutical applications).

These are important preparatory measures to gain access to selective, high-value markets willing to pay a premium for guaranteed quality and sustainability.

Question: This topic is also addressed on page 30. You outline SIPEF's objectives for producing high-quality, sustainable, traceable, and certified products. What concrete steps are being taken to achieve these goals?

Answer: To realise these objectives, we are focusing on the following actions:

- Ensuring full traceability to plantation level through digital tools, including the use of GeoSIPEF.
- Refined product segmentation, for example, through the separation of Fairtrade-certified volumes.
- Advanced laboratory testing and continuous investment in quality systems.
- Early adoption of new technologies, positioning SIPEF as a frontrunner in the sector in terms of operational efficiency and sustainability performance.
- Data analysis of our environmental and social footprint, via certification and sustainability systems, including emissions reporting.
- Independent verification of sustainability through third-party audits and strategic partnerships.

Question: On page 31, you refer to innovation and early adoption. In this context, your strategic investment in Verdant Bioscience is evident (see page 56). On page 387, I read that SIPEF holds a 38% stake and Ackermans & Van Haaren holds 42%. Many companies conduct research into hybrid crops, but as far as I know, Verdant Bioscience is unique in its focus on oil palm.

a. Is Verdant Bioscience unique in its focus on oil palm? Are there competitors?

Answer: Yes, Verdant Bioscience (VBS) is the only commercial entity of its kind. VBS stands out as the sole player working on commercial F1-hybrid oil palms, developed through advanced—but non-genetically modified — breeding techniques. This technology promises significant yield increases per hectare, genetic uniformity, and no need for additional deforestation. SIPEF has been a shareholder since 2013 and is testing the F1 hybrids on its plantations in Sumatra as part of its commitment to sustainable innovation.

b. I read on page 48 that this distinguishes SIPEF from its competitors. Is SIPEF unique in investing in these innovative applications?

Answer: SIPEF is currently unique among mid-sized plantation companies in strategically participating in an R&D venture such as VBS. While large conglomerates often invest in R&D through internal structures, SIPEF's model — co-directing an independent entity like VBS in collaboration with Ackermans & Van Haaren — is indeed distinctive.

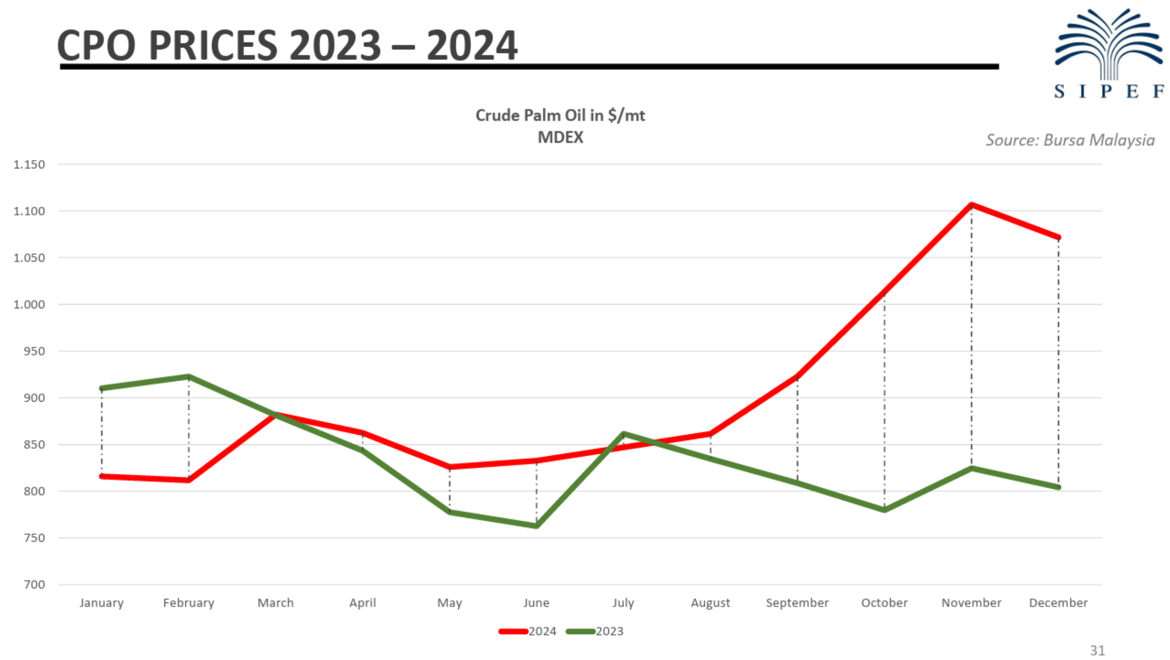
c. Is the contaminant level (as mentioned on page 48) the only key factor in producing high-quality premium products?

Answer: No, contaminants such as MOSH/MOAH are a critical factor, but not the only one. Other key quality criteria include:

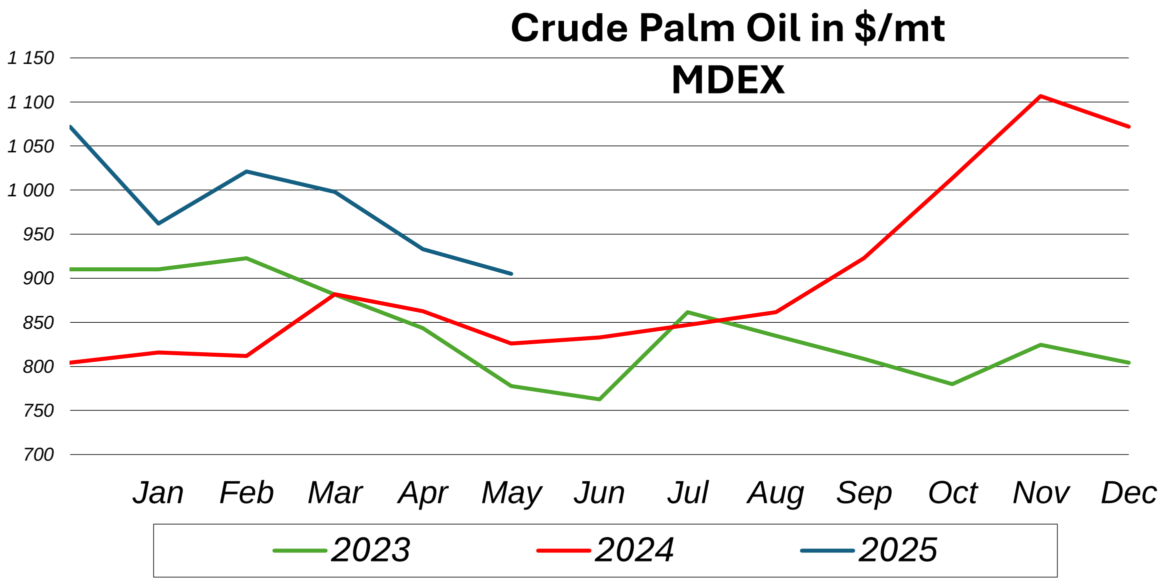
- Free Fatty Acid (FFA) content – essential for product stability and taste.
- Contaminants during processing – such as residues of pesticides or heavy metals.
- Sustainability certifications – such as RSPO SG, which are crucial for accessing premium market segments.
- Traceability and origin – vital for compliance with European regulations such as the EUDR.

Patrick Millecam, Value Square (E-mail of 5 June 2025)

Question: Could you update this chart with the CPO MDEX price year-to-date (YTD) for 2025, in comparison with 2023 and 2024?



Answer: The requested chart is provided below. As anticipated, palm oil prices have declined further from the high peaks seen at the end of 2024, reaching around USD 900/ton by the end of May 2025. Nevertheless, palm oil prices in 2025 have generally remained higher than those recorded in 2023 and 2024.



Production in both Malaysia and Indonesia has now entered its typical seasonal growth phase, contributing to a build-up in palm oil inventories. At the same time, the global demand recovery is being held back by a combination of factors: weaker export activity, less favourable macroeconomic indicators, a cautious freight market, and stabilised petroleum prices around

USD 65 per barrel. Uncertainty also remains around U.S. biodiesel policy — especially in light of potential political shifts later this year — adding volatility to market sentiment.

Despite these uncertainties, palm oil has regained its price advantage over other vegetable oils. This is particularly evident relative to soybean oil, where recent U.S. planting trends show a preference for corn over soybeans, potentially constraining soybean availability in the future. Sunflower and rapeseed oil markets remain relatively stable, but the palm oil price correction combined with a flat forward curve has enhanced its appeal in core markets.

Looking ahead, the CIF-equivalent forward curve on the MDEX remains stable. Contracts for delivery between June and September are priced around USD 1,090/ton CIF-equivalent, with a slight increase to USD 1,100/ton for deliveries in Q1 2026. This reflects continued confidence in underlying structural demand, further supported by Indonesia's B40 biodiesel mandate and the stated intention to scale this up to B50 by 2026.

In summary, the palm oil market is trending toward a more balanced and sustainable pricing structure. The recent correction has strengthened palm oil's international competitiveness, particularly in major import markets. Although further production growth may exert pressure, supportive biodiesel policies and improving trade flows provide a solid foundation for price stability. The market remains sensitive to external macroeconomic factors, but the underlying fundamentals point to a balanced outlook for the coming months.

Question: In a recent UBS report on the palm oil sector, the peer comparison shows that the average EV/EBITDA ratio (EV = Enterprise Value) for 2025 is 9. What is SIPEF's EBITDA outlook for 2025? And what would applying a multiple of 9 imply if the market were to value SIPEF accordingly?

Figure 1: Rating and valuation summary

Name	Ccy	M'Cap USDm	Previous Rating	Previous PT	Current Rating	Current PT	Price	PE 2025E	PE 2026E	PE 2027E	EV/EBITDA 2025E	EV/EBITDA 2026E	EV/EBITDA 2027E	Dividend 2025E	Dividend 2026E	Dividend 2027E	Dividend Payout	ROE CY25-27E
SD Guthrie	MYR	7,504	Buy	5.30	Neutral	5.10	4.69	21.1x	18.0x	16.3x	10.3x	9.2x	8.6x	3.5%	3.5%	3.5%	57%	9.2%
IOI Corp	MYR	5,362	Neutral	4.00	Buy	4.20	3.70	15.9x	16.9x	16.2x	10.6x	10.7x	10.0x	2.8%	2.8%	3.0%	49%	11.3%
KLK	MYR	5,146	Neutral	22.90	Buy	23.00	20.24	19.4x	15.7x	13.5x	9.5x	8.6x	7.8x	3.0%	3.0%	3.0%	42%	9.5%
Golden Agri	SGD	2,384	Neutral	0.28	Buy	0.28	0.25	7.2x	6.8x	6.5x	4.8x	4.5x	4.3x	1.9%	2.0%	2.1%	18%	6.3%
First Resources	SGD	1,728	Buy	1.55	Buy	1.60	1.45	6.6x	7.1x	6.9x	4.8x	4.5x	4.3x	7.9%	7.3%	7.5%	52%	15.7%
Genting Plantation	MYR	1,026	Buy	7.60	Neutral	5.20	4.94	14.2x	13.4x	13.7x	6.5x	6.2x	6.3x	4.7%	5.0%	4.9%	67%	5.9%
Weighted UBS Coverage								**16.7x**	**15.1x**	**13.8x**	**9.0x**	**8.4x**	**7.9x**	**3.4%**	**3.4%**	**3.5%**	**48%**	**9.8%**

Source: UBS estimates. Above data as at 13 May 2025.

Answer: At present, SIPEF does not publish a specific EBITDA forecast for 2025. However, in its official communications, the Group has indicated that the recurring result for 2025 is expected to exceed that of 2024. Under a consistent reporting methodology, this would also imply a higher EBITDA for the current financial year.

As a reference, EBITDA for the 2024 financial year amounted to:

EBITDA (in USD)	**2024**
Recurring result after taxes	78.007
Financial results (including FX effects)	6.641
Taxes	25.851
Depreciations and amortisations	55.846
EBITDA in KUSD	166.345
EBITDA in KEUR (1 EUR = 1,1432 USD)	**145.508**
Enterprise value (in KEUR)	675.915
EV/EBITDA	4,65

Based on a share price of EUR 63.20 as of 6 June 2025, and considering a modest negative net financial position of KUSD 18 087 at the end of 2024, the Enterprise Value (EV) is estimated at KEUR 675 915 n. This translates into an implicit EV/EBITDA multiple of approximately 4.65 for 2024.

If the market were to apply the sector multiple of 9 as cited by UBS, this would imply: 9 × KUSD 166 345 = KUSD 1 497 105 as enterprise value. After adjusting for net debt (KUSD 18 087), this would result in a theoretical market capitalisation of approximately KUSD 1 479 018**.**

Converted at an exchange rate of 1.1432 USD/EUR, this corresponds to around KEUR 1 293 753, or EUR 124.20 per outstanding share.

This would represent a substantially higher share price than current levels. However, SIPEF does not issue concrete EBITDA guidance for 2025 but confirms that the outlook is positive, driven by increasing production volumes, a stable cost structure, and healthy market prices.

It should also be noted that SIPEF makes no assertion about the accuracy of the multiple of 9. Furthermore, according to the UBS peer list, only First Resources is a pure plantation company; the others are integrated groups (including downstream activities).

Question: We observe that many palm oil companies are buying out their remaining minority shareholders (such as AEP Plc). SIPEF still has a considerable number of minority shareholdings:

Hieronder worden de minderheidsbelangen per onderneming weergegeven, alsook het boekjaar:

	2024		
In KUSD	% minderheids-belangen	Aandeel in het eigen vermogen	Aandeel in de winst van het boekjaar
PT Tolan Tiga Indonesia	5,00	23 599	620
PT Eastern Sumatra Indonesia	9,75	8 337	824
PT Kerasaan Indonesia	45,85	3 960	1 676
PT Bandar Sumatra Indonesia	9,75	842	- 28
PT Melania Indonesia	2,75	235	0
PT Mukomuko Agro Sejahtera	14,26	- 621	- 98
PT Umbul Mas Wisesa	5,00	340	235
PT Citra Sawit Mandiri	5,00	1	66
PT Toton Usaha Mandiri	5,00	346	64
PT Agro Rawas Ulu	0,00	0	0
PT Agro Kati Lama	0,00	0	0
PT Agro Muara Rupit	0,00	- 1	0
PT Agro Muko	4,95	2 936	937
PT Dendymarker Indah Lestari	4,95	-2 619	113
Jabelmalux SA	0,00	- 1	0
Total		**37 355**	**4 409**

a. Are you considering buying them out?

Answer: In recent years, the Indonesian legal obligation to maintain at least 5% of shareholding by local Indonesian minority shareholders has been lifted. SIPEF does not pursue an active strategy to systematically buy out minority shareholders. However, such opportunities are evaluated on an ad hoc basis, taking into account their strategic relevance, financial impact, and the willingness of the minority partners to engage in dialogue.

b. What prevents you from doing so?

Answer: There are several reasons why SIPEF is currently not undertaking specific buyout actions:

1. Local anchoring: Minority shareholders often play an important role in local governance, community relations, and understanding of the legal or social landscape.

2. Financial discipline: Given current priorities in operational investments — such as expansions in South Sumatra and upgrades to palm oil mills — available resources are primarily allocated to growth and return-enhancing projects.

3. Valuation and willingness: Minority buyouts require market-based valuations and mutual agreement. In several cases, there is currently neither sufficient reason nor interest from minority partners to exit.

In summary: SIPEF does not rule out any options in principle, but at this time, no active buyout processes are ongoing. The Group's focus remains on further developing its core activities and maximising shareholder value in a capital-efficient manner.

Question: Can you provide the current shareholder structure?

Answer: As of 3 March 2025, SIPEF received a transparency notification with the following details:

Acting in concert	Number of shares	Date***	Denominator	%
Ackermans & Van Haaren NV*	4 518 213	03/03/2025	10 579 328	42,708
Cabra NV**	1 001 032	03/03/2025	10 579 328	9,462
Cabra P**	100 000	03/03/2025	10 579 328	0,945
Cabra T**	100 000	03/03/2025	10 579 328	0,945
Cabra V**	100 000	03/03/2025	10 579 328	0,945
Theodora Bracht**	2 000	03/03/2025	10 579 328	0,019
Baron Bracht	0	03/03/2025	10 579 328	0,000
Priscilla Bracht**	0	03/03/2025	10 579 328	0,000
Victoria Bracht**	0	03/03/2025	10 579 328	0,000
Total votes acting in concert	**5 821 245**			**55,024**

** Including 155 512 own shares*

*** Group Bracht*

*** Not the same as the reporting date

Since that date, no additional transparency notifications have been received. However, it is worth noting that, at the time of writing, SIPEF holds 160 000 own shares, as opposed to the 155 512 own shares reported in the last transparency notification of 3 March 2025 (which were included in the total number of shares held by Ackermans & Van Haaren NV).

Question: Your principal shareholder, Ackermans & van Haaren, continues to steadily increase its stake. In a recent article in Trends titled "Candidates for a Delisting", SIPEF was also mentioned.

a. Has a possible delisting already been discussed by the Board of Directors?

Answer: The Board of Directors closely monitors the evolution of the shareholder structure. However, a delisting is not currently the subject of active discussion or a concrete agenda item. SIPEF continues to operate as a listed company, with all related transparency obligations, governance practices, and reporting standards. Any strategic options are always evaluated in light of the general interest of the company and its stakeholders.

b. What is the point of being publicly listed if the free float keeps decreasing (currently 45% or less) and liquidity is low?

Answer: A stock market listing provides SIPEF with structural advantages, including access to capital markets, reputational value, and independence in governance. Although the free float has gradually declined over recent years, a significant portion of shares remains in free circulation, with an active group of institutional and retail investors.

Market liquidity is influenced by perception, sector interest, and macroeconomic factors. It is not uncommon for companies with a stable shareholder base and a clear long-term orientation to experience lower trading volumes. This does not, however, detract from the function of the listing as a platform for market valuation, capital access, and external accountability. For example, in 2017, the capital market was used to finance the acquisition of the remaining 45% stake in the PT Agro Muko subsidiary. That kind of strategic flexibility remains valuable, even if not immediately relevant.

If structural changes in the shareholder base or strategic orientation were to occur, they would be discussed by the corporate bodies at the appropriate time and, if required, communicated to the market in accordance with transparency regulations.

Question: Chairman Luc Bertrand is being reappointed as a director for one additional year. Why only one year? Has the search for a new chairman already begun? Who will it be?

Answer: Luc Bertrand has been a member of SIPEF's Board of Directors since 1996 and has served as chairman for many years. His extensive experience as a director and investor, across various sectors including tropical agriculture, has contributed significantly to the Group's strategic development.

Although he has reached the statutory age limit for board mandates at SIPEF, the Board of Directors has decided — taking into account continuity and his specific expertise—to propose a one-year extension of his mandate to the General Meeting. The future composition of the chairmanship is reviewed annually by the Board of Directors, based on the needs and best interests of the Company.

Question: What is your estimate for revenue, EBIT, and net profit (share of the Group) for 2025?

Answer: At present, the Group continues to target a palm oil production volume of 430,000 tonnes for 2025, which would represent a significant increase compared to the 362,404 tonnes produced in 2024. Production in Papua New Guinea is showing a clear recovery trend and remains a key factor in achieving the 430,000-tonne target for 2025. In the second half of the year, there may still be residual impact from the volcanic eruption, and especially from the intensified pruning conducted in 2024. This could temporarily result in lower volumes due to a male flower phase. The potential impact will become clearer following the black bunch count in July–August. It is therefore still too early to provide concrete figures regarding expected revenue, EBIT, or net profit for the 2025 financial year, due to price volatility and uncertainty surrounding year-end production volumes. As is customary at SIPEF, additional financial guidance will be provided once there is greater visibility on volumes, market developments, and cost evolution during the course of the year.

An updated outlook will be included in the half-year report to be published in August and will be further refined in the interim Q3 report. Until then, the Group confirms its earlier indication that **the recurring result for 2025 is expected to exceed that of 2024**, supported by higher production volumes, a stable cost structure, and healthy market prices.

Without prejudice to the above, it can be stated that 2025 has started off well and in many respects better than 2024. As of the end of May, palm oil production in 2025 is 21.4% higher than in the same period last year. Achieved selling prices have also been stronger, with 56% of expected production sold at an ex-factory price of USD 979/tonne, compared to 49% sold at USD 848/tonne in 2024.

Expected production volumes from Papua New Guinea — which commands the highest prices due to the absence of export duties and tariffs — have already been 91% sold at an ex-factory price of USD 1,116/tonne (2024: 80% at USD 956/tonne). For Indonesia, 41% of expected production has already been sold at an average ex-factory price of USD 857/tonne (2024: 36% at USD 756/tonne). However, due to the seasonal nature of production, the majority of SIPEF's annual profit is typically realised in the second half of the year — where most of the current uncertainty lies. Therefore, the Group's final result for 2025 will still strongly depend on various external factors, including the evolution of international palm oil prices and the actual production volumes realised.

Question: The word "sustainability" appears 760 times in your annual report. For comparison: ABO (72 times), Aedifica (76), Argenx (162), AB Inbev (167), Ageas (264), Ackermans & van Haaren (337), Agfa (216), Azelis (617)… When filtering on "sustainab…", I get up to 922 hits…

Answer: SIPEF observes that the frequent use of the term "sustainability" in the annual report directly reflects the new reporting requirements under the Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS). These frameworks require an integrated, comprehensive approach in which sustainability is documented across all business domains — covering policy, governance, objectives, risk analysis, and KPIs.

The annual report was also prepared using a "reporting and referencing by incorporation" model, with frequent cross-references to the "Sustainability Report" (see Annex 5). Furthermore, the word "Sustainability Report" appears in the small section titles at the top right of every second page from page 86 through page 289. There are also recurring title tables that include the word "sustainability" on nearly every page. These nuances significantly contribute to the high word count for "sustainability" in keyword searches.

a. What additional sustainability objectives are you pursuing? Where can you improve?

   Answer: An overview of our priority sustainability goals and focus areas is provided in Annex 1 of the annual report, which details the double materiality assessment and action areas per theme — including climate, biodiversity, human rights, waste management, and water use.

b. Can you quantify those targets

   Answer: several sustainability targets are indeed quantified. Examples include:

   - Greenhouse gas emissions: 28% reduction in scope 1 and 2 emissions by 2030, compared to 2021 as the baseline year (cf. GHG roadmap).

- Methane reduction: installation of methane capture systems at all 10 palm oil mills by the end of 2030.
- Traceability: maintain 100% traceability to plantation level for palm oil and bananas (already achieved, continuously monitored).
- Certifications: maintain 100% RSPO and Rainforest Alliance certification for operational volumes.

These quantitative goals are monitored through internal tracking, external audits, and from 2024 onwards, also under the ESRS framework. Additional quantified targets can be found in Annex 1.

c. Specific ambitions/targets for the SPOTT SCORE?

Answer: SIPEF closely monitors its position in the annual SPOTT ranking. Although no formal numeric target is currently communicated, we aim to improve the score by:

- Increasing the level of transparency in supply chain disclosures;
- Expanding publicly available indicators related to land use and smallholder engagement;
- Integrating ESG performance into Group-wide governance structures;
- Obtaining third-party ESG validation, including compliance with CSRD reporting requirements.

The latest action plan includes broader external verification, improved geographic data granularity, and unlocking EUDR compliance data via the GeoSIPEF platform.