

Materiality Analysis



**PT Great Giant Pineapple
2024**





Our step towards GGP material issues...

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Understanding our organization's context

In every two years GGP conducting materiality assesment by reviewing all our business activities, sustainability context, stakeholders concern, and industry peer-benchmarking. Our assesment is corresponding with GRI Standart, SASBI, and other sustainable principles and framework to ensure our materiality issues are align with sustainability agenda. Other than that, our assesment is also consider Enterprise Risk Management (ERM)

Identification actual and potential impacts

In 2024, GGP undertook a reassessment of the materiality topics previously identified. This reassessment was conducted to confirm the ongoing relevance of these topics in relation to the evolving operational and external landscape. We distributed questionnaires to 236 respondents, which included both external and internal stakeholders. The Internal assesment also consider ERM result from risk and impact result.

Prioritization

We evaluate the significance of our materiality impacts by considering their severity, which encompasses factors such as scale, scope, intermediability characteristics, and likelihood. By establishing thresholds for significance scores, we systematically prioritize material topics. The threshold for our significance score is established at a value of 27.

Validation

Following a thorough internal review and consultations with all relevant stakeholders, we identified nine material topics as our prioritized concerns. Each of topics has been reviewed and subsequently endorsed by the Board of Directors. Our materiality assesments process and result were verified by the third-party assurance provider and submitted to the Board of Directors.



Involvement of external stakeholders in identifying the material issues

Our material topics are determined through a materiality assessment aligned with the GRI Standards 2021. In 2022, we conducted Focus Group Discussions (FGDs) involving 36 participants from relevant business units and other GGF entities on October 14, 2022. Additionally, we distributed questionnaires to 66 respondents from both internal and external stakeholders to identify the Environmental, Social, and Governance (ESG) topics critical to GGP's sustainability.

In 2024, PT. Great Giant Pineapple, as one of GGF's business units, undertook a reassessment of GGF's materiality topics previously identified. This reassessment aimed to ensure the continued relevance of these topics in alignment with the evolving operational and external landscape. The updated materiality assessment involved distributing questionnaires to 236 respondents, comprising both internal and external stakeholders.

Materiality assessment process verified by a third-party assurance provider

In preparing our Sustainability Report in compliance with several standards such as GRI, SASB, and the SDGs, we also conduct sustainability assurance through a third party, which includes assurance of the materiality topics from GGP.



Stakeholders Material Topics



GGP 2024 Stakeholder Material Topics

Products Quality and Customers

Sustainable Supply chain

Stakeholders Engagement and Community
Empowerment

Circular Economy

Economic Performance

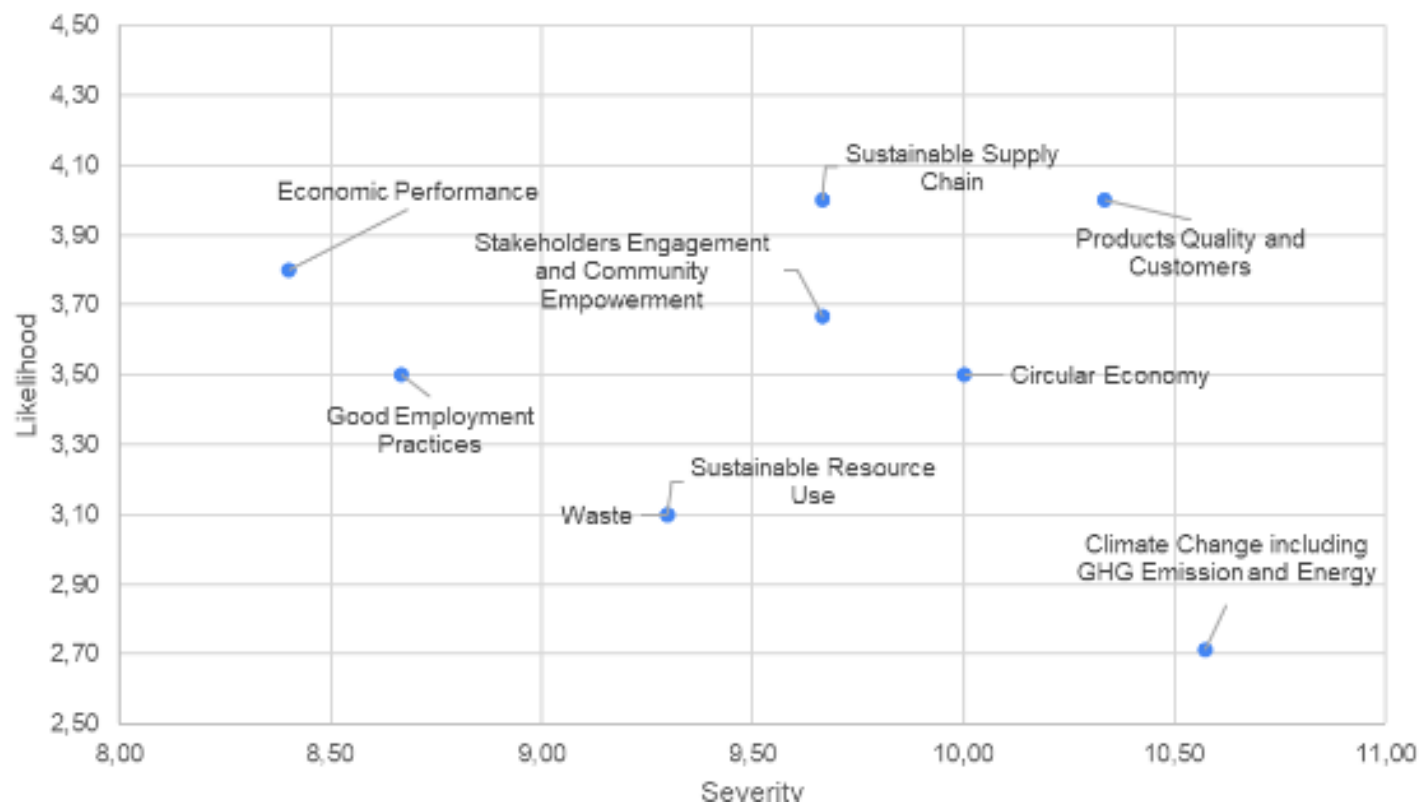
Good Employment Practice

Climate Change including GHG Emission and
Energy

Sustainable Resource Use

Waste

Materiality Mapping





Product Quality & Customer Satisfaction

Material Issues for Enterprise Value Creation

Material Risk & Opportunity

Customer satisfaction impacts business risk, driven by communication, product quality, complaints handling, and delivery. Surveys confirm product quality is the most important satisfaction factor.

Business Case

We recognize that customer satisfaction is a critical factor that can expose the business to significant risks if not managed properly. Based on our recent customer satisfaction survey, satisfaction is influenced by multiple components—communication, product quality, complaint handling, and delivery—with product quality identified as the most critical factor. This is especially important as we serve buyers with over 10,000 Full Container Loads (FCL) per year, making customer satisfaction and the consistency of product quality delivered a top priority for the company. The quality of our products must not only meet customer expectations but also comply with applicable global standards. By strengthening quality control processes, aligning products with customer needs, and investing in continuous improvement, we aim to reduce risks, increase customer retention, and support sustainable business growth.



Product Quality & Customer Satisfaction

Material Issues for Enterprise Value Creation

Business Impact : **Risk**

Business Strategies

Our strategy ensures high customer satisfaction by prioritizing product quality, especially for clients handling over 10,000 FCL (Full Container Load) annually. We strengthen quality control across the supply chain, align specifications with customer needs and global standards, and implement feedback loops to resolve issues and improve performance. This is supported by our Customer Satisfaction Survey, which helps ensure our operations align with customer expectations. The survey provides insights into perceptions of our products and services, guiding efforts to build and sustain customer trust. We also maintain direct communication to monitor service quality. Survey results are evaluated by both management and operational teams to address complaints and specific requests. Additionally, we have established a Service Level Agreement (SLA) to ensure timely and effective resolution of customer concerns, reinforcing our commitment to service excellence and continuous improvement.

Materiality Metrics for Enterprise Value Creation

Metric Definition	Progress 2024	Target 2030	Achievement to Target
Customer satisfaction	84 (Achieved)	82 (Based on Baseline by 2021)	102%



Sustainable Supply Chain

Material Issues for Enterprise Value Creation

Material Risk & Opportunity

Supplier emissions make up 47% of our total GHG output, posing a material risk to climate-dependent agriculture and supply chain sustainability, and threatening our long-term resilience.

Business Case

Our Scope 3 emissions contribute 47% of the total GHG emissions at PT Great Giant Pineapple, with 97% of those Scope 3 emissions originating from purchased goods from our strategic tier-1 suppliers. We recognize that, in the long term, the magnitude of these emissions poses a serious threat not only to our business continuity but also to human well-being and the health of the planet. As an agriculture-based company that heavily relies on climate stability, emissions from our suppliers present a significant risk to the sustainability of our supply chain moving forward. Circular Economy specific to Non-Food Waste. Through this approach, GGP prioritizes the utilization of waste and leftover materials for production to be reused and processed into value-added products.



Sustainable Supply Chain

Material Issues for Enterprise Value Creation

Business Impact : *Risk*

Business Strategies

We are implementing several strategies to reduce our Scope 3 emissions originating from purchased goods. These include: (1) conducting supplier assessments based on ESG criteria, with a particular focus on our strategic tier-1 suppliers that contribute the most to GGP's emissions, we maintain regular engagement regarding their emissions performance; (2) implementing supplier capacity development programs on ESG issues, including GHG emissions, to help suppliers adopt and execute their emission reduction initiatives. In 2024, we invited 100% of our significant tier-1 suppliers to participate in our supplier capacity development program, with around 80% attendance. We also engaged GHG emissions consultants to provide education and technical guidance to our suppliers; and (3) moving forward, we aim to establish more intensive collaborations by 2030, extending efforts to engage non-strategic tier-1 suppliers in reducing their emissions and contributing to a more sustainable supply chain.



Sustainable Supply Chain

Material Metrics for Enterprise Value Creation

Metric Definition	UoM	Progress 2024	Target 2030	Achievement to Target *
Scope 3 GHG Emissions	TCO2e/year	214.257	209.846	69%

*Baseline data 2022



Stakeholders Engagement and Community Empowerment

Material Issues for Enterprise Value Creation

Material Opportunity

GGP sees a significant economic opportunity in empowering local communities through strategic partnerships. This fosters collaboration, strengthens supply chain resilience, and sustainable growth.

Business Case

GGP operates within an agricultural environment where the surrounding communities in Lampung are primarily farmers. We engage these local farmers through a contract grower scheme, under which they are supported and trained to cultivate specific crop varieties in line with mutually agreed terms. As of 2024, GGP collaborates with local farmers to supply approximately 14.380 boxes of commodities, including bananas and avocados. This partnership plays a vital role in securing our commodity supply, significantly reducing the risk of supply shortages by leveraging local sourcing. This topic is considered material as it provides a substantial contribution to our operations through a stable supply chain, while also creating positive social impact by increasing the income and economic well-being of the communities around our company. Other than community, GGP also collaborate with community in Lampung Tengah and Lampung Timur to run community development such as SMEs development, local sourcing etc.



Stakeholders Engagement and Community Empowerment

Material Issues for Enterprise Value Creation

Business Impact : *Opportunity*

Business Strategies

To strengthen our supply chain and enhance community engagement, GGP is implementing a strategic partnership model with local farmers through our contract grower scheme. Our strategy focuses on expanding this collaboration by providing continuous training, technical assistance, and access to high-quality seeds to help farmers grow specific commodities that meet our standards. By fostering inclusive growth and supporting sustainable agricultural practices, we aim to ensure a reliable, high-quality supply of key commodities such as bananas and avocados. Looking ahead, our target is to engage and empower 3000 farmers by 2030, enabling us to build a more resilient, locally integrated supply chain while also contributing to the socio-economic development.

Material Metrics for Enterprise Value Creation

Metric Definition	UoM	Progress 2024	Target 2030	Achievement to Target
Number of farmer partnership	Farmers	1.345	3.000	45%



Sustainable Supply Chain

Materiality Metrics for External Stakeholders

We are committed to a sustainable supply chain, promoting inclusivity through the Farmer Empowerment Partnership (FEP) to support local farmers and strengthen sector resilience.

	Metrics Definition	UoM	2024
Output Metric	Numbers of farmer partnership (Beneficiaries)	Farmers	5.774
Impact Valuation	Improve inclusive economics through farmer partnership program	-	
Impact Metric	Income generation of farmer	Farmer Income/Month	Rp 6.670.000



Sustainable Supply Chain

Material Issues for External Stakeholders

We are deeply committed to building a sustainable supply chain by promoting inclusivity and responsibility across our operations. GGP actively collaborates with local communities to create shared value, reinforcing our dedication to long-term sustainability. Since 2016, we have implemented the Farmer Empowerment Partnership (FEP) program, which integrates local farmers into our supply chain through strategic partnerships. Under this program, farmers produce agricultural commodities in line with GGP's standards, while we support them with capital in the form of seedlings and technical training. This mutually beneficial collaboration not only improves farmers' livelihoods but also enhances inclusivity and strengthens the resilience of the agricultural sector. Through the FEP program, GGP continues to advance economic inclusion, empower surrounding communities, and support a sustainable, future-ready supply chain.



Stakeholders Engagement and Community Empowerment

Materiality Metrics for External Stakeholders

GGP addresses stunting near its operations through the GREAT Indonesia program, providing healthy meals, nutrition education, and home gardens to improve community health and resilience.

	Metrics Definition	UoM	2024
Output Metric	Number of stunting program locus	Locus	41
Impact Valuation	Reducing prevalence of stunting children	-	
Impact Metric	Increasing average weight of children	kg	0,7
	Increasing average height of children	cm	3



Stakeholders Engagement and Community Empowerment

Material Issues for External Stakeholders

GGP fully acknowledges the importance of including and engaging all stakeholders and is committed to continuously improving its stakeholder engagement approach. One of the key strategies is addressing urgent and significant concerns within local communities. The high prevalence of stunting in Indonesia, particularly in areas surrounding GGP's operations, has become a major concern. Although GGP is one of the largest food producers in the country, the nearby communities have not yet fully benefited from the nutritional value of its products—evidenced by the persistent issue of childhood stunting. In response, GGP launched its flagship program, GREAT Indonesia, which aims to reduce stunting rates, especially in the Lampung region. This program focuses on three main initiatives: providing healthy breakfasts made with GGP's products to improve children's nutrition, offering sustainable learning sessions for mothers about proper nutrition and health, and encouraging households to develop vegetable gardens to support daily nutritional needs. Through these efforts, GGP seeks to create lasting, positive impacts on community health and well-being.



Stakeholders Engagement and Community Empowerment

GREAT Indonesia: Stunting Prevention Program

2019 – 2024 Milestone

Nourishing Community Surrounding GGF's Operational Area with Stunting Prevalent Program

1 Coverage Area



PT Great Giant Pineapple
Terbanggi Besar Lampung
Tengah

- Karang Edoah
- Indra Putra Subling
- Bandar Jaya Barat
- Nambah Dadi
- Ono Harjo
- Mulitabayu
- Terbanggi Besar
- 26 Lampung Utara
- Gir Batin Udik
- Mataram Udik
- Ramayana
- Bayut Udik
- Pulagati
- Putra Lampung
- Internal Housing

2019 - 2024



41 Villages in Lampung Tengah –
Lampung Utara



11 Internal Housing



58 Pre School



5.774 Total Beneficiaries

2 Deliverables



12 Green House

As support activity of vegetable garden



8 Ton

Banana Underspecs Deliver to the children



8.300 Lt

Fresh milk deliver to the children

External



1,5 Ton

Banana Underspecs Deliver to the children



1.140 Lt

Fresh milk deliver to the children

Internal



360 Nutrition Booster

SGM booster + Caviplex for Boostering nutrition



Monthly Posyandu

For all area in GGF Lampung (exclude PG4)

3 Program's Impact

0,7kg

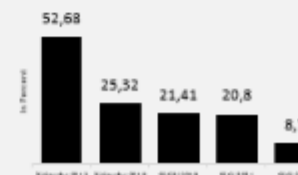
Increase in average weight of
children (beneficiaries)

3cm

Increase in average height of
children (beneficiaries)

45%

Reduction in stunting cases within
the internal housing of GGF. From
55 Cases into 30 Cases



Reduced the
prevalence of stunting
in Lampung Tengah