

## PT Japfa Comfeed Indonesia Tbk

Independent Limited Assurance Statement in relation to the Subject Matter included in the Third Annual Disclosure on the Progress to Satisfy the Sustainability Performance Target of PT Japfa Comfeed Indonesia Tbk's Sustainability-linked US\$350,000,000 5.375% Guaranteed Senior Notes Due 2026

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Report No. 00025/2.1032/JL.0/01/0690-1/1/III/2024

To Management of PT Japfa Comfeed Indonesia Tbk (the "Company")

## Scope

We have been engaged by the Company to perform a 'limited assurance engagement' as defined by the Standards on Assurance Engagement (SAE) 3000 (Revised 2022) (Assurance Engagements Other than Audits or Reviews of Historical Financial Information) established by the Indonesian Institute of Certified Public Accountants (IICPA), here after referred to as the engagement to report on the subject matters detailed below ("Subject Matter") as presented in the Third Annual Disclosure on the Progress to Satisfy the Sustainability Performance Target of PT Japfa Comfeed Indonesia Tbk's Sustainability-linked US\$350,000,000 5.375% Guaranteed Senior Notes Due 2026 (the "Third Annual Disclosure") for the period from 1 January 2023 to 31 December 2023. The Subject Matter for our limited assurance engagement is the construction of 3 water recycling facilities as detailed on page 3 (under the "4. Disclosure of Progress" Section) of the Third Annual Disclosure:

No.	Unit Type	Unit/Entity Name	Location
1.	Poultry Slaughterhouse	Medan Slaughterhouse of PT Ciomas Adisatwa	Hamparan Perak, Deli Serdang, North Sumatra, Indonesia
2.	Poultry Slaughterhouse	Magelang Slaughterhouse of PT Ciomas Adisatwa	Tempuran, Magelang, Central Java, Indonesia
3.	Poultry Slaughterhouse	Boyolali Unit of PT So Good Food	Teras, Boyolali, Central Java, Indonesia

for the period from 1 January 2023 to 31 December 2023.

The Subject Matter did not include:

- Data sets, statements, information, systems or approaches other than the selected indicators/disclosures;
- Any other elements included in the Third Annual Disclosure and any other sustainability-linked guaranteed senior notes information published elsewhere in the Company's reports, website and other publications;
- Information prior to 1 January 2023 and subsequent to 31 December 2023

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Third Annual Disclosure, and accordingly, we do not express a conclusion on this information.



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Report No. 00025/2.1032/JL.O/01/0690-1/1/III/2024 (continued)

## Criteria

In preparing the Subject Matter, the Company has applied the International Capital Market Association Sustainability-Linked Bond Principles on the Selection of Key Performance Indicators (KPIs), Calibration of Sustainability Performance Targets (SPTs), Bond Characteristics, Reporting and Verification as set out in the Company's Sustainability-Linked Financing Framework (the "Framework") for the selected Subject Matter in the Third Annual Disclosure.

## Management's responsibilities

The Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

## Our responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the SAE 3000 (Revised 2022) (Assurance Engagements Other Than Audits or Reviews of Historical Financial Information) established by the IICPA, and the terms of reference for this engagement as agreed with the Company. Those standards require that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter has not been reported and presented fairly, in all material respects, in accordance with the Criteria. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.



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## Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Public Accountants established by the Indonesian Institute of Certified Public Accountants, and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Control 1, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our limited assurance procedures included:

- Conducting interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matters during the reporting period
- Undertaking review procedures on the Third Annual Disclosure and on the documents of water recycling facilities construction to support the reasonableness of the data
- Comparing that the implementation of Subject Matters had been correctly applied in accordance with the Framework, on a sample basis, to check the validity of the data
- Undertaking site visit to the newly constructed water recycling facilities in poultry slaughterhouse Medan, poultry slaughterhouse Magelang and poultry slaughterhouse Boyolali



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#### Conclusion

Based on the limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter set out in the Third Annual Disclosure for the period from 1 January 2023 to 31 December 2023 has not been reported and presented fairly, in all material respects, in accordance with the Criteria.

#### Use of our Limited Assurance Statement

We disclaim any assumption of responsibility for any reliance on this limited assurance statement, or on the Subject Matter to which it relates, to any persons other than the Management of the Company or for any purpose other than that for which it was prepared.

KAP Purwantono, Sungkoro & Surja

Dagmar Zevilianty Djamal  
Public Accountant Registration No. AP.0690

12 March 2024



**PT JAPFA COMFEED INDONESIA Tbk**

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Jakarta, 12 March 2024

**Third Annual Disclosure on the Progress to Satisfy the Sustainability Performance Target (“SPT”) of PT Japfa Comfeed Indonesia Tbk (the “Company”)'s Sustainability-linked US\$350,000,000 5.375% Guaranteed Senior Notes Due 2026**

**1. Purpose of the Disclosure**

On 23 March 2021, the Company and the Subsidiary Guarantors (as defined in the related Indenture) issued a sustainability-linked US\$350,000,000 5.375% Guaranteed Senior Notes Due 2026 (the “Notes”). The Notes were issued in accordance with the Company’s Sustainability-Linked Financing Framework, and in alignment with the Sustainability-Linked Bond Principle (SLBP) released and administered by the International Capital Market Association (ICMA) in June 2020.

This document is prepared for the purpose of disclosing the Company’s progress to satisfy the SPT further described in Relevant Terms and Definition section below, as of 31 December 2023.

This Disclosure also serves as the basis for the issuance of an Independent Limited Assurance Statement in relation to the SPTs of the Company’s Notes by KAP Purwantono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited) (“EY”), being the appointed External Verifier (as defined by the Notes Indenture and described in Relevant Terms and Definition section below) and as also being identified as Independent Assurance Provider elsewhere in this document and in the Independent Limited Assurance Statement.

Pursuant to the terms and conditions of the Notes, the Notes are subject to one-time 25 bps coupon step-up for any interest period immediately following a Step-Up Event, as described in Relevant Terms and Definitions section below.

**2. Relevant Terms and Definitions**

Article 1 Section 1.01 of the Notes Indenture regarding Definitions, provides the following key terms and definitions relevant to this disclosure:



**"Sustainability Performance Target"** means the construction of eight water recycling facilities at any of the Company's or the Restricted Subsidiaries' slaughterhouses and one water recycling facility at any of the Company's or the Restricted Subsidiaries' hatcheries within the poultry breeding unit by the Company, in each case with certification of completion or handover from the facility contractor or facility engineer.

**"Step-Up Event"** means (1) a failure by the Company to satisfy the Sustainability Performance Target on the Target Observation Date as determined by the External Verifier and confirmed in the SPT Verification Assurance Certification or (2) the failure or inability of the Company to deliver the Satisfaction Certificate (in substantially the form attached to the Notes Indenture as Exhibit I), as required under section Section 4.01(b) of the Notes Indenture.

**"Target Observation Date"** means 23 December 2024.

**"External Verifier"** means any independent accounting or appraisal firm or other independent expert of internationally recognized standing appointed by the Company, in each case with the expertise necessary to perform the functions required to be performed by the External Verifier under this Indenture, as determined in good faith by the Company.

*Please refer to the Notes Indenture for the definition of other terms not specifically provided in this document.*

### **3. Description of the Company's Plan for Satisfying the SPT**

For the purpose of meeting the SPT before or on the Target Observation Date, over the next 3 years 9 months after the issuance of the Notes, the Company will carry out the following initiative relating to sustainable water and wastewater management:

To construct and complete the construction of water recycling facilities according to below timeline and plan:

- Year 1: 1 at a slaughterhouse and 1 at a hatchery
- Year 2: 3 at slaughterhouses
- Year 3: 3 at slaughterhouses
- Year 3 and 9 months: 1 at a slaughterhouse



#### 4. Disclosure of Progress

Management of the Company hereby discloses that, for the purpose of meeting the SPT, from 1 January 2023 to 31 December 2023, the Company had completed the construction of 3 water recycling facilities listed in below table, and for which an Independent Limited Assurance Statement has been provided by EY.

No.	Unit Type	Unit/Entity Name	Location
1.	Poultry Slaughterhouse	Medan Slaughterhouse of PT Ciomas Adisatwa	Hamparan Perak, Deli Serdang, North Sumatra, Indonesia
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3.	Poultry Slaughterhouse	Boyolali Unit of PT So Good Food	Teras, Boyolali, Central Java, Indonesia

A large, bold, black handwritten signature in cursive script, appearing to read 'Leo Handoko Laksono', is written over a horizontal line.

By: \_\_\_\_\_

Name: Leo Handoko Laksono

Title: Director

A small, stylized handwritten mark or signature, possibly a flourish or a second signature, located to the right of the name and title.