



## **Press Release**

*(for immediate release)*

### **&Green Fund Makes Palm Oil Sector Investment in PT Dharma Satya Nusantara Tbk.**

***Jakarta/Amsterdam, June 3<sup>rd</sup>, 2020*** - PT Dharma Satya Nusantara Tbk. ("DSNG") has signed a USD 30.0 million 10-year loan facility from Stichting andgreen.fund ("&Green"), a globally-focused impact investment fund financing sustainable commodity production to protect tropical forests. DSNG is a member of the Roundtable on Sustainable Palm Oil ("RSPO") and is committed to managing, operating and producing certified, sustainable palm oil.

The second Indonesian investment of the &Green fund will catalyse the implementation of DSNG's ambitious No Deforestation No Peat No Exploitation ("NDPE") strategy. Moreover, the long-term loan facility provides DSNG the flexibility to diversify its sources of funding amidst a volatile global credit market backdrop impacted by the COVID-19 pandemic.

DSNG will work with key stakeholders, such as government agencies, local and international NGOs, while recognizing that the success of the company's ambition depends most importantly, on the continued constructive engagement of its community partners. In collaboration with &Green's investment advisor, catalytic investment company SAIL Ventures, the project has produced a *Landscape Protection Plan*, which outlines the collaborative efforts in the landscapes defining DSNG's various concessions. Furthermore, an *Environmental and Social Action Plan* will help DSNG navigate the complexities of implementing strategies to manage the concessions sustainably within dynamic social and economic settings.

Beyond this landscape-level approach to forest protection and social inclusion, DSNG will fully implement their NDPE throughout the group and



its supply chains, including smallholder farmers, by 2025. In so doing, DSNG's commitment to transparency and accountability via the strict loan conditions agreed with &Green, could become a model for other growers in the palm oil sector.

"This investment from &Green gives DSNG the confidence that our model for sustainable and inclusive palm oil production, which uplifts communities and preserves biodiversity, can be scaled up and enriched with the right financing partners," explains Andrianto Oetomo, President Director of DSNG. "We recognize that we have a responsibility to excel - not only on our business performance - but also in terms of striving toward a net positive impact on the ecosystem that supports our businesses. We accept this challenge and are committed to tackle it with &Green"

"This transaction combines sustainable production of a major commodity of high importance for Indonesia with stringent requirements for forest protection while ensuring social inclusion of smallholder farmers, and therefore fits perfectly with &Green's mandate of establishing scalable blueprints for the private sector to replicate." said Felia Salim, of &Green's Board of Directors, noting that DSNG's plans are publicly available on &Green's website; "We are proud to support DSNG's efforts with our first palm oil sector investment".

"Providing a 10-year term loan, &Green delivers the financial flexibility needed for DSNG to make ambitious, public commitments to lasting sustainability outcomes and sets a precedent for how the financial sector can sustainably support the palm oil sector," comments Sanjiv Louis, Investment Director, SE Asia at SAIL Ventures.

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### **About &Green** ([www.andgreen.fund](http://www.andgreen.fund))

&Green, incorporated as a Dutch Stichting, was developed under the leadership of IDH in close collaboration with **Norwegian International Climate and Forests Initiative (NICFI)**. It is a blended finance debt fund investing in commercial projects that can demonstrate decoupling of commodity production from deforestation while being socially inclusive. &Green is focused on tropical forest jurisdictions with progressive forest protection strategies and targets in place. Its target sectors are the commodities that are driving deforestation such as palm oil, soy, beef, forestry and others. Current contributors to the fund include the Government of Norway, through its International Climate and Forest Initiative (NICFI), **Unilever**, the British-Dutch consumer goods company, and the **Global Environment Facility (GEF)**, with **UN Environment** acting as its implementing agency. Dutch advisory firm **SAIL Ventures** acts as the fund's investment advisor.

### **About DSNG** ([www.dsn.co.id](http://www.dsn.co.id))

PT Dharma Satya Nusantara Tbk was established on September 29, 1980 and has engaged in the palm oil and wood products industry ever since. The Company currently has 112,450 hectares of planted areas of palm oil plantations and 10 palm oil mills, with a total capacity of 570 tons per hour, that process Fresh Fruit Bunches (FFB) into Crude Palm Oil (CPO). As for the wood product business segment, the Company operates a wood processing plant in Central Java, which produces panels and engineered floorings.