

F0. Introduction

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F0.1

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**(F0.1) Give a general description of and introduction to your organization.**

Headquartered in Singapore, Musim Mas Group is a fully integrated palm oil corporation that delivers the highest quality and innovative palm oil products and derivatives used across multiple industries worldwide.

As one of the most prominent players in the palm oil industry, we aspire to be a responsible leader in the evolution of the industry, driving a new era of sustainability with innovation across the globe. To that aim, our dedicated, global team of professionals across the entire palm oil supply chain work closely with local and international stakeholders, ensuring that our products are economically viable, socially responsible, and environmentally appropriate.

Since 1972, Musim Mas has established deep and long-standing relationships with our customers and stakeholders worldwide. Our multi-cultural and multi-disciplinary workforce, located in 13 countries, brings innovation to meet the growing needs of our customers.

We are proud to be the preferred supply chain partner for palm oil and its derivatives. From our plantations, mills, refineries, kernel crushing plants, oleochemicals, and specialty fats plants, we manufacture palm oil and value-added derivatives before exporting these to customers via our extensive fleet of tankers and barges. Today, Musim Mas is Indonesia's largest palm oil exporter to customers located all around the world.

The steady growth of Musim Mas is underpinned by the quality of our management and supported by professionals dedicated to the highest standards of quality, safety, and efficiency. Our global marketing activities are undertaken by Inter-Continental Oils and Fats (ICOF), a member of Musim Mas Group.

Despite these achievements our business continues to face new challenges. As we have progressed, so have expectations from stakeholders for a responsible supply base. To achieve this, environmental stewardship has been a core pillar of our sustainability measures. Musim Mas strives to minimise and mitigate adverse impacts on the environment, by regularly assessing the impact of our operations through tools or exercises such as RSPO PalmGHG and CDP. We initiated our first Life Cycle Assessment (LCA) in 2019, to evaluate the impact of our operations on the environment, as well as develop holistic mitigation plans to minimize those impacts.

Musim Mas takes the impact of climate change seriously and is strongly committed to minimising GHG emissions within our operations. Our sustainability teams, senior management and the Board, are involved in decision-making pertaining to our climate-related risks and opportunities to ensure emission reductions are adequately managed throughout our operations.

F0.2

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**(F0.2) State the start and end date of the year for which you are reporting data.**

	Start Date	End Date
Reporting year	January 1 2019	December 31 2019

F0.3

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**(F0.3) Select the currency used for all financial information disclosed throughout your response.**

USD

F0.4

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**(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on. For each forest risk commodity selected, identify the stages of the supply chain which best represents your organization's area of operation.**

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Palm oil	Disclosing	Production Processing Trading Manufacturing Retailing	<Not Applicable>
Cattle products	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Soy	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Rubber	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Cocoa	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Coffee	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>

## F0.5

**(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?**

No

## F1. Current state

### F1.1

**(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?**

#### Palm oil

##### Activity

Growing/production of raw materials  
Harvesting  
Milling  
Crushing  
Refining & processing  
Refining & fractionation  
Exporting/trading  
Using as input into manufacturing process for power generation

##### Form of commodity

Fresh fruit bunches (FFB)  
Crude palm oil (CPO)  
Crude palm kernel oil (CPKO)  
Palm kernel meal (PKM)  
Refined palm oil  
Palm oil derivatives  
Palm kernel oil derivatives  
Palm biodiesel

##### Source

Owned/managed land  
Smallholders  
Trader/broker/commodity market

##### Country/Area of origin

Indonesia

##### % of procurement spend

100%

##### Comment

Our business activities run the gamut of the palm oil supply chain: o Managing oil palm plantations to produce fresh fruit bunch (FFB) o Milling oil palm fruits to produce crude palm oil (CPO) and Palm Kernel (PK) o Crushing PK to obtain crude palm kernel oil (PKO) o Refining CPO and PKO o Further processing to produce value-added products such as specialty fats, oleochemicals, biodiesel, soap, palm wax and functional products such as emulsifiers o Manufacturing consumer goods such as cooking oil and personal care products o Shipping and merchandising value-added products to global destinations

### F1.2

**(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.**

	<b>% of revenue dependent on commodity</b>	<b>Comment</b>
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	100%	Musim Mas derives all of its revenue from oil palm.
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F1.3**

**(F1.3) Provide details on the land area you control and/or manage that is used for the production of your disclosed commodity(ies)?**

**Forest risk commodity**

Palm oil

**Type of control**

Concession/lease

**Country/Area**

Indonesia

**Land type**

<Not Applicable>

**Area (Hectares)**

117000

**% Area certified**

71

**Certification scheme**

RSPO producer/grower certification

International Sustainability and Carbon Certification (ISCC)

**Conversion of natural ecosystems during the reporting year**

No

**Area converted during the reporting year (hectares)**

<Not Applicable>

**% covered by natural forests**

<Not Applicable>

**Please explain**

**Forest risk commodity**

Palm oil

**Type of control**

Scheme/Plasma smallholders

**Country/Area**

Indonesia

**Land type**

<Not Applicable>

**Area (Hectares)**

5500

**% Area certified**

54

**Certification scheme**

RSPO producer/grower certification

International Sustainability and Carbon Certification (ISCC)

**Conversion of natural ecosystems during the reporting year**

No

**Area converted during the reporting year (hectares)**

<Not Applicable>

**% covered by natural forests**

<Not Applicable>

**Please explain**

## F1.4

(F1.4) Provide details on the land you control and/or manage that was not used for the production of your disclosed commodity(ies) in the reporting year.

**Forest risk commodity**

Palm oil

**Country/Area**

Indonesia

**Type of control**

Concession/lease

**Land type**

Set-aside land

**Area (hectares)**

24000

**% covered by natural forests**

**Please explain**

In accordance with our Sustainability Policy, High Conservation Value (HCV) area and High Carbon Stock (HCS) forest are conserved. In addition, several areas such as, riparian zones, steep areas and slope areas are also conserved.

## F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	<Not Applicable>
Palm oil	Production data available, disclosing
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

## F1.5a

(F1.5a) Disclose your production and/or consumption data.

**Forest risk commodity**

Palm oil

**Data type**

Production data

**Volume**

2584026

**Metric**

Metric tons

**Data coverage**

Full commodity production/consumption

**Please explain**

<Not Applicable>

## F1.5b

(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Pelalawan Regency)

**% of total production/consumption volume**

21.02

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Pelalawan Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Pasaman Barat Regency)

**% of total production/consumption volume**

6.45

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Pasaman Barat Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Labuhan Batu Regency)

**% of total production/consumption volume**

0.35

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Labuhan Batu Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Musi Banyuasin Regency)

**% of total production/consumption volume**

10.61

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Musi Banyuasin Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Kotawaringin Timur Regency)

**% of total production/consumption volume**

44.03

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Kotawaringin Timur Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Sambas Regency)

**% of total production/consumption volume**

3.47

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Sambas Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Ketapang Regency)

**% of total production/consumption volume**

2.52

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Ketapang Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Indragiri Hilir Regency)

**% of total production/consumption volume**

8.48

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Indragiri Hilir Regency compared to total Musim Mas production.

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**Forest risk commodity**

Palm oil

**Country/Area of origin**

Indonesia

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (Barito Utara and Murung raya Regency)

**% of total production/consumption volume**

3.07

**Please explain**

Percentage of Fresh Fruit Bunch (FFB) produced in Barito Utara dan Murung Raya Regency compared to total Musim Mas production.

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F1.6

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**(F1.6) Has your organization experienced any detrimental forests-related impacts?**

No

F2. Procedures

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F2.1

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**(F2.1) Does your organization undertake a forests-related risk assessment?**

Yes, forests-related risks are assessed

F2.1a

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**(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.**

**Palm oil**

**Value chain stage**

Direct operations  
Supply chain

**Coverage**

Full

**Risk assessment procedure**

Assessed as part of other company-wide risk assessment system

**Frequency of assessment**

More than once a year

**How far into the future are risks considered?**

> 6 years

**Tools and methods used**

Internal company methods  
Global Forest Watch Pro  
Sustainability Policy Transparency Toolkit (SPOTT)  
Global Risk Assessment Services (GRAS)

**Please explain**

Palm oil and its derivatives are the main commodity of Musim Mas which accounts for almost 100% of its revenue therefore oil palm deforestation risk assessment is of great importance to Musim Mas. Musim Mas has put in place a monitoring system that monitor - Adherence to RSPO and POIG procedure to ensure no deforestation in new oil palm development - Traceability of purchased oils and palm fruits (FFB) (MM dashboard reflect transparently on third party supply chain and the progress of transformation) - New regulations and/or update of regulations on oil palm sustainability (RSPO, ISPO, EU RED, US RFS etc) - Occurrences of stakeholder conflicts - Oil palm news from the media Any problems that arise and their resolution are actively monitored. If there is an allegation of deforestation in our supply chain, we will study and analyse the allegation using our internal tools as well as publicly available tool such as GFW and GRAS. If the deforestation confirmed, we will engage with the suppliers in question. The results of this risk management system are communicated every quarter to the executive chairman of the board. Musim Mas has also joined the Palm Oil Innovation Group as a progressive front runner to look at potential innovations. This involves the commitment towards the High Carbon Stock Approach as well as fair labor principles.

**F2.1b**

**(F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?**

**Availability of forest risk commodities**

**Relevance & inclusion**

Relevant, always included

**Please explain**

As we derive almost 100% of our revenue from oil palm and its derivative, the availability of oil palm (a forest risk commodities) is paramount to our operations and is always included in our risk assessment.

**Quality of forest risk commodities**

**Relevance & inclusion**

Relevant, always included

**Please explain**

In current business climate, the quality of the oil palm is important. Musim Mas has adopted a sustainability policy which consist of five major points: 1. Bring benefit to the community 2. No deforestation of the High Conservation Value (HCV) area and High Carbon Stock (HCS) forest 3. No development of peatland regardless of depth 4. Fully comply with local, national and international laws 5. Establish traceable supply chain See the full sustainability policy in: <https://www.musimmas.com/pdf/Musim%20Mas%20Sustainability%20Policy.pdf> In line with our sustainability policy, we are concerned with the sustainability "quality" of our supply and this is always included in our risk assessment.

**Impact of activity on the status of ecosystems and habitats**

**Relevance & inclusion**

Relevant, always included

**Please explain**

As per point 2 and 3 of the sustainability policy mentioned above, we commit to - No deforestation of the High Conservation Value (HCV) area and High Carbon Stock (HCS) forest - No development of peatland regardless of depth Further, we also monitor hotspots on daily basis using data from three sources: NOAA, MODIS and VIIRS Accordingly, the impact of activity on ecosystems and habitats is important and is always included in our risk assessment. If our supplier is found not compliant with the policies, we will engage with the supplier in question.

**Regulation**

**Relevance & inclusion**

Relevant, always included

**Please explain**

As per point 4 of the sustainability policy mentioned above, we commit to: - Fully comply with local, national and international laws Accordingly changes in regulation is assigned a high priority in our risk assessment process.

## Climate change

### Relevance & inclusion

Relevant, always included

### Please explain

Climate change may bring changes in precipitation pattern and cause increase in extreme weather conditions such as drought and flood. This will cause substantive impact on our operations. The awareness of climate change and its impact may also bring about a change in customers preference. This is why climate change is always included in our risk assessment

## Impact on water security

### Relevance & inclusion

Relevant, always included

### Please explain

We started our first water footprint in 2018 using our 2016 and 2017 data. Since then, we always conducted water footprint calculation every year to ensure that positive water balance is always maintained in each of our plantations.

## Tariffs or price increases

### Relevance & inclusion

Relevant, always included

### Please explain

Tariffs or other non tariffs barriers can impact the profitability of the company and is included in risk assesment

## Loss of markets

### Relevance & inclusion

Relevant, always included

### Please explain

Loss of market has been a concern recently especially European market where the parliament has recently passed a resolution to restrict the import of palm oil. These issues are discussed in our risk assessment.

## Brand damage related to forest risk commodities

### Relevance & inclusion

Relevant, always included

### Please explain

Oil palm has come under intense scrutiny and have been targeted by many negative campaign. This is a concern for us and is always included when we assess our risk.

## Corruption

### Relevance & inclusion

Relevant, always included

### Please explain

A sizable part of Musim Mas operation is in Indonesia which is regarded as a high risk country when it comes to corruption. Musim Mas in its sustainability policy stated that Musim Mas will conduct its business in a fair and ethical manner, and discourage all forms of corruption and bribery. Corruption is always included in risk assessment.

## Social impacts

### Relevance & inclusion

Relevant, always included

### Please explain

One of the main points in Musim Mas sustainability policy is to bring benefit to the community. Before we undertake any new enterprise, we always strive to ensure that that a social impact assessment has been conducted. We also provide assistance to the local communities in the form of corporate social responsibility (CSR) if requested. Social impact is always included in our risk assessment.

## Other, please specify

### Relevance & inclusion

Not considered

### Please explain

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F2.1c



## (F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?

### Customers

#### Relevance & inclusion

Relevant, always included

#### Please explain

Customer's request and due diligence are part of our forest related risk assessment. For example, our customers had their own NDPE, or requirement such as to participate in CDP disclosure.

### Employees

#### Relevance & inclusion

Relevant, always included

#### Please explain

Socializing our sustainability policy to our employees is important to ensure that our employee understood the commitments outlined in the sustainability policy and to minimize risk of employee breaching our policy. This is always included in the risk assessment.

### Investors

#### Relevance & inclusion

Relevant, always included

#### Please explain

Recently, some banks are starting to require sustainability assessment before they provide funding. Forest-related issues are one of the topic considered.

### Local communities

#### Relevance & inclusion

Relevant, always included

#### Please explain

Local community is a significant aspect on our forest related risk assessment. Stakeholder consultation is one method where we discuss with community about their perception and expectation on forest area and how forest is important for their lives. Through stakeholder consultation, we also provide training and socialization to local community regarding our approach such as our NDPE, HCV and HCS. In addition, we also do hotspot monitor in the areas around our concessions to prevent or minimize any fire occurrence. Musim Mas has also developed a program called "Masyarakat Bebas Api/ Fire Free Village", in which we provide monetary incentive to the communities if there is no occurrence of fire in a certain period of time.

### NGOs

#### Relevance & inclusion

Relevant, always included

#### Please explain

Musim Mas strives to be a leader in oil palm sustainability and we understand that NGOs are an important component of that journey. Musim Mas have worked with NGOs in various projects to advance the sustainability of oil palm and to alleviate the negative reputation of oil palm. This is included in our risk assessment.

### Other forest risk commodity users/producers at a local level

#### Relevance & inclusion

Relevant, always included

#### Please explain

We engaged other forest risk commodity producers to developed a monitoring and management program, which goal is to ensure the conservation areas around the concession is preserved and maintained.

### Regulators

#### Relevance & inclusion

Relevant, always included

#### Please explain

As per point 4 of the sustainability policy mentioned above, we commit to: - Fully comply with local, national and international laws We monitor and keep abreast of any new laws and regulations that affect the business. Accordingly regulators and changes in regulation is assigned a high priority in our risk assessment process.

### Suppliers

#### Relevance & inclusion

Relevant, always included

#### Please explain

Musim Mas has a large downstream operations which depended on supplies from our multitudes of suppliers. Disruption to our suppliers will have significant impact on Musim Mas operations. This is always included in risk assessment. We have also set up a traceability system to map our suppliers, analyse their risk level and engage with them if necessary.

### Other stakeholders, please specify

#### Relevance & inclusion

Please select

#### Please explain

## F3. Risks and opportunities

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### F3.1

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**(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Risk identified?
Timber products	<Not Applicable>
Palm oil	Yes
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

### F3.1a

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**(F3.1a) How does your organization define substantive financial or strategic impact on your business?**

Musim Mas defines substantive financial impact as:

- Any impact which could potentially inflict financial loss around 10 percent or higher of current EBITDA estimates.
- Any climatic event that will drastically affect the yield and productivity of oil palm crop as well as palm oil supply.
- Any drastic drop in supply (of raw materials) of 20 percent or more, which affect our production cost as well as production volume.

### F3.1b

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**(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Forest risk commodity**

Palm oil

**Type of risk**

Physical

**Geographical scale**

Plantation

**Where in your value chain does the risk driver occur?**

Direct operation

Supply chain

**Primary risk driver**

Increased severity of extreme weather events

**Primary potential impact**

Reduction or disruption in production capacity

**Company-specific description**

Change in precipitation patterns and increased occurrence of weather extremes such as drought and flooding will cause a drop in the productivity of oil palm. Some studies found that drought and flood may cause 10 - 30% drop in oil palm productivity. This has two substantive impacts on us: It reduce our plantations (upstream) production and revenue and it increase the production cost of our refineries (downstream).

**Timeframe**

1-3 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial**

The impact has not been quantified financially.

**Primary response to risk**

Implementation of environmental best practices in direct operations

**Description of response**

Implementing best management practices to alleviate the impact of drought and flood such as: 1. Improve soil management by recycling back cut fronds and organic waste from palm oil mill such as EFB and decanter to improve the soil moisture retention capacity and to ameliorate the drought effects. 2. Install and maintain proper drainage to better deal with flood waters. 3. Research drought or flood resistant varieties of oil palm. These activities have been implemented since a few years ago and are expected to continue in the future. They are expected to help the company to better deal with drought and flooding condition. Improved moisture retention due to biomass application help provide buffer for the palms during drought while the improved drainage will help to reduce the incidence and severity of flooding during wet months.

**Cost of response**

**Explanation of cost of response**

Cost of response not quantified at corporate level

**F3.2**

**(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

	Have you identified opportunities?
Timber products	<Not Applicable>
Palm oil	Yes
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

**F3.2a**

**(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.**

**Forest risk commodity**

Palm oil

**Type of opportunity**

Products & services

**Where in your value chain does the opportunity occur?**

Direct operation

Supply chain

**Primary forests-related opportunity**

Increased brand value

**Company-specific description & strategy to realize opportunity**

There is an opportunity for Musim Mas to establish itself as the leader in sustainable palm oil industry by activities such as: - Ensuring full certification of business units - Actively participating in oil palm sustainability initiatives and dialogues. Musim Mas is implementing those strategies: Musim Mas is one of first company to be RSPO certified. Musim Mas is the only Indonesian member of POIG. Musim Mas joins a select few companies who have implemented HCSA methodology. Musim Mas staffs are members of many working group supporting innovation and contribute the process of the RSPO, ISPO, POIG, and HCSA high forested landscape working group to put out guidelines for sustainable oil palm

**Estimated timeframe for realization**

Current - up to 1 year

**Magnitude of potential impact**

Medium

**Likelihood**

Likely

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The impact has not been quantified financially.

**F4. Governance**

**F4.1**

**(F4.1) Is there board-level oversight of forests-related issues within your organization?**

Yes

**F4.1a**

**(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.**

Position of individual	Please explain
Director on board	The Musim Mas Board of Directors ('Board') considers sustainability a core component of our corporate integrity, ensuring that material environmental, social and governance (ESG) factors are embedded into business strategies and decisions. The Board is led by our Executive Chairman and Chief Executive Officer. Our sustainability teams, senior management and the Board, are involved in decision-making pertaining to our climate-related risks and opportunities.

**F4.1b**

**(F4.1b) Provide further details on the board's oversight of forests-related issues.**

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation / R&D priorities Setting performance objectives	During the meeting, the sustainability committee will brief the board on the state of sustainability of the industry and the progress of Musim Mas sustainability initiative such as RSPO, ISPO, ISCC certification, POIG verification and supply chain traceability. The committee will also bring up any complaints that the company has received regarding sustainability to discuss the potential paths to resolution. The committee also discussed potential new sustainability initiative that can be undertaken with other stakeholders.

**F4.2**

**(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Sustainability committee	Both assessing and managing forests-related risks and opportunities	More frequently than quarterly	Sustainability committee comprising of middle and lower management are tasked to assess and manage forests-related risks and opportunities. This committee reports to the higher management sustainability committee and Board of Directors.

**F4.3**

**(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?**

	Provide incentives for management of forests-related issues	Comment
Row 1	Yes	

**F4.3a**

**(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?**

	Role(s) entitled to incentive?	Performance indicator	Please explain
Monetary reward	Board/Executive board Corporate executive team	Achievement of commitments and targets	In current business environment, management of forest issues is integral to the performance of the company and is thus indirectly linked to the size of the annual bonus that is distributed to the employees.
Non-monetary reward	Board/Executive board Corporate executive team	Achievement of commitments and targets	In addition to annual bonus, non-monetary reward, such as promotion, is also given.

**F4.4**

**(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?**

Yes (you may attach the report – this is optional)

Sustainability Report 2018.pdf

Musim Mas is a private company, and we do not publish financial report. However, we do include information about our response to forest-related risks in our Sustainability Report. We attached our Sustainability Report for 2018, forest-related discussion can be found in page 27-30.

**F4.5**

**(F4.5) Does your organization have a policy that includes forests-related issues?**

Yes, we have a documented forests policy that is publicly available

**F4.5a**

**(F4.5a) Select the options to describe the scope and content of your policy.**

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to transparency Commitment to stakeholder awareness and engagement Commitment to align with the SDGs Recognition of the overall importance of forests and other natural ecosystems Description of business dependency on forests Recognition of potential business impact on forests and other natural habitats Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound milestones and targets Description of forests-related performance standards for direct operations Description of forests-related standards for procurement	Musim Mas established its sustainability policy in December 2014. The policy consist of five main points: 1. Bring benefit to the community 2. No deforestation of the High Conservation Value (HCV) area and High Carbon Stock (HCS) forest 3. No development of peatland regardless of depth 4. Fully comply with local, national and international laws 5. Establish transparent and traceable supply chain The sustainability policy can be found in <a href="http://www.musimmas.com/sustainability/sustainability-policy">http://www.musimmas.com/sustainability/sustainability-policy</a>

**F4.5b**

**(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.**

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	Yes	Company-wide	Commitment to eliminate deforestation Commitment to no deforestation, to no planting on peatlands and to no exploitation (NDPE) Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to transparency Commitment to stakeholder awareness and engagement Recognition of the overall importance of forests and other natural ecosystems Description of business dependency on forests Recognition of potential business impact on forests and other natural ecosystems Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Description of forests-related performance standards for direct operations Description of forests-related standards for procurement	The palm oil policy follows the general Musim Mas sustainability policy
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

## F4.6

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**(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?**

Yes

## F4.6a

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**(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?**

Tropical Forest Alliance 2020

Other, please specify (Palm Oil Innovation Group)

## F4.6b

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**(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.**

### Forest risk commodity

Palm oil

### Criteria

Zero gross deforestation/ no deforestation

Zero net deforestation

No new development on peat regardless of depth

Avoidance of negative impacts on threatened and protected species and habitats

No trade of CITES listed species

No land clearance by burning or clearcutting

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities

Promotion of gender equality and women's empowerment

Adoption of the UN International Labour Organization principles

Resolution of complaints and conflicts through an open, transparent and consultative process

Facilitate the inclusion of smallholders into the supply chain

No sourcing of illegally produced and/or traded forest risk commodities

No sourcing of forest risk commodities from unknown/controversial sources

### Operational coverage

Direct operations and supply chain

### % of total production/ consumption covered by commitment

100%

### Cutoff date

2014

### Commitment target date

2017

### Please explain

PT. Musim Mas released a sustainability policy in December 2014. The sustainability policy consist of five major points: 1. Bring benefit to the community 2. No deforestation of the High Conservation Value (HCV) area and High Carbon Stock (HCS) forest 3. No development of peatland regardless of depth 4. Fully comply with local, national and international laws 5. Establish traceable supply chain The sustainability policy can be found in <http://www.musimmas.com/sustainability/sustainability-policy>

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## F5. Business strategy

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### F5.1

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**(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	Forests-related issues have greatly affected the long term business objectives of Musim Mas. For example: it has altered the future expansion and hectarage target of the company. Musim Mas must now forgo any new plantation expansion in forested and peat area.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	Forests-related issues have induced Musim Mas to alter their approach to grow its business. For example: we now have to consider our suppliers sustainability.
Financial planning	Yes, forests-related issues are integrated	5-10	The change is long-term business objectives and the strategy for long-term objectives will change how we plan our finance. For example: Some banks are starting to require sustainability assessment of the projects before they provide funding. In light of this we have to plan our finance differently.

**F6. Implementation**

**F6.1**

**(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?**

Yes

**F6.1a**

**(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.**

**Target reference number**

Target 1

**Forest risk commodity**

Palm oil

**Type of target**

Third-party certification

**Description of target**

We are committed to sustainable production and or consumption along the supply chain from downstream to upstream level. Third party certifications namely RSPO, ISCC, ISPO, POIG and etc is important for our journey. We are targeting 100% of third party certification for all our own operations and associated scheme smallholders.

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

RSPO (any type)

**Start year**

2009

**Target year**

2022

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

93

**Please explain**

Musim Mas received its first RSPO and ISCC certification in 2009 and 2011, respectively and ISPO in 2012. We have successfully certified and maintained certification for our own operations and associated scheme smallholders. Musim Mas is now working with IFC to certify its independent smallholders.

**Target reference number**

Target 2

**Forest risk commodity**

Palm oil

**Type of target**

Assess and/or verify compliance



**Description of target**

We are 100% POIG verified by 2019 at group level

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

<Not Applicable>

**Start year**

2017

**Target year**

2019

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

100

**Please explain**

We are 100% POIG verified by 2019 at group level

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**Target reference number**

Target 3

**Forest risk commodity**

Palm oil

**Type of target**

Traceability

**Description of target**

By 2025 we are aiming to be 100% of the total supply traceable to the place of production. The latest development can be viewed in our website <https://www.musimmas.com/sustainability/ndpe-roadmap/>

**Linked commitment**

Other environmental commitments

**Traceability point**

Plantation

**Third-party certification scheme**

<Not Applicable>

**Start year**

2015

**Target year**

2025

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

49

**Please explain**

By December 2019, we are traceable 100% to the Group's plantations, 85% to the Group's direct supply base of independent smallholders, 58% of third-party supply to plantations (excluding independent smallholders) and 49% of total supply to the place of production (plantations or smallholder plot). The latest development can be viewed in our website <https://www.musimmas.com/sustainability/ndpe-roadmap/>

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F6.2

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**(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?**

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Timber products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	Yes	Our traceability systems include traceable to the Group's plantations, Group's direct supply base of independent smallholders, third-party supply to plantations and suppliers independent smallholders supply base using risk-based traceability.	Not applicable	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

**F6.2a**

**(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).**

Forest risk commodity	Point to which commodity is traceable	% of total production/consumption volume traceable
Palm oil	Plantation	49

**F6.3**

**(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)? Indicate the volume and percentage of your certified production and/or consumption.**

**Forest risk commodity**

Palm oil

**Third-party certification scheme**

RSPO producer/grower certification

**Certification coverage**

Production volume

**% of total production/consumption volume certified**

90

**Form of commodity**

Crude palm oil (CPO)

Other, please specify (Palm Kernel (PK))

**Volume of production/ consumption certified**

871796

**Metric**

Metric tons

**Please explain**

We maintain our FFB and CPO production from our own plantations and associated scheme smallholders to be RSPO certified, whereas all new plantation or mill will be certified within 3 years of acquisition. The company has established a dedicated certification team to obtain and maintain RSPO certification.

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**Forest risk commodity**

Palm oil

**Third-party certification scheme**

International Sustainability and Carbon Certification (ISCC)

**Certification coverage**

Production volume

**% of total production/consumption volume certified**

**Form of commodity**

Fresh Fruit Bunches (FFB)

Crude palm oil (CPO)

Other, please specify (Palm Kernel (PK))

**Volume of production/ consumption certified**

**Metric**

Metric tons

**Please explain**

We maintain our FFB and CPO production from our own plantations and associated scheme smallholders to be ISCC certified. The company has established a dedicated certification team to obtain and maintain ISCC certification.

---

**Forest risk commodity**

Palm oil

**Third-party certification scheme**

Other, please specify (ISPO)

**Certification coverage**

Production volume

**% of total production/consumption volume certified**

**Form of commodity**

Crude palm oil (CPO)

Other, please specify (Palm Kernel (PK))

**Volume of production/ consumption certified**

**Metric**

Metric tons

**Please explain**

We maintain our FFB and CPO production from our own plantations to be ISPO certified. The company has established a dedicated certification team to obtain and maintain ISPO certification.

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**F6.4**

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**(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?**

	A system to control, monitor or verify compliance	Comment
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F6.4a**

**(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).**

**Forest risk commodity**

Palm oil

**Operational coverage**

Direct operations  
Supply chain

**Description of control systems**

Musim Mas has its own NDPE to ensure the No Deforestation, No Peat and No Exploitation when performing its business. Standard Operational Procedures are also in place to monitor our compliance. We are also a member and committed to the RSPO, ISCC, ISPO, POIG as well as HCSA. HCV and HCS assessments are conducted in our operational units. We also have dedicated department and team to ensure compliance to these commitments. Internally, we also conduct our own risk assessment as well as monitoring using remote sensing method and groundtruthing checking. External and internal audits are also conducted regularly to maintain our compliance. We also aware that the conversion and/or deforestation may come from the local community, therefore we regularly conduct the stakeholder consultation to educate the local community on our NDPE. Together with the community, we also have Fire Free Program called "Masyarakat Bebas Api" to promote a fire-free and deforestation land conversion.

**Monitoring and verification approach**

Geospatial monitoring tool  
Ground-based monitoring system  
Community-based monitoring  
First-party verification  
Second-party verification  
Third-party verification

**% of total volume in compliance**

100%

**% of total suppliers in compliance**

61-70%

**Response to supplier non-compliance**

Other, please specify (We will immediately cease sourcing from companies who do not take immediate remedial action to correct violations including developing HCV area, HCS forest or peatland, burning, and who are not demonstrating real progress toward remedial action. )

**Procedures to address and resolve non-compliance with suppliers**

Developing time-bound targets and milestones to bring suppliers back into compliance  
Providing information on appropriate actions that can be taken to address non-compliance  
Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

**Please explain**

We will review our business dealings with suppliers who are found to breach our sustainability policy. We recognise that suppliers may need time to implement the guidelines laid down by the policy. We believe that close cooperation and constructive dialogues with suppliers are necessary to integrate sustainable development principles with current business practices. We will work with suppliers through training, capacity building programmes and continuous positive support.

**F6.6**

**(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.**

	Assess legal compliance with forest regulations	Please explain
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	Yes, from both suppliers and owned/managed land	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6a

(F6.6a) For you disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

**Palm oil**

**Procedure to ensure legal compliance**

Beside our NDPE and SOP we also enter into Indonesian Sustainable Palm Oil Scheme to ensure our legal compliance. A relevant department and team is also dedicated to ensure and monitor our compliance to applicable legal, law and regulations.

**Country/Area of origin**

Indonesia

**Law and/or mandatory standard(s)**

ISPO

**Comment**

We maintain ISPO certification for our operational units.

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	Yes, working with smallholders	Supply chain mapping Capacity building Financial and commercial incentives	Supplier questionnaires on environmental and social indicators Developing or distributing supply chain mapping tool Offering on-site technical assistance and extension services Providing agricultural inputs Financial incentives for certified products	38000	Musim Mas is working with smallholders in various programs, for example: 1. Scheme smallholder program 2. Capacity building in terms of Best Management Practices and certified products 3. Fire Free Village program called Masyarakat Bebas Api 4. Joint monitoring of conservation area 5. CSR program to smallholders 6. Piloting a smallholder certification scheme with IFC (International Finance Corporation). 7. Musim Mas is working on the implementation of an Extension Service Platform for their landscape areas to also extend services to independent smallholders in the third party supply chain. This is to be piloted and is based on the principle of involving all stakeholders within such landscape.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

**(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?**

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	Yes, working with direct suppliers	Supply chain mapping Capacity building Financial and commercial incentives	Supplier questionnaires on environmental and social indicators Developing or distributing supply chain mapping tool Offering on-site training and technical assistance Financial incentives for certified products	100%	We are working with our direct suppliers in various aspects such as engagement to our NDPE.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

**F6.9**

**(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?**

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Timber products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	Yes, working beyond first tier	Supply chain mapping	Developing or distributing supply chain mapping tools On-site meetings with indirect suppliers	We have mapped our indirect suppliers and often held socialization with them to promote sustainability through our Sustainability Policy.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

**F6.10**

**(F6.10) Do you participate in external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?**

**Forest risk commodity**

Palm oil

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

Tropical Forest Alliance 2020 (TFA)  
High Conservation Value (HCV) Resource Network  
Roundtable on Sustainable Palm Oil (RSPO)  
Palm Oil Innovation Group (POIG)  
High Carbon Stock Approach Steering Group  
International Sustainability & Carbon Certification (ISCC)  
Fire Free Alliance (FFA)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Musim Mas joined various multi-stakeholder initiatives that aimed to increase awareness and demand for sustainable materials: - Palm Oil Innovation Group (POIG). POIG has developed a charter on no deforestation, no planting on peat, no exploitation which all members have to adhere to. - HCS Approach Steering Group. HCS Approach was developed as a tool to identify and protect forested areas in addition to HCV assessments and respecting FPIC, which are mandatory under RSPO. We encourage the RSPO to further strengthen its principles and criteria to include the protection of HCS forests. -RSPO and ISCC working groups. Our staffs are active in various RSPO and ISCC working groups

F6.11

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**(F6.11) Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?**

Yes

F6.11a

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(F6.11a) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

**Project reference**

Project 1

**Project type**

Biodiversity offsetting

**Primary motivation**

Voluntary

**Description of project**

Initially we learned about biodiversity and set aside area from certification scheme, which prompted us to voluntarily set aside High Biodiversity area from development plan.

**Start year**

2008

**Target year**

Indefinitely

**Project area to date (Hectares)**

117000

**Project area in the target year (Hectares)**

117000

**Country/Area**

Indonesia

**Latitude**

**Longitude**

**Monitoring frequency**

Six-monthly or more frequently

**Measured outcomes to date**

Biodiversity

**Please explain**

We actively identify and monitor the biodiversity offsetting area within our concession and its landscape. We conduct our own internal monitoring to maintain the biodiversity area as it is. The monitoring is conducted every month by ground-based checking. In addition, we also installed trap cameras to monitor the activities of nocturnal species.

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**Project reference**

Project 2

**Project type**

Set aside land

**Primary motivation**

Voluntary

**Description of project**

We forgo any planting on High Conservation Value (HCV) areas and High Carbon Stock (HCS) forest.

**Start year**

**Target year**

Indefinitely

**Project area to date (Hectares)**

24000

**Project area in the target year (Hectares)**

24000

**Country/Area**

Indonesia

**Latitude**

**Longitude**

**Monitoring frequency**

Six-monthly or more frequently

**Measured outcomes to date**

Carbon sequestration

Climate regulation

**Please explain**

Project area should increase following every new HCV and HCS assessment which we conduct. We could not provide a figure because the area of HCV and HCS are determined by the licensed assessors. Once the areas are set, mitigation and monitoring plans are developed to maintain and enhance its condition.

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## F7. Verification

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F7.1

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**(F7.1) Do you verify any forests information reported in your CDP disclosure?**

No, we are waiting for more mature verification standards/processes

F8. Barriers and challenges

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F8.1

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**(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.**

**Forest risk commodity**

Palm oil

**Coverage**

Supply chain

**Primary barrier/challenge type**

Supply chain complexity

**Comment**

The palm oil supply chain in Indonesia is very complex. In addition to large growers, 40% of Indonesia's palm fruit is produced by millions of smallholders, each of whom manage only a few hectares of land.

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F8.2

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**(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.**

**Forest risk commodity**

Palm oil

**Coverage**

Direct operations

Supply chain

**Main measure**

Improved data collection and quality

**Comment**

Availability of accurate and inexpensive satellite images / remote sensing methods would help us better examine previous land cover to ensure no conversion of natural ecosystems both in our direct operations and supply chain.

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F17 Signoff

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F-FI

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**(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

F17.1

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**(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.**

	Job Title	Corresponding job category
Row 1	Director of Sustainability	Other, please specify (Head of Department)

SF. Supply chain module

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SF0.1

(SF0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	

SF0.2

(SF0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

No

SF1.1

(SF1.1) In F6.3 you were asked "Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)? Indicate the volume and percentage of your certified production and/or consumption". Can you also indicate, for each of your disclosed commodity(ies), the percentage of certified volume sold to each requesting CDP supply chain member?

Please select

SF2.1

(SF2.1) Please propose any mutually beneficial forests-related projects you could collaborate on with specific CDP supply chain members.

SF2.2

(SF2.2) Have requests or initiatives by CDP supply chain members prompted your organization to take organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain?

Yes

SF2.2a

(SF2.2a) Specify the requesting CDP supply chain member(s) that have driven organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain and provide details on how.

SF3.1

(SF3.1) For your disclosed commodity(ies), do you estimate the GHG emission reductions and/or removals from land use and land use change that have occurred in your direct operations and/or supply chain?

Palm oil

Estimate GHG emissions and removals from land use and land use change

Please select

Please explain

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms

