



Corporate Presentation

January 2024

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01

About Us

Our History



Started the first palm oil refinery in Indonesia

1970



Started oleochemicals plant

2003



1932

Started the Nam Cheong Soap Factory



1988

Started plantation in Rantau Prapat, North Sumatra



2012

Fully integrated palm oil corporation across 13 countries

About Musim Mas

Musim Mas at a Glance



Singapore

Headquarters



>38,000

Worldwide Employees



13 Countries

Operational presence



Products sold globally

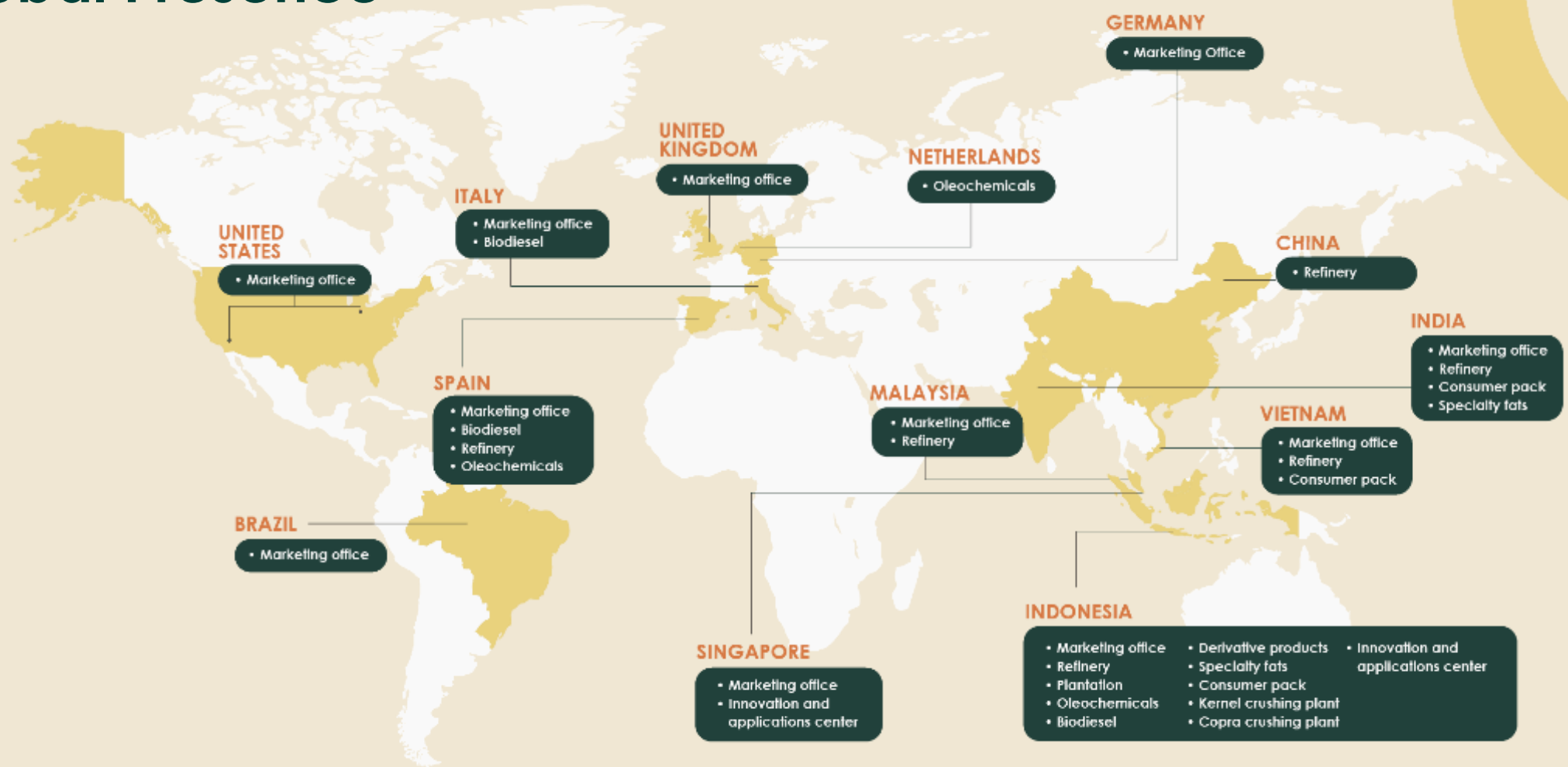


USD 10.8 billion

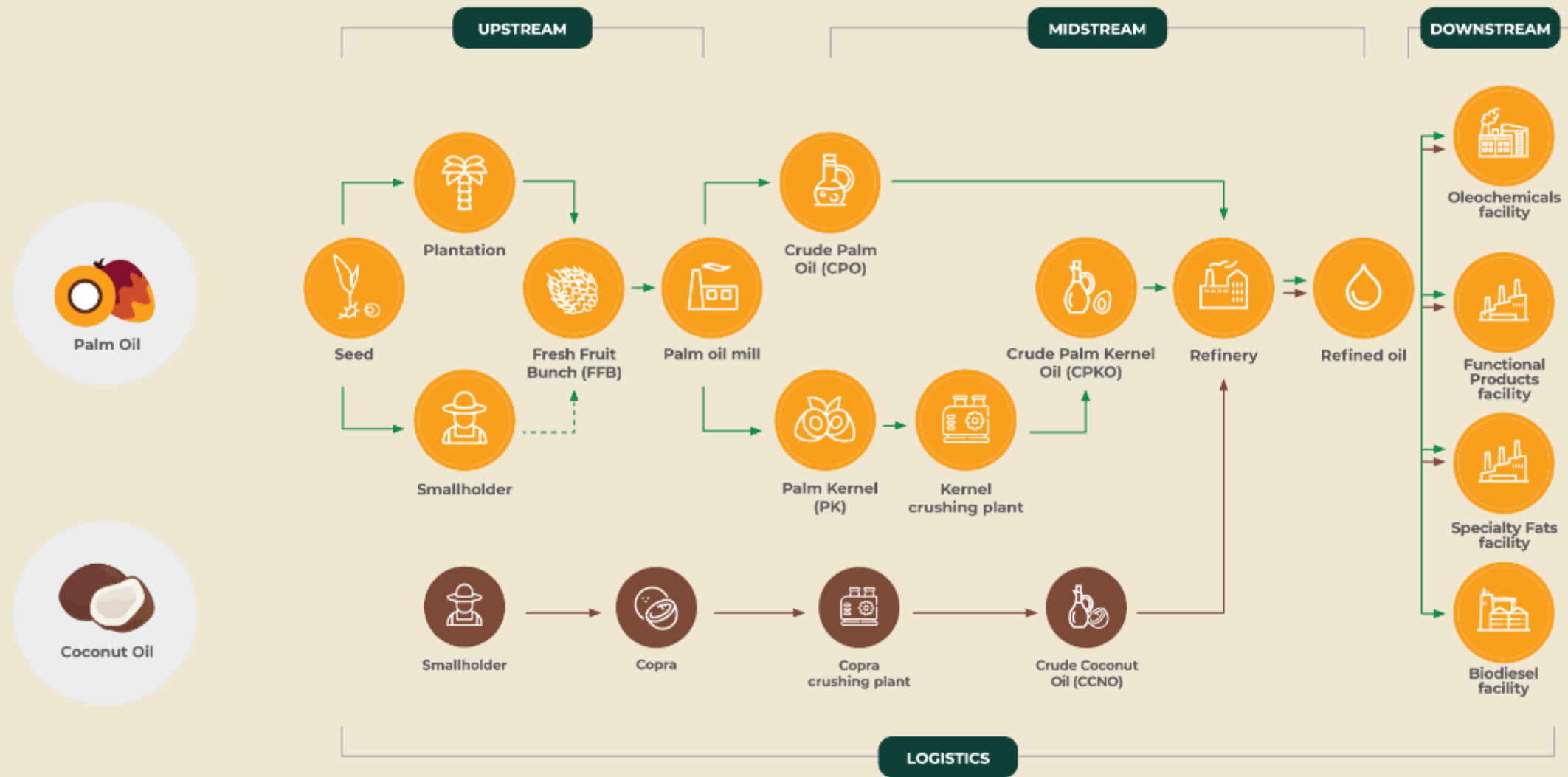
Total sales (FY2022)



Global Presence



Integrated Business



About Musim Mas

Product Applications



Animal Nutrition



Biofuels



Commodities



Consumer Products



Food & Beverage



**Healthy & Dietary
Supplements**



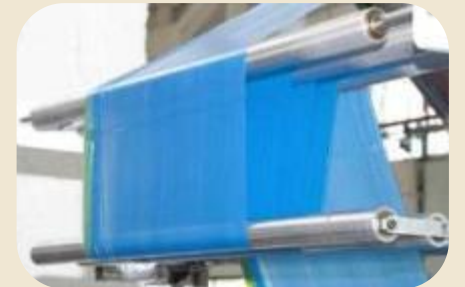
**Home Care, Personal
Care & Cosmetics**



Industrial



Pharmaceutical



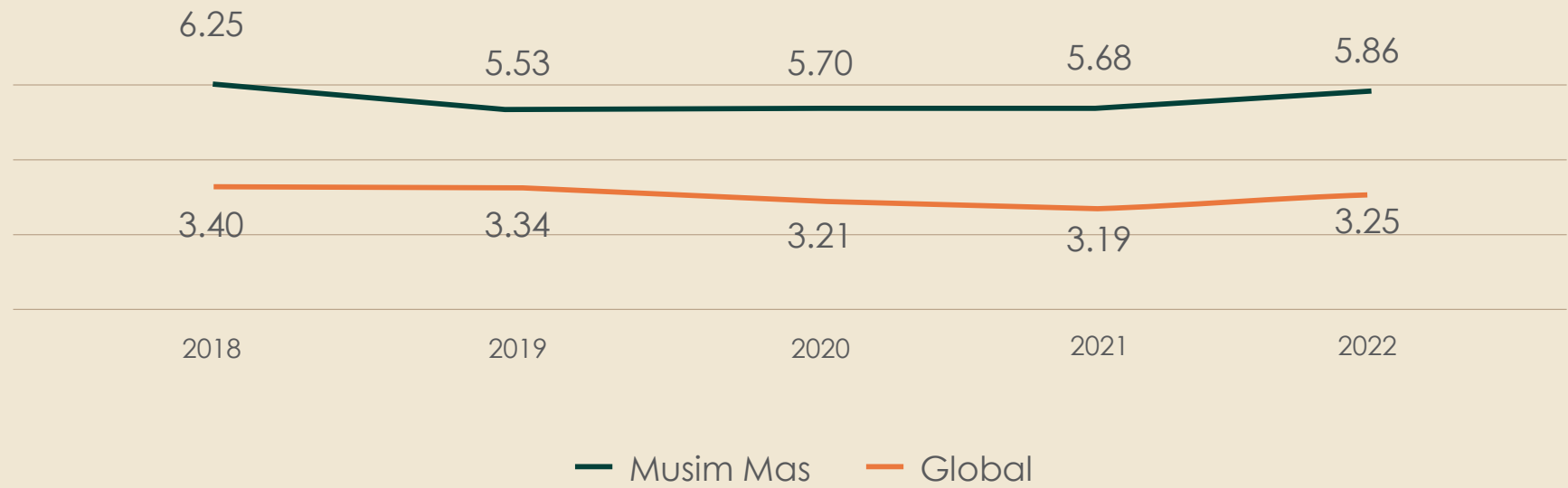
Polymers & Plastics

Group Oil Yield per Hectare

* In tonnes per Ha

Musim Mas CPO yield vs. global average 2018-2022

(MT CPO/ha)



02

Sustainability Milestones & Highlights

Our Sustainability Milestones



First in Indonesia to join RSPO¹



First smallholder scheme in Indonesia to attain RSPO¹ certification



Published comprehensive sustainability policy extended to third-party suppliers



- Updated Sustainability Policy
- Integrated independent smallholders into the sustainable palm oil supply chain



Signed Agricultural Sector Roadmap to 1.5°C at COP27 to reduce emissions from land use change

2004

2009

2010

2012

2014

2019

2020

2021

2022

2023



First plantation in Indonesia to attain RSPO¹ certification



First plantation in Indonesia to attain ISPO certification



- First Southeast Asian palm oil major to be POIG³-verified
- First palm oil mill in the world to be certified against RSPO¹ Principles and Criteria 2018



- Launched Social Impact Report
- Achieved 100% RSPO¹ Certification for integrated mills



- 100% of PTs ISPO-certified
- Launched Sustainable Sourcing Strategy for coconut operations

¹ Roundtable on Sustainable Palm Oil

² Indonesian Sustainable Palm Oil

³ Palm Oil Innovation Group

Achieving Higher Standards Across our Operations



RSPO Certification

- 100% of integrated mills
- 83% of total mills
- 77% of our plantations
- 100% of Kernel Crushers, Refineries, Oleochemical plants & Specialty Fat plants in Indonesia



More than 755,780 MT CSPO* and 188,930 MT CSPK**

*Crude Sustainable Palm Oil

** Crude Sustainable Palm Kernel



PT. Multipersada Gatramegah: **first mill in the world** to be **audited against RSPO Principles & Criteria 2018 standards**



First POIG[^]-verified palm oil major in Southeast Asia

[^]Palm Oil Innovation Group



NDPE# IRF## profiles for 20 facilities, covering Refineries and Kernel Crushers

NDPE: www.ndpe-irf.net/

#No Deforestation, No Peat, No Exploitation

##Implementation Reporting Framework



Indonesian Sustainable Palm Oil

100% PTs are ISPO-certified as of July 2023

03

Musim Mas Sustainability Policy

Musim Mas Sustainability Pillars



Pillar 1



Improve
the Lives of
**Smallholders,
Workers, and
Communities**

Pillar 2



Deliver
**Positive
Environmental
Impacts**

Pillar 3



Maintain Responsible
and Enduring
Relationships
with **Suppliers,
Customers, and
Stakeholders**

Pillar 4



Drive **Innovation**
in **Sustainable
Practices**

2022 Sustainability Report

- Musim Mas publishes annual Sustainability Reports.
- Affirms the Group's commitment towards sustainable palm oil.
- The current one for calendar year 2022 can be found on our website.



04

Smallholder Initiatives

Who Are the Smallholder Farmers?

Smallholders are small-scale farmers who own **up to 20 hectares of planted oil palm**. There are broadly two types in Indonesia.

In Indonesia, oil palm smallholders are classified into **two groups**: **Scheme** and **Independent Smallholders**.



Scheme smallholders operate under a government-initiated program with support from plantation companies.

Independent smallholders are self-financed, self-managed, self-equipped, and not bound to any one mill.

Why Smallholders are Key to Sustainable Palm Oil

Smallholders manage 41% of planted palm, this represents **6.4 million hectares** in Indonesia.

Independent ones particularly face great challenges including:



Limited
Expertise



Limited
Access to
Financing



Lack of
Market
Access



Poor Yields

As a result, **smallholders require support** to discourage deforestation and slash-and-burn agriculture.

Scheme Smallholder Initiatives

In 1996, Musim Mas initiated a primary cooperative credit scheme (KKPA) to assist smallholders. This program became mandatory in Indonesia only in 2007.

In 2000, Musim Mas launched a second initiative - the Village Development Program (VDP).

Smallholders Oil Palm
Development Programs
(**KKPA**)

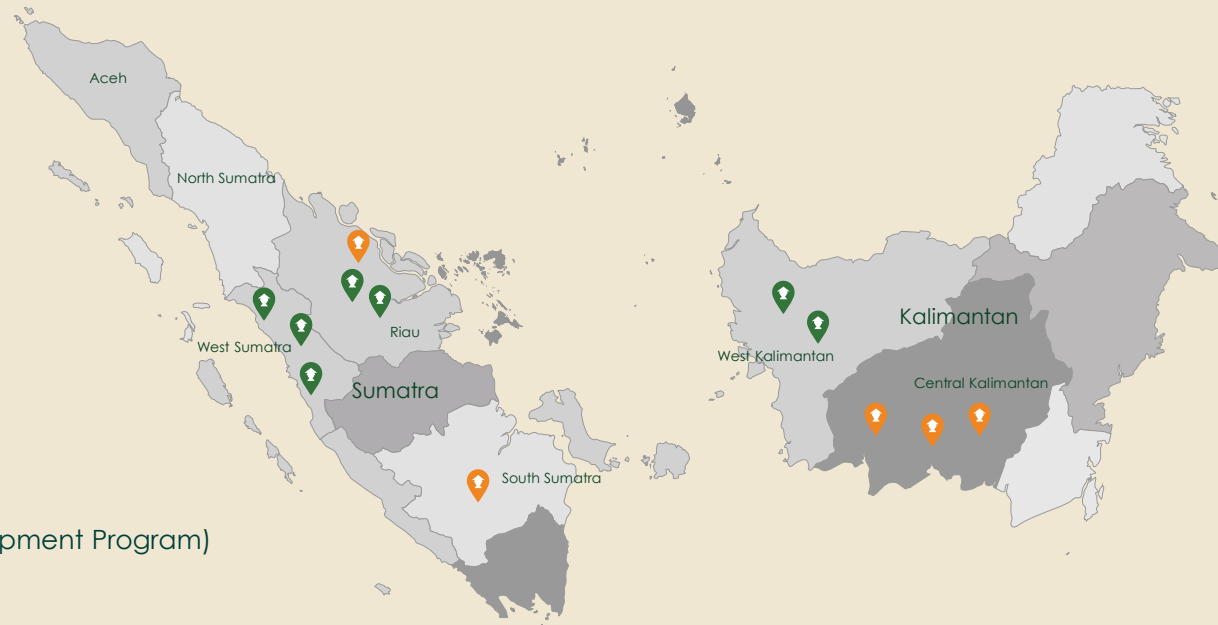
4,144 Smallholders
6,783 Hectares

SCHEME SMALLHOLDERS

Village Oil Palm
Development Program
(**KKD/VDP**)

31 Villages
232 Hectares

- KKPA (Kredit Koperasi Primer Anggota)
- KKD / VDP (Koperasi Kas Desa/ Village Development Program)



* Data as of December 2022

Training for Smallholders

Indonesia's Largest Independent Smallholders Program



Training on
Good
Agricultural
Practices



Improving
Farm
Productivity



Preventing
Deforestation



Gaining Market
Access Through
Certification



more than
36,700

Smallholders trained
by Musim Mas



more than
78,500

Hectares covered



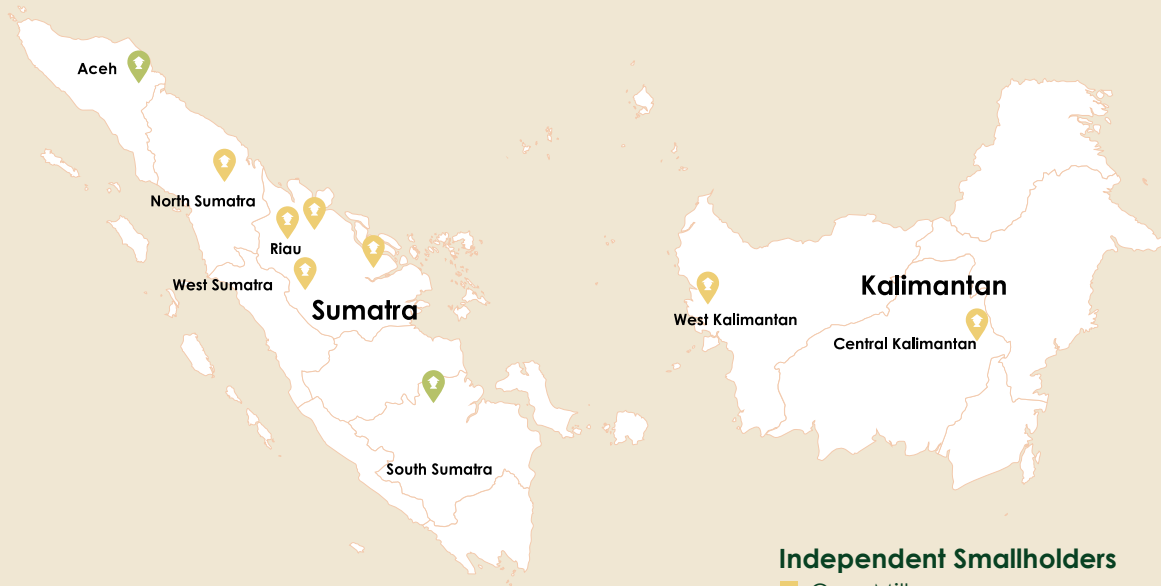
more than
4,580

Smallholders
RSPO certified



more than
1,950

Smallholders
ISPO certified



Independent Smallholders

- Own Mills
- Third-party Supplier Mills

Training for Trainers



Musim Mas trains Village Extension officers (VEOs) who will train even more smallholders.



We support the government with capacity building and create a common platform for all to work with smallholders.



6

Smallholder Hubs established



460

VEOs trained by Musim Mas



around

6,700

Smallholders Trained by VEOs



more than

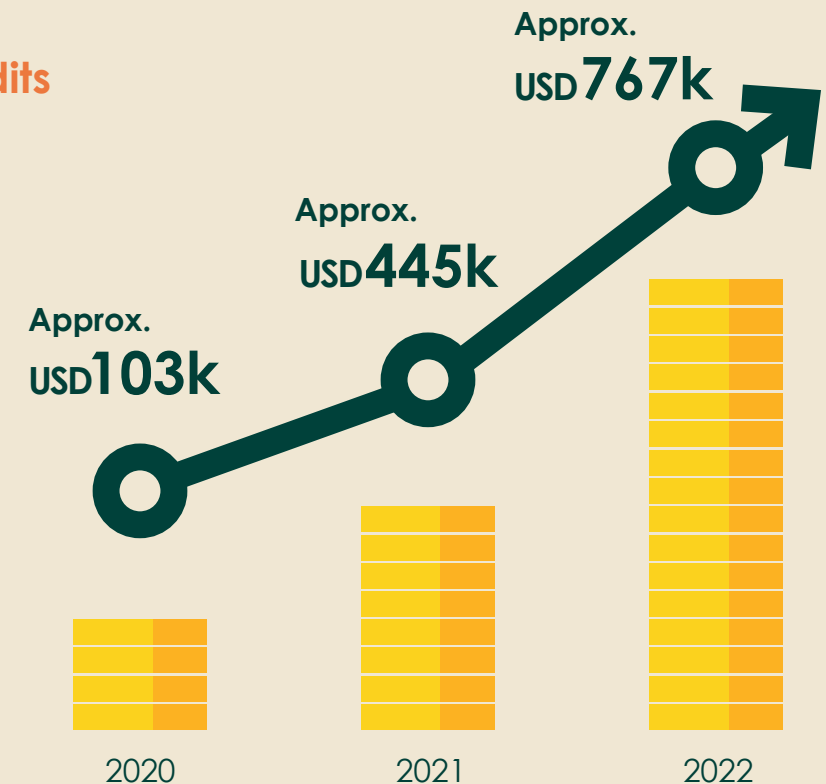
9,700

Hectares

Helping Smallholders Gain Market Access

As a vertically integrated company, Musim Mas has been helping smallholders gain access to the international sustainable palm markets by working with companies using palm oil and helping smallholders achieve sustainability through the RSPO Credits scheme.

Musim Mas has helped independent smallholders achieve RSPO Credits a combined total of approximately USD1.3 million.



* Data as of December 2021

05

Landscape Projects & Collaborations

Our Collaborations

We believe in collaborating with governments, NGOs, academia, developmental funds and downstream players such as consumer goods companies to achieve palm oil sustainability.

Academia and developmental funds

ETH zürich



SNV



Downstream Collaborations



Collaborations for Livelihoods: General Mills

Collaboration is the key to achieve oil palm sustainability. Not just with governments and NGOs, but with downstream players like General Mills which we began collaborating with in 2020.

Highlights of General Mills' support:

- **Three years** of funding
- Experienced in **Regenerative Agriculture Experience**
- **Sustainable** sourcing innovations

 **more than**
1,300 **Smallholders**
Trained

 **75** **VEOs Trained**



* Data as of June 2023



Addressing Deforestation: Nestle and AAK



Aceh is a priority landscape as 87% of the Leuser Ecosystem lies within the province. As of 2021, Musim Mas is **leading a five-year program to train village extension officers (VEOs)** on sustainability.

Highlights:

- **5-year project** on VEO training
- **2 years** of funding from Nestle and AAK
- Nestle and AAK to **buy RSPO Smallholder Credits**
- To engage **approximately 1,000** smallholders

Improving Smallholders' Market Access: Unilever, PepsiCo, Nestle



To help smallholders gain international market access through RSPO credits, in 2021, Musim Mas **launched a partnership with downstream consumer goods companies.**

Highlights:

- Deals for smallholders **worth USD 445,000** were made in 2021
- Benefited smallholders across **four farmers' associations**



Supply Chain Sustainability: ETHZ

ETHzürich

Launched in 2021, this collaboration aims to investigate the conditions under which supply chain sustainability initiatives can lead to reduced deforestation, while maintaining livelihoods.

Highlights:

- An unprecedented **5-year longitudinal study**
- ETHZ Zurich will measure how Musim Mas' Smallholders Hubs approach can **contribute to sustainability goals**
- Up to **1,600 non-industrial palm producers** will be surveyed over a 5-year timeframe



Supply Chain Sustainability: Livelihoods Funds, SNV, Danone, L'Oréal, Mars, Incorporated



L'ORÉAL

MARS

To improve smallholder livelihoods and explore innovations such as regenerative agriculture, Musim Mas in 2021 launched a collaboration with Livelihoods Funds, SNV and downstream players.

Highlights:

- A **10-year in-depth project** to improve smallholders yield and livelihoods
- **First** major agroforestry/intercropping project in Indonesia
- Over **8,000 hectares** of degraded land to be regenerated
- **2,500 smallholder farmers** to benefit
- The **findings** will benefit the industry at large

Improving Biodiversity: SEARRP



In 2021, we partnered with a research facility SEARRP and University of Oxford scientists, to determine the effectiveness of our conservation efforts.

Highlights:

- A study on **up to 12 years'** worth of HCV monitoring data
- SEARRP assessed the **effectiveness** of Musim Mas' conservation efforts
- SEARRP provided **recommendations that will support in the improvement of our conservation practices**
- **We shared our findings with the RSPO**



Aceh Leuser Landscape

Aceh is a priority landscape as **87% of the Leuser Ecosystem lies in the Aceh province.**

The Leuser Ecosystem is **one of the largest rainforests** in the world-renowned for its high biodiversity.

Despite only making up 5 to 10% of our supply base, we **contribute our NDPE expertise** to the local mills and smallholders.

Since 2019, we began publishing our **annual Aceh Progress Report** to communicate our progress in the Aceh Province.

Highlights:

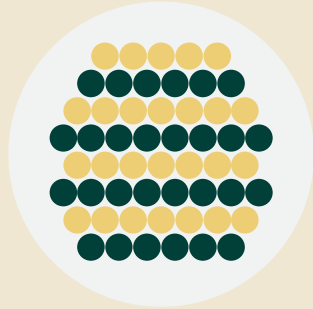
- **Landscape-based approach** across different stakeholders including government, NGOs and smallholders
- **Established supply chain** for sustainable sourcing through collaborations



06

Environmental Efforts

Zero-Waste Mills: Our Sustainable Production



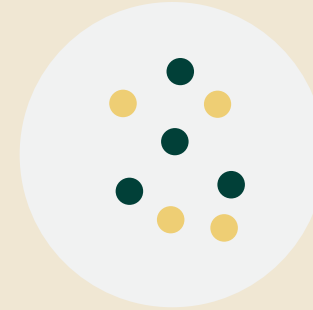
Solid

- Press cake fiber, empty fruit bunch fiber and kernel shells used as fuel
- Decanter solid from **Palm Oil Mill Effluent (POME)** used as fertilizer



Liquid

- POME undergoes anaerobic digestion to produce methane gas
- Treated POME use as organic fertilizer in plantation



Gaseous

- Methane gas produced by anaerobic digestion of POME is captured as biogas to power the palm oil mill and housing complex
- Boiler chimney discharge to the atmosphere is smoke-free

These features are not commonly found in the industry

Reduction of Emissions



Plantation

- No development on primary forest, HCV and HCS forest
- No new development on peatland
- Zero burning



Mill

- Use biomass as energy feedstock
- Capture methane gas and produce electricity
- Net positive energy balance



Refinery

- Use biomass as energy feedstock



Processing Plant

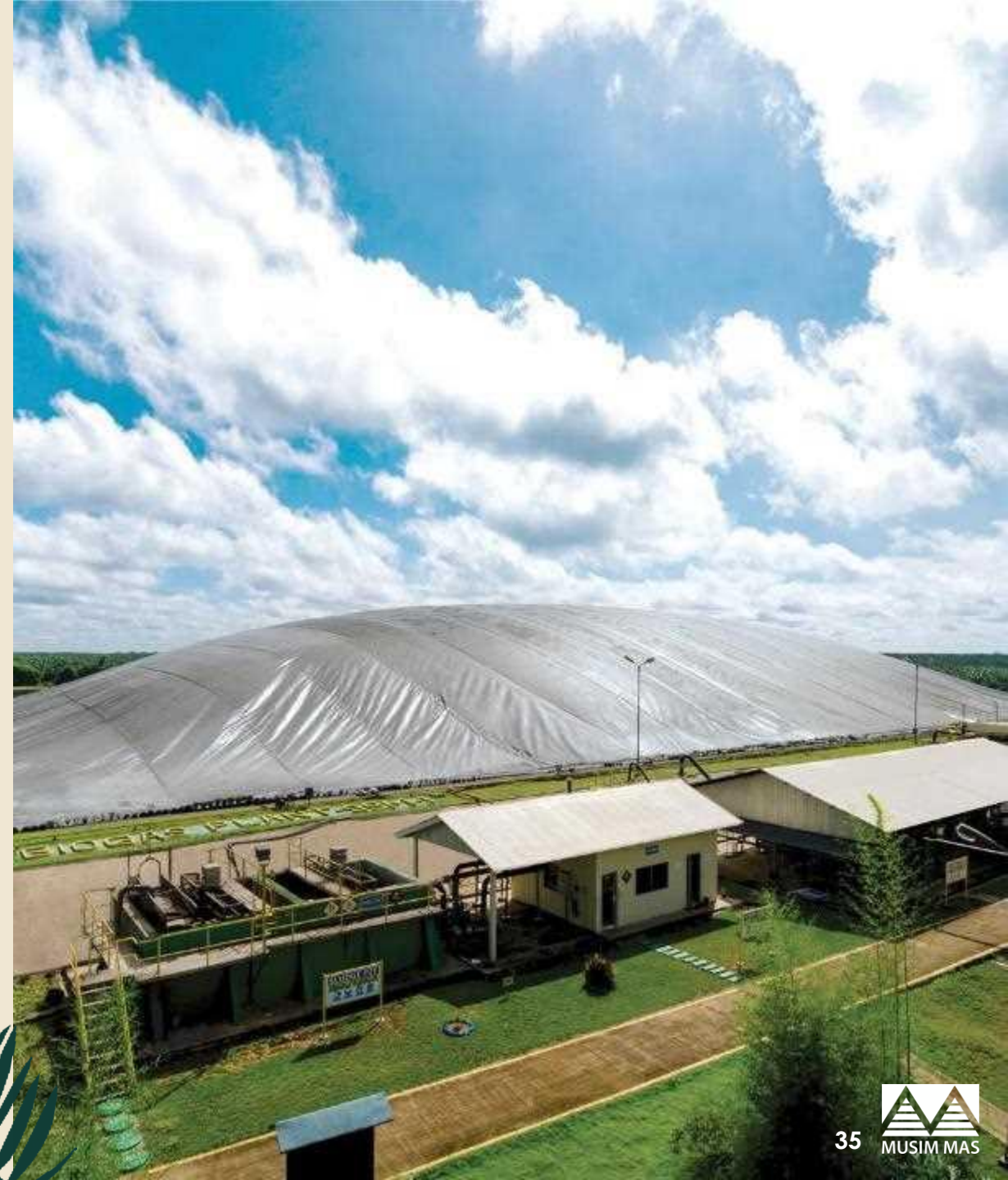
- Use biomass as energy feedstock
- Some of the processing plants are 100% powered by biomass

Targets	55% reduction (by 2025, 2006 baseline)	Develop Group-level emissions reduction targets in line with the Science Based Target initiative (SBTi) by 2024
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Zero-Waste Mills: Methane Capture Projects

Musim Mas is the first major plantation group to install the facility for all its mills

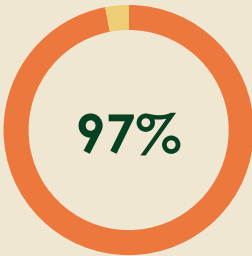
- Effluent account for **99% of mill operation's emission.**
- Methane capture can **reduce significantly the total emission** of Estate and Mill operation but requires substantial capital expenditure.
- Musim Mas has invested **USD 60 million** to equip all its mills with methane capture system.



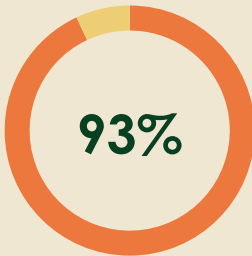
Supply Chain Transformation



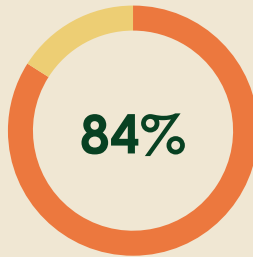
Traceable to
mills since 2015



Traceable to
Plantation



Suppliers have
attended NDPE
workshops



Supplying Mills
have completed
Self-Assessment
Tools



Suppliers monitored
for deforestation
and peat
(Mills with
Concessions)

>9.8
Million Ha

Being monitored
across
Indonesia,
Malaysia and
Thailand



Suppliers
committed to
NDPE principles

Leading Supplier Engagement

As over 80% of Musim Mas CPO comes from external suppliers, we factor in and engage suppliers on sustainability



**Extension Services Program
for Smallholders from 3rd Party Mills**



**97% Suppliers Submitted
NDPE Commitments**



**97% Traceability to Plantation
for Supply Chain**



**Deforestation monitoring:
Satellite-based with Earthqualizer**



**Deforestation monitoring:
Radar-based with RADD**

Commitment to transparency



Received 1 Blue award



91.8%, ranked 7th
out of 100 palm oil companies



ASD
ACTION FOR SUSTAINABLE DERIVATIVES

Score >80 (2021)



**PT. Musim Mas –
Gold Medal
(2022)**



**Forests 2022 (A-)
Climate change 2022 (B)
Water security 2022 (B)**



8.7 of 10, ranked 2nd
In the Agricultural Products industry

07

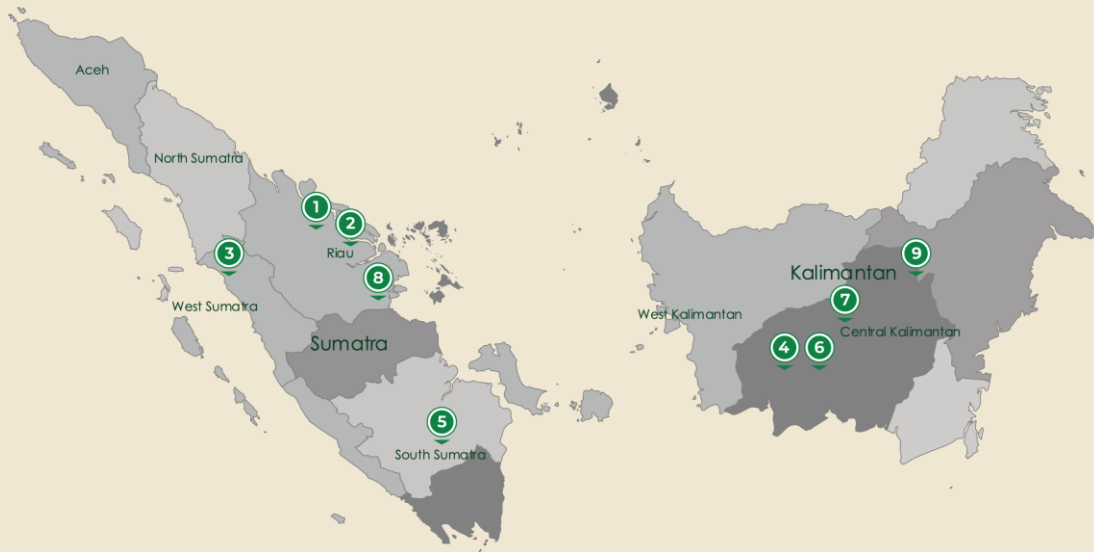
CSR Efforts

Providing free Primary Education



Free education for children of plantations workers.

10 primary schools and **3 secondary schools** have been established.



Support for Tertiary Education



Tanri Abeng
University (TAU)
South Jakarta



Bogor Agricultural
University, Bogor, West
Java Province



Faculty of Economics,
University of North Sumatra,
Medan, North Sumatra



National University of
Singapore, Singapore



Donations

Musim Mas operates a long-standing outreach initiative through The Anwar Karim Foundation, or Yayasan Anwar Karim (YAK), which runs programs that address needs like economic development, community facilities, education, and infrastructure.

In 2022, our CSR contributions through the Foundation amounted to IDR 30,243 million, of which 58% was allocated to our YAK schools.



IDR 30,243 million*

2022 CSR Contributions

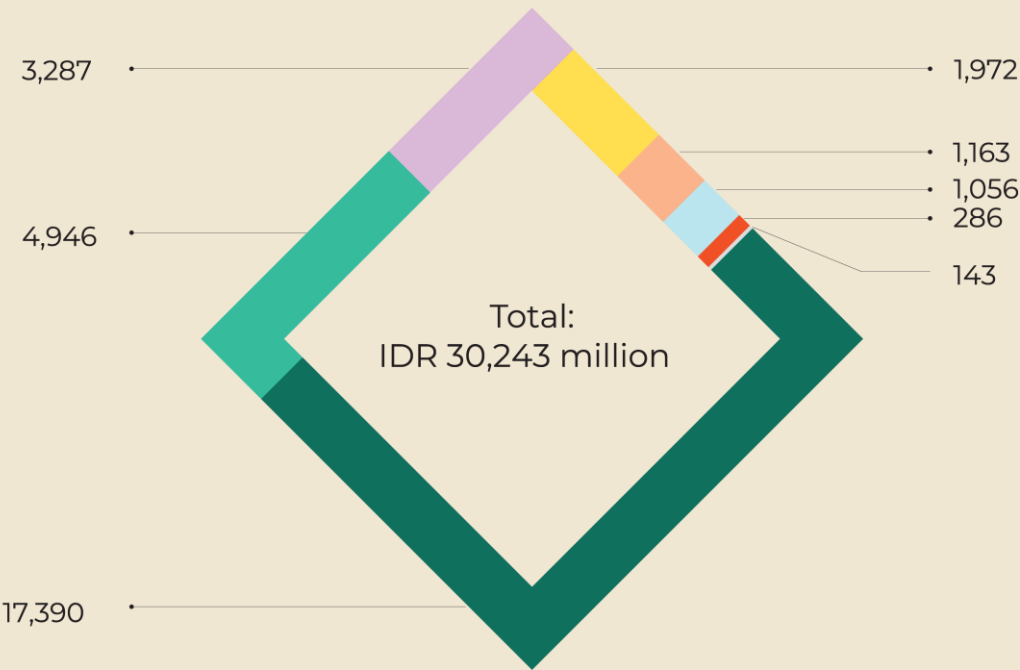
**Approx. USD 1.9 million*



58% Allocated to YAK schools

Note: Musim Mas operates 10 primary schools and 3 secondary schools

CSR contributions 2022 (IDR million (%))



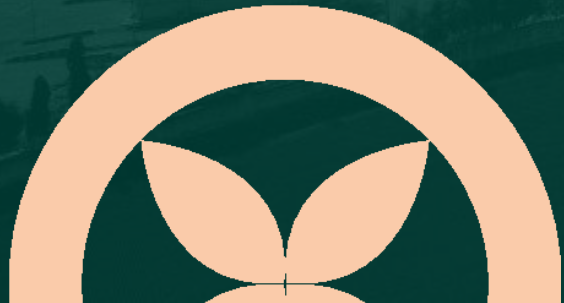
- ◆ YAK schools
- ◆ Infrastructure
- ◆ Religion, social, cultural
- ◆ Other
- ◆ Environment
- ◆ Education
- ◆ Economic development
- ◆ Community health facilities

Conclusion

Musim Mas will continue to engage stakeholders to incorporate their feedback into the sustainability strategy.

Musim Mas firmly believes that palm oil industry should keep moving ahead, balancing the needs of social development and environment protection.

Musim Mas will continue its sustainability journey to produce palm oil in an environmentally friendly, socially acceptable and economically viable manner.





Thank You!

January 2024