



SUSTAINABILITY POLICY

2026-2030

Preface

The Musim Mas Group (“Musim Mas” or the “Group”) is one of the leading integrated oleochemical group with a global presence and a broad operational base in Indonesia. The Group’s core activities lie in the production, processing, and merchandising of palm oil products, with the processing of coconut oil becoming an increasingly significant part of its operations. While Musim Mas’ commercial activities are primarily centered on business-to-business operations, the Group also produces select consumer goods for the Indonesian market.

Our Sustainability Policy was first introduced in 2014 to provide a clear commitment and guide responsible operations. The policy has been revised every five years to incorporate lessons learned and address emerging challenges. As our business continues to grow, we recognise that long-term success will depend on how we respond effectively to global challenges arising from climate change, evolving regulatory frameworks, geopolitical instability, growing inequality, and stakeholder expectations. To successfully address these factors, we need to make our business more resilient. This latest iteration of our Sustainability Policy is meant to achieve higher resilience to adverse impacts facing us now and during the next five years. In addition, we aim to ensure a fair transition, which benefits smallholders, workers, and communities.

Reflecting on the 2020–2025 policy, we have made significant progress. Highlights include the training of 9,479 independent smallholders through 485 field agents (VEOs) that have undergone our train-the-trainers programs, the validation of our net zero targets by the SBTi (Science-based targets initiative). In October 2024, we received consecutive CDP double A ratings for Forests and Water Security for the second year in a row, achieved 98.8% delivering on our IRF profiles, and 98% and 100% traceability to plantation (TTP) respectively for our palm oil and coconut raw material sourced from external parties.

In addition, further achievements include the launch of the Musim Mas GS Series — four high-yielding oil palm varieties that improve land-use efficiency while supporting long-term productivity and resilience. We also launched our first consolidated Priority Landscapes Strategy in 2024, covering landscapes beyond Aceh. These achievements provide a basis for the 2026–2030 policy.

Musim Mas’ 2026–2030 Sustainability Policy focuses on three impact areas: **Sustainable Production, Responsible Sourcing, and Thriving Smallholders & Landscapes**. Together, the impact areas and their commitments are structured around three key subjects: **Environment and Climate, Human Rights, and Business Ethics**.

The new policy is intended to incorporate various action plans and interim commitments, such as the Sustainability Roadmap 2025, the Biodiversity and Climate Resiliency Action Plan, the Priority Landscapes Strategy, or the Commitment to Children and Human Rights. It can be seen as a continuation of our previous sustainability efforts with the addition of interventions to make our business more resilient. Only by creating operational stability and climate adaptability, enabling secure, transparent, and compliant supply chains, and supporting resilient communities and ecosystems, can we build long-term resiliency for our business.

Our new Sustainability Policy will be accompanied by our upcoming 2026–2030 Sustainability Roadmap through which we commit to turning principles into action. We will work together with our teams, partners, and communities to prepare for emerging challenges, strengthen adaptive capacity, and deliver sustainable, long-term value for all stakeholders.



Scope and Governance

The scope of the Musim Mas Group Sustainability Policy encompasses all our global operations and business units. This includes our palm oil production, processing and manufacturing facilities, as well as those processing or handling other commodities, most notably coconut oil. Relevant aspects of this Policy also apply to our suppliers and contractors. It also includes our efforts to reduce the environmental footprint of paper and packaging materials used in our offices and operations.

This Sustainability Policy is endorsed by the Board of the Musim Mas Group. Achievements and challenges of the Policy and its associated roadmap are reviewed annually by our Board. A roadmap will be developed to address gaps and to achieve full adherence to the Sustainability Policy. We commit to public reporting on our progress in implementing this Policy through our annual Sustainability Report.

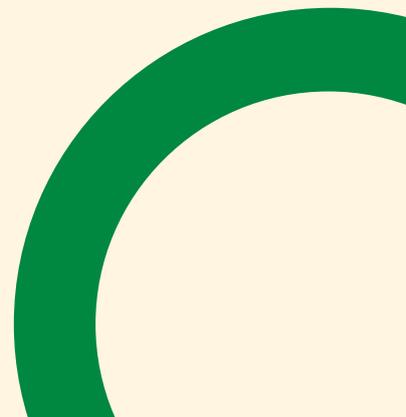


Core Values

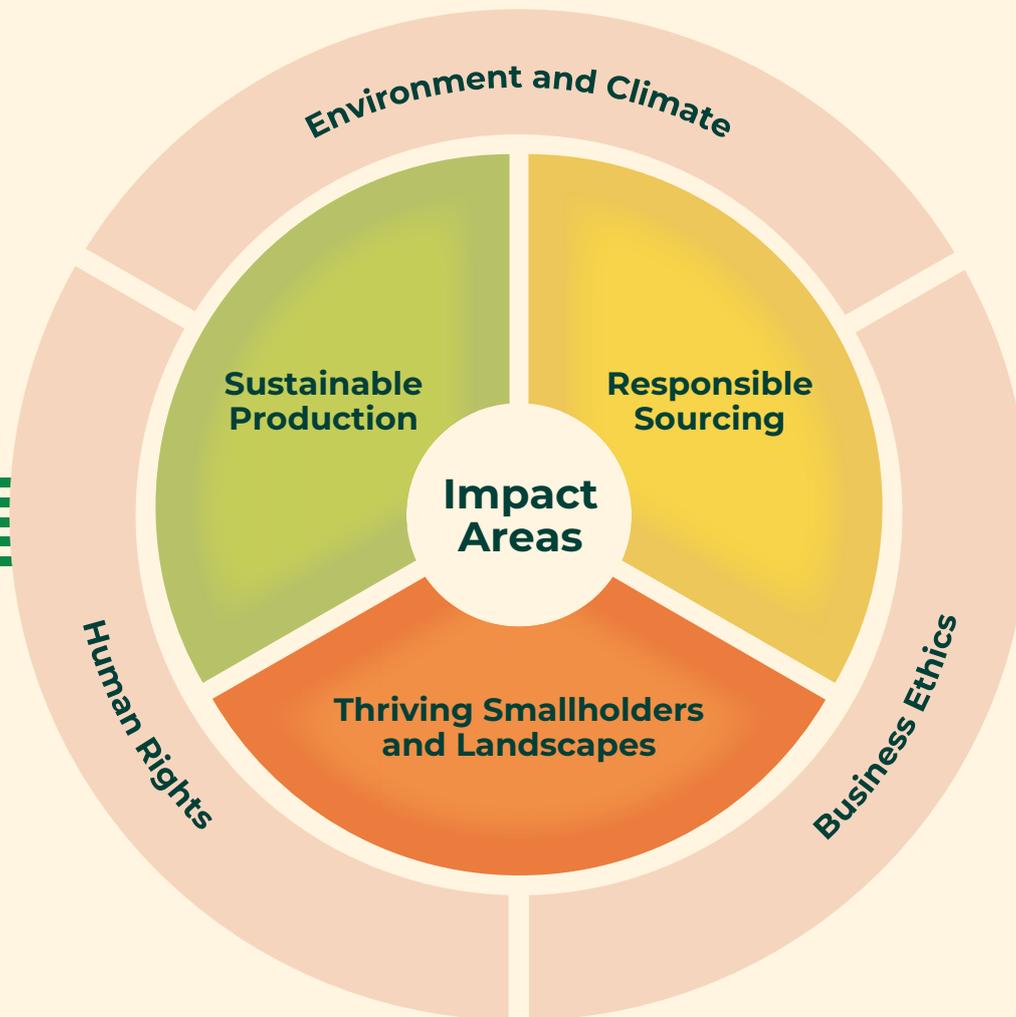
Our Sustainability Policy is guided by three core values that shape our commitments. These values define how we drive meaningful change within our operations and across our supply chain.

- 1. Integrity** - We uphold the highest ethical standards, ensuring transparency, accountability, and compliance with local and international sustainability frameworks. We engage with stakeholders openly, fostering trust and responsible decision-making.
- 2. Stewardship** - We take responsibility for the long-term health of the environment and climate, our communities, and our supply base. By also embedding climate resilience and supporting regenerative practices among smallholders, we safeguard resources for future generations.
- 3. Collaboration & Innovation** - We work together with relevant stakeholders-smallholders, communities, businesses, civil-society organisations and governments-while embracing new technologies and best practices to drive continuous improvement in sustainable palm oil production.

These core values form the foundation of our policy framework and commitments, ensuring a resilient and sustainable future.



Policy Framework and Structure



Musim Mas Sustainability Policy Framework

Our Sustainability Policy 2026-2030 is built around three **impact areas**. The impact areas are:

1. **Sustainable Production** - “Transforming our operations for positive impact”
2. **Responsible Sourcing** - “Enabling supply chains beyond our operations to progress”
3. **Thriving Smallholders and Landscapes** - “Empowering smallholders and scaling solutions beyond our supply chains”

Each impact area is guided by a set of **shared and supplementary commitments**. **Shared commitments** apply across all impact areas, while **supplementary commitments** are further tailored to address specific challenges and opportunities within each impact area.

Together, the impact areas and its commitments are structured around three key subjects: **Environment and Climate, Human Rights, and Business Ethics**.

These components contribute prominently to the UN Sustainable Development Goals (SDG). Major linkages and our main contributions to the SDGs are summarized in Appendix 3. The Sustainability Policy 2026–2030 also supports the Ten Principles of the UN Global Compact (UNGC).

Shared Commitments

Our shared commitments form the foundation of all three impact areas: **Sustainable Production, Responsible Sourcing, and Thriving Smallholders and Landscapes**. They apply across our operations, suppliers, and contractors and are central to our engagement with smallholders and other stakeholders within and beyond our priority landscapes.

We aim to attain sector leadership in all aspects of our business by harnessing the creative potential of our workforce, leveraging new technologies, and scaling successful approaches to maximize positive outcomes. By doing so we strive to make our business more resilient to external influences.



Environment and Climate

Our business rests on the sustainable production of commodities. A healthy natural environment is indispensable for edible oil production now and in the future. In addition, climate change impacts need to be mitigated to minimize adverse effects on production and people. Our shared commitments to protect the environment and the climate are:

- **No deforestation** of High Carbon Stock (HCS) forests, and no conversion of High Conservation Value (HCV) areas after 31 December 2015. No new developments without a credible HCV/HCS assessment.
- **No development on peat** (regardless of depth) after 31 December 2015 (no development on peat since 2014 for our own operations), and adherence to best peat management practices, as prescribed by the RSPO or advised by peatland experts, and complying with local regulations.
- Adherence to an **NDPE policy**, which specifies conformance to no deforestation, no peat conversion, and no exploitation.
- **Reduction and/or removal of greenhouse gas emissions** (GHG) through the adoption of improved practices, alignment of Musim Mas' emissions reduction targets with the SBTi (or a credible internationally recognized net zero initiative), and supply chain engagement on collective actions for GHG reductions including suppliers' GHG reduction commitments. Annual progress reporting via CDP (formerly known as Carbon Disclosure Project) and Sustainability Reports, in line with mandatory requirements and upcoming regulations.
- **No use of fire** in operations ("zero burning"). Fire risk monitoring, fire prevention, and firefighting in and near operations. **Restoration of burnt areas** under management control, in accordance with legal requirements.
- Implementation of **integrated pest management** to maximize natural control of pests and diseases. Ensure workers, local communities, and the environment are protected from exposure to hazardous chemicals.
- Maintenance of **soil fertility** through optimized use of inorganic fertilizers and organic residues, as well as the protection of **soils** (including **fragile ones**) to minimize erosion and nutrient loss.
- Protection, monitoring and management of identified **HCV areas** and **HCS forests** in the areas under management control and where appropriate, in the surrounding landscape.
- **Protection of biodiversity** and in particular, of **rare, threatened and endangered (RTE) species** as defined by **IUCN, CITES** or national regulations in and around management units, wherever possible in collaboration with local communities.
- Implementation of measures to minimize the risk of, and where necessary, resolve **human-wildlife conflicts, and prohibition of hunting** in concessions.



Human Rights

Our employees and their families, as well as our scheme smallholders and surrounding communities, are entitled to human rights and opportunities to live self-determined lives without poverty. The same principles hold for the workforce and staff of our suppliers, as well as for the independent smallholders within our supply chain. To ensure that this is the case, we expect:

- **Respect for all human rights** as spelled out in the International Bill of Rights and UN covenants and adherence to the principles for business set out in the UN Guiding Principles (UNGP) on Business and Human Rights, or applicable national laws.
- Respect for the **formal, legal, and customary land tenure rights** of indigenous peoples (outlined in the UN Declaration on the Rights of Indigenous Peoples) and local communities. Respecting the rightsholders' prerogative to grant or withhold use rights via Free, Prior and Informed Consent (FPIC) for all new developments or conservation areas which may affect indigenous peoples and local communities' rights, land, resources, territories, livelihoods, and food security, and providing remedy in cases where existing operations have caused harm.
- **Terms of employment** in accordance with the fundamental International Labour Organization (ILO) conventions (as ratified by the respective country of production, see Appendix 2).
- **No child or forced labour**, direct or indirect. Alignment with the UN Convention on the Rights of the Child (CRC). Prevention of child labour in plantations through age checks and remedies in place for detected child labour.
- **Occupational safety and health standards** (OSH) for the entire workforce, which are continuously reviewed and improved.
- Adequate **housing facilities and access to basic infrastructure** for workers and staff (e.g. potable water, medical treatment, education).
- Consideration of **women's reproductive health rights** and provision of associated services and infrastructure (e.g. child-care facilities for working couples, breastfeeding stations, education for pregnant women, health care services, as well as special provisions for women workers with infants).
- Commitment to **respecting diversity** and promoting **gender equity**.





Business Ethics

Our relations with suppliers, buyers and contractors must be based on mutual respect and transparency. We aim to achieve this through the following expectations:

- **Full compliance with relevant laws and regulations** including, but not restricted to operating permits, licenses or production standards. We adhere to national laws and strive to attain international laws applicable to our business where there are discrepancies.
- **Zero tolerance for corruption, bribery, violence, sexual harassment, or any form of intimidation and criminalization.**
- Prohibition of any **anti-competitive practices.**
- **Inclusion of independent smallholders** in the supply chain, as long as the crop originates from known, identified and legal sources and is produced in accordance with applicable supplementary commitments.
- **Complaints and grievance resolution** procedures or mechanisms, which resolve disputes in an effective, timely and appropriate manner, and provide protection to complainants, whistleblowers, community spokespersons, and defenders of human rights, land and environment. Periodic review of accessibility and performance of the procedures.
- Fair and lasting business transactions with contractors and suppliers, and **transparent prices of fresh fruit bunches (FFB)** for independent and scheme smallholders.
- Full **traceability of FFB** to the place of production.
- Policy and/or procedures to address and maintain **information security** in order to ensure privacy and integrity of gathering, storing and use of information.



Sustainable Production

The scope of this impact area covers our **plantations and mill operations throughout Indonesia**, i.e. the upstream portion of our business, as well as the mid- and downstream operations worldwide. Building upon our experiences from various certification schemes, such as RSPO, ISCC, POIG, and ISPO, and the realization that sustainable production is an ongoing process, we have adopted the latest best management practices throughout our operations. We encourage and incentivize innovation through our internal Improvement Day as well as collaborating with NGOs and research organizations in the fields of labour and land rights, environmental protection, agronomy, and greenhouse gas emission reductions.

To maintain a leading edge, we have established supplementary commitments for our own operations, which exceed the shared commitments. Our operations must adhere to both the **shared commitments** and the **supplementary commitments** specific to this impact area. These requirements are or will be augmented by time-bound targets.



Environment and Climate

In order to maintain favourable growing conditions over the long term, we have long embraced a stewardship approach in our plantations and surrounding areas — a commitment we pledge to uphold. At the same time, we need to invest in climate-proofing our global operations to increase resilience to climatic perturbations, to substantially reduce our reliance on fossil fuels, and to increase water use efficiency in the coming decades. This commitment is implemented as follows:

- **No conversion of natural ecosystems** within our operations, including HCV areas, peatlands, and HCS forests, after 31 December 2014.
- **New plantation and site development** in full adherence to the relevant RSPO and HCS Approach (HCSA) requirements (HCV/HCS assessments by assessors licensed under the [Assessor Licensing Scheme \(ALS\)](#), use of appropriate toolkits and quality control measures). Expansion of existing operations as mandated by the RSPO's procedures (e.g. New planting procedure, Social & Environmental Impact Assessment — SEIAs, FPIC).
- **Protection, monitoring and management** of HCV areas and HCS forests in management units and where appropriate, in the surrounding landscape, based on the methodologies recommended by experts. Co-management of HCV/HCS areas with communities and local landowners.
- **Restoration or remediation** of natural ecosystems within our management area affected by fire, deforestation/conversion, and/or non-compliance as per our NDPE cutoff date, 31 December 2014.
- Maintenance and enhancement of **riparian buffer strips** along rivers and water bodies. Efforts to enhance **connectivity of natural areas** within our plantations and surrounding areas.
- Prohibition of **paraquat** use (since 2011/2010) and continuous efforts to promote Integrated Pest Management, such as the use of **natural enemies to reduce pesticide use**. Full adherence to RSPO pesticide requirements.
- Commitment to **water accountability** with respect to water quantity and quality, as well as equity (extraction, use, treatment and discharge, and management of riparian areas and water sources according to best practices). This includes collaborative efforts to manage critical water resources.
- Provision of securely managed **water, sanitation and hygiene (WASH) services** to our workforce and local communities.
- **Reduction and/or removal of greenhouse gas emissions** in accordance with targets submitted to the SBTi (scopes 1 and 2 are in particular applicable for our own operations) to achieve net-zero by 2050. Interventions to include the use of renewable energy sources where possible. Annual progress reporting via CDP and Sustainability Reports, and in line with mandatory requirements (current and upcoming regulations).
- Utilization of oil palm planting material selected for high productivity and climate resiliency, based on our **internal oil palm breeding program**.
- Analysis of the suitability of additional interventions of **regenerative palm oil production** in our operations.
- Full compliance with legal requirements for **airborne emissions** as well as for **water use** and water quality from operations (mills, refineries). Procedures in place to **minimize local pollution** (emissions of dust, noise and odour, accidental spills, and/or road congestion).

- **Reduction of paper and packaging footprints** through decreased paper and cardboard use, or where this is not feasible, targeted increases in the proportion of recycled fibers or next-generation fibers in cardboard and paper products. Assessment of plastic use and possible ways to mitigate impacts.
- **Awareness-raising programs** for employees to contribute to reductions in GHG-emissions and efficient use of water
- **Physical and transition risks** to our operations due to climate change will be assessed and addressed.



Human Rights

A skilled and motivated workforce forms the backbone of our world-wide operations. We respect the right of our workforce to a safe, clean, healthy and sustainable environment. They are entitled to fair remuneration and opportunities for career growth. Similarly, members of local communities deserve improved livelihoods and income opportunities. These include:

- Full adherence to RSPO standards for **workers' rights**, where these exceed the ten fundamental ILO conventions. Commitment to providing salaries and benefits equivalent to or in excess of **living wages**.
- **Ethical recruitment** at any stage of the recruitment process such as no retention of any identity documents.
- **Risk assessment** pertaining to the workforce e.g. child labour, migrant workers. Annual reporting of any detected instances of child labour.
- Promotion of **gender equality** through special programs that promote employment of women and provide work opportunities in non-traditional occupations or roles. Commitment to further the careers of all employees who show potential to assume new responsibilities.
- Maintenance of **family-friendly work conditions**, which support parents and caregivers.
- Pursuit of innovation and incentivization of staff and workers to subscribe to **continuous improvement** through the "Musim Mas Improvement Day".
- Support for maintaining or strengthening **food security** of workers and local communities, including respect for local control and diversity of food production systems.
- Efforts to provide suitable employment to **minority groups** (e.g. persons with disabilities, senior employees).
- Provisions for the **primary education** of the children of our workforce, as well as scholarship programs accessible to the children of our workforce and surrounding communities. Continuation of our internship program for youth.
- Opportunities for **training of our smallholder scheme members** to enhance productivity, good agricultural practices, and achieving compliance with standards, such as the RSPO and ISPO.
- Support for scheme **smallholder partnerships** if smallholders can provide suitable land.
- Continuous engagement with local communities near our operations, be it through specific programs or contributions to **enhance infrastructure** and/or provisions for children via our community outreach programs. Sustained efforts to create **job opportunities or businesses that benefit local community members**, especially youth and women.
- Involvement of local communities in **consultations** and ongoing engagement with self-selected community representatives to obtain FPIC, where appropriate.





Business Ethics

We assume responsibility for those in areas beyond our direct management, ensuring that no one is left behind. For example, during the Covid pandemic, we provided test kits and food in rural areas. Aside from such emergency support, we also commit to:

- Provision of adequate housing and sanitary facilities for **contractors** working on-site.
- Commitment to contribute to **positive impacts in local and nearby communities**, based on their needs and aspirations.
- Commitment to **establish and maintain open communications** with all stakeholders in the landscapes where we are operating.
- Adherence of service providers and contractors to our **Code of Business Conduct**.



Responsible Sourcing

Roughly 85 percent of the palm oil that we refine, process, or trade currently comes from external suppliers. This also includes all of the coconut oil and copra, as well as the minor volumes of other oils and fats used in some of our overseas operations. Our NDPE commitment encompasses materials sourced from third-party sources, so we are tasked with ensuring that the hundreds of suppliers and the hundreds of thousands of smallholders who supply them are made aware of and compliant with our sourcing requirements.

The scope of this impact area comprises all our suppliers of raw materials, including but not restricted to processors, traders, mills, outgrowers, and smallholders supplying our suppliers' mills. Our suppliers must adhere to both the **shared commitments** and the **supplementary commitments** specific to this impact area.



Environment and Climate

We expect our suppliers to contribute their share in the conservation and mitigation of climate change. This entails the following:

- No new developments without prior **HCV/HCS assessment**. Assessments should be in accordance with RSPO and/or HCSA requirements.
- Development of **remediation and/or corrective actions** for proven deforestation after the cut-off date.
- Proactive engagement with **mills** located within our priority sourcing landscapes to address potential deforestation risks identified via our risk management framework (RMF).
- Encouragement of suppliers outside the RSPO to use **alternatives to paraquat**. We also encourage suppliers outside the RSPO to use alternatives to the World Health Organization (WHO) Class 1A and 1B pesticides and the chemicals listed in the Stockholm & Rotterdam convention.



Human Rights

We expect our suppliers to treat their workers, smallholders and contractors fairly and to contribute to local development. In 2021, we commissioned an independent workers assessment of two suppliers. Results were integrated into our current HRDD strategy. To promote human rights in our supply chain we will:

- Participation in our outreach programs and adherence to our **human-rights due diligence (HRDD) strategy** or equivalent policies implemented by our suppliers aimed at addressing and mitigating any negative impacts on human rights.
- Provision of **training materials for suppliers** on specific human rights issues.
- **Monitoring of progress** reporting by suppliers on HRDD.



Business Ethics

While being cognizant of our suppliers' commercial interests and sensitivities, we expect ethical conduct and transparency with respect to NDPE compliance. This includes:

- Violations to our Sustainability Policy, or grievances related to it, if substantiated, will invoke our **Controlled Purchase Protocol** and may lead to cessation of business.
- Maintenance of up-to-date **traceability data** by suppliers of external crop sources.
- Continuous efforts by the suppliers to **exclude unknown or illegal sources** from their supply base.
- Obligation to **report annually and diligently** via our automated Self-Assessment Tool (SAT) platform.

Thriving Smallholders and Landscapes

Our supplies of raw materials in Indonesia are derived mainly from six priority landscapes (Aceh, Riau, North and South Sumatra, and West and Central Kalimantan). We extend our commitment beyond our immediate sourcing areas and those of our suppliers to support sustainable development and to address deforestation within landscapes and jurisdictions.

Our strong track record of supporting independent oil palm smallholders beyond our immediate supply chain has brought us to recognize that effective landscape-level engagement is not possible without strong and dedicated partners. To this end, we actively engage with local government, suppliers, and buyers, as well as NGOs and technical experts, to drive impacts at scale and contribute to a just transition.

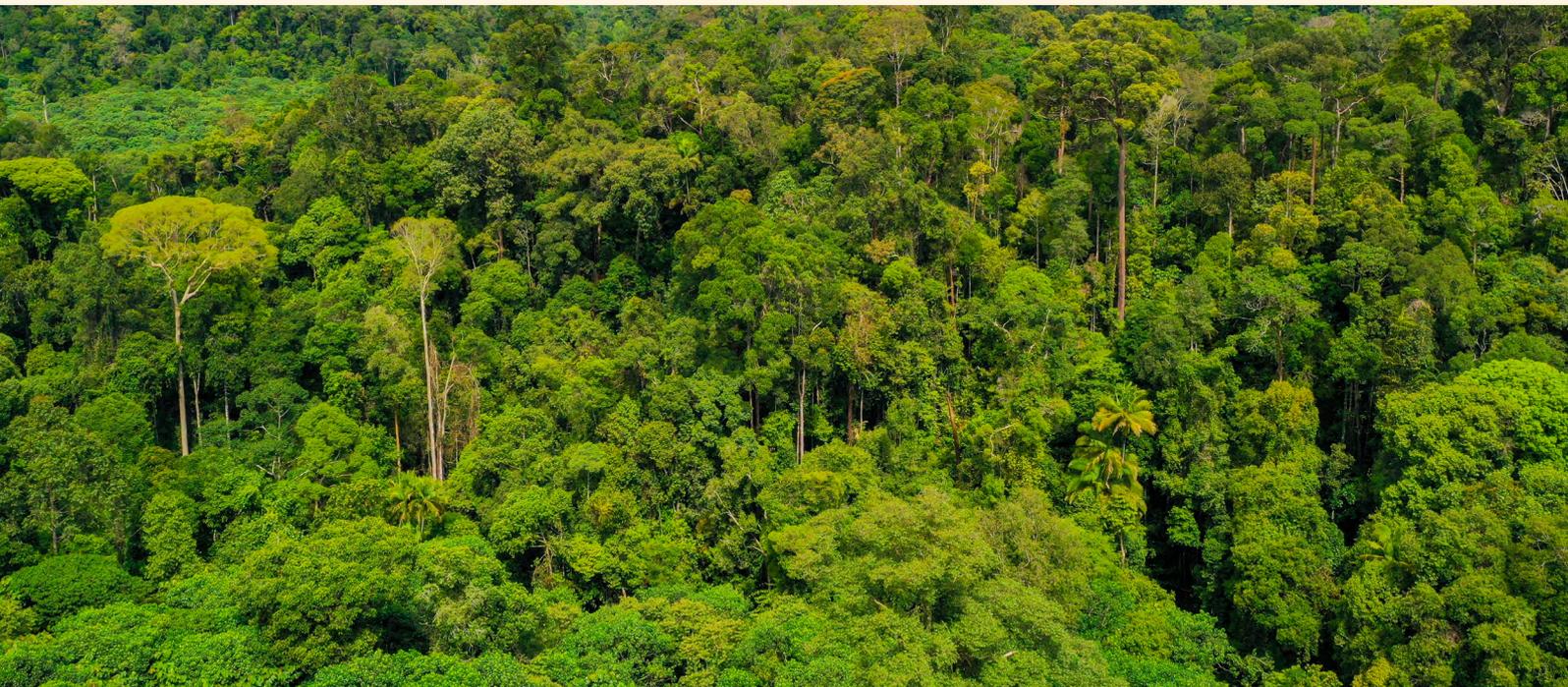
The scope of our landscape work encompasses primarily oil palm landscapes. However, as we gain deeper insights into the sustainability aspects of coconut production, we will extend our outreach to smallholders in our coconut-sourcing areas. Alongside the **shared commitments**, this impact area is guided by **supplementary commitments** tailored to address its specific challenges and opportunities.



Environment and Climate

While deforestation and fire incidence have significantly declined in recent years, ongoing education and vigilance remain essential. Improved smallholder livelihoods rely on the adoption of best management practices. As climate change impacts intensify, regenerative practices become increasingly crucial to enhance resilience.

- Maintenance of **Smallholders Hubs** and expansion, where requested and feasible. Focus on better management practices, NDPE and enhancing productivity.
- Sharing with interested parties **teaching materials and curricula** geared to local audiences.
- Capacity building and support to independent smallholders in our supply chain to obtain financing for **replanting** of over-aged oil palm plots.
- Investment in trials to mainstream **regenerative agriculture** among smallholders and to foster sustainable businesses (e.g. composting).





Human Rights

Awareness of basic human rights is generally present in rural areas, but cultural perceptions, especially with respect to women's and children's rights, often act as constraints. The same goes for informal smallholder settings, where working conditions may be suboptimal. We aim to tackle such deficits through:

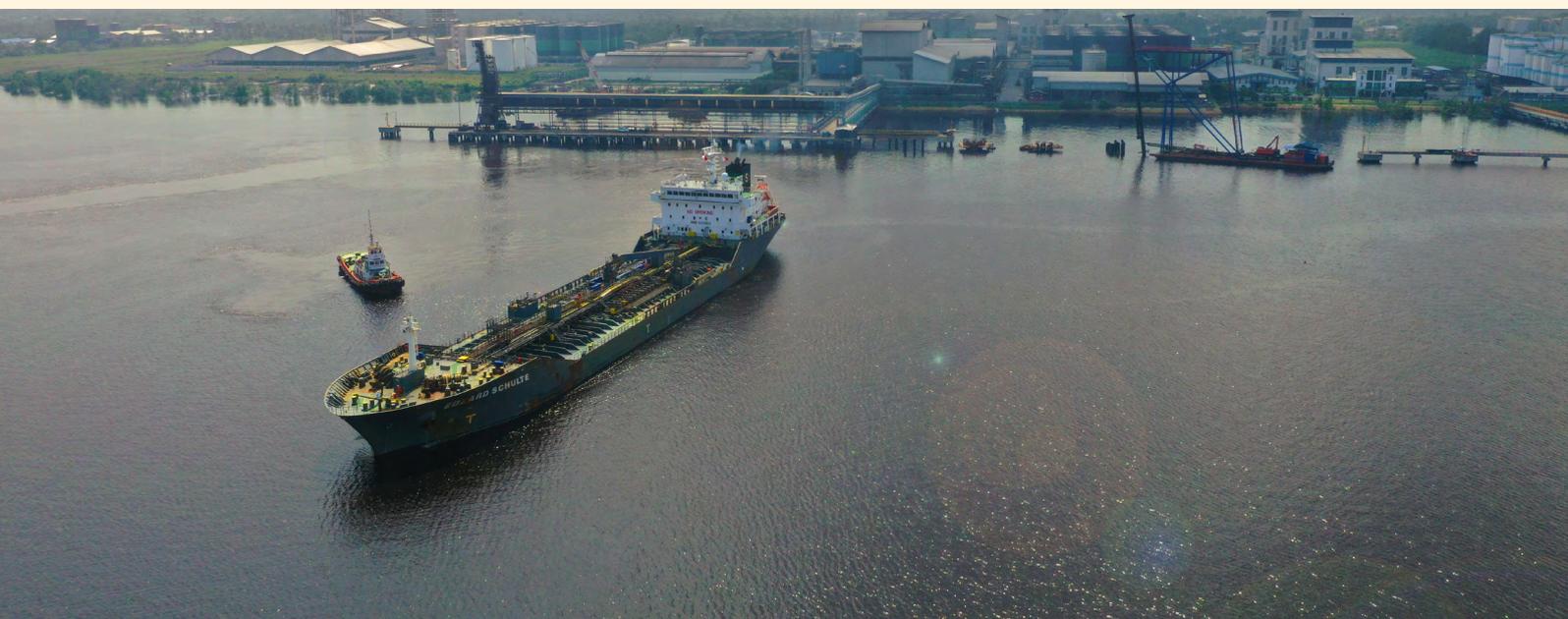
- Continuation of programs aimed at **women empowerment and youth engagement**.
- Efforts to generate positive impacts in communities with respect to **health care and nutrition**.
- Provision of training materials on **workers' rights and exploitation** for participants in our Smallholders Hubs.



Multi-stakeholder Engagement

In order to enhance living conditions in our sourcing landscapes, it is imperative to collaborate with like-minded organizations (private sector, local government, NGOs). Given that there is no "one-size-fits-all" solution, we must experiment and engage in various pilot efforts, while maintaining a long-term perspective. We aim to achieve this through:

- Continuation of engagement in relevant **multi-stakeholder platforms** such as RSPO, or regional initiatives, as well as collaborative efforts across the supply chain.
- Implementation of our **landscape strategies for priority sourcing landscapes**.
- Engagement with **relevant local and national government agencies** to support landscape initiatives within their jurisdictions and outreach to smallholders.
- Support programs with partners to facilitate **smallholder compliance with legal requirements** (ISPO certification, record keeping, etc.).
- Support programs to maintain, and to expand membership of **RSPO-certified independent smallholder cooperatives**.
- Collaboration with finance sector actors to **promote technological solutions** for independent smallholder farmers (digital literacy, financial transactions, access to loans, pilots on mobile apps).
- Commitment to utilize independent verification bodies to assess our **no deforestation due diligence system** (RMF and relevant legal requirements).



Appendix 1: Annotated List of Abbreviations and Definitions

ALS (Assessor Licensing Scheme): A quality control system for HCV/HCS assessments in the palm oil sector, which is operated by the High Conservation Value Network (HCVN).

Conversion: Loss of a natural ecosystem type as a result of replacement with agriculture or other land use.

Deforestation: Loss of natural forest through tree removal or severe degradation.

EUDR (European Union Deforestation Regulation): A law passed by the EU to prevent entry of commodities from areas deforested after 31 December 2020. Requires risk assessments, due diligence and traceability to place of production to ensure compliance.

FPIC (Free Prior and Informed Consent): An approach that ensures that local communities and allow Indigenous Peoples to provide, withhold or withdraw consent, at any point, regarding projects or developments that impact their (customary) land.

HCS (High Carbon Stock): Fragmented topical forest patches, that can be structurally classified as containing large wood biomass.

HCSA (High Carbon Stock Approach): A methodology to identify and conserve forests in fragmented tropical landscapes. The HCS methodology is frequently combined with HCV to obtain integrated HCV/HCS assessments. HCSA is also referred to as the multi-stakeholder organization which has developed the HCSA toolkit.

HCV (High Conservation Value): A methodology to identify different conservation values in a particular area. Identified conservation values must be monitored and conserved. The governance of the methodology lies with the High Conservation Value Network (HCVN).

HRDD (Human Rights Due Diligence): An approach to assess human rights risks and impacts within a company or supply chain and to address them.

ILO (International Labor Organization): A multilateral organization consisting of governments, labour organizations and other stakeholders, which focuses on worker's rights and labour issues.

Independent smallholder: A smallholder that is not tied to any particular mill and is free to sell his/her FFB to anyone. National definitions apply to the maximum area that can be owned and managed by an (independent) smallholder.

ISCC (International Sustainability and Carbon Certification): An international certification scheme which focuses primarily on biofuels.

ISPO (Indonesian Sustainable Palm Oil): A mandatory certification scheme for Indonesian plantation companies and smallholders.

NDPE (No Deforestation, No Peat, and No Exploitation): Policies and/or commitments made by companies involved in commodity supply chains.

NGO (Non-governmental organization): Civil society organizations that focus on the promotion of conservation, human rights and other causes.

POIG (Palm Oil Innovation Group): A group of innovators active between 2013-2023 that defined and implemented responsible palm oil production and, by doing so, contributed towards the improvement of the RSPO.

RMF (Risk Management Framework): A methodology developed by Musim Mas to assess NDP risks of suppliers and independent smallholders.

RSPO (Roundtable on Sustainable Palm Oil): A multi-stakeholder certification scheme for palm oil production and use.

RSPO P&C (Principles & Criteria): The certification standard for sustainable palm oil production as defined by the RSPO.

RTE species (Rare, endangered or threatened species): Species (or sometimes ecosystems) whose populations are locally, nationally or regionally uncommon, declining or threatened. Such species are often classified in the IUCN Red Lists.

SAT (Self-Assessment Tool): A survey to assess the sustainability status and progress of suppliers of Musim Mas.

SBTi (Science-based Targets Initiative): An organization, which supports private sector in setting and implementing net-zero emissions reduction targets.

SDG (Sustainable Development Goals): A total of 17 goals ratified and adopted by the United Nations to substantially improve social conditions by 2030.

SEIA (Social & Environmental Impact Assessment): A methodology to analyze and assess the potential direct and indirect impacts of a planned development, which incorporates the views of relevant stakeholders. The SEIA aims to define measures to minimize or mitigate potential negative impacts.

Smallholders Hubs: A train-the-trainer approach developed by Musim Mas to train extension agents in best management practices, NDPE and labour topics in order to scale up outreach to independent oil palm smallholders.

WHO (World Health Organization): A multilateral organization, which amongst other topics, publishes a classification system for hazardous pesticides.



Appendix 2: List of the Most Relevant International Conventions and Agreements

Note: Our own RSPO certified operations as well as our suppliers with RSPO certification adhere to additional international conventions and covenants, which are referenced in the RSPO P&C.

- ILO conventions: The table below depicts fundamental ILO conventions and ratification by Indonesia and Malaysia, as well as coverage by the RSPO P&C standard.

Convention	Indonesia	Malaysia	RSPO*
No. 29 Forced Labor	Yes	Yes	Yes
No. 87 Freedom of Association and Protection of Right to Organize	Yes		Yes
No. 98 Right to Organize and Collective Bargaining	Yes	Yes	Yes
No. 100 Equal Remuneration Convention	Yes	Yes	Yes
No. 105 Abolition of Forced Labor Convention	Yes		Yes
No. 111 Discrimination	Yes		Yes
No. 138 Minimum Age	Partial	Partial	Yes
No. 155 Occupational Safety & Health		Pending	
No. 182 Worst Forms of Child labor	Yes	Yes	Yes
No. 187 Promotional Framework for Occupational Safety & Health	Yes	Yes	

*P&C Version 2018.

Note: Convention 187 is sometimes not included as one of the fundamental ILO conventions

- Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade
- Stockholm Convention on Persistent Organic Pollutants
- UN Convention on the Rights of the Child (CRC)
- UN Declaration on the Rights of Indigenous Peoples
- UN Guiding Principles (UNGP) on Business and Human Rights



Note: Convention 187 is sometimes not included as one of the fundamental ILO conventions.

Appendix 3: Contributions to the UN SDGs

While there are potential links between our sustainability efforts to most SDGs, we have categorized primary and secondary contributions based on a benchmarking exercise with inputs from external stakeholders. Primary contributions are SDGs that we contribute to directly and report on in our annual sustainability reports. Furthermore, we contribute to secondary SDGs directly and indirectly, but we do not report on them consistently.

Our primary SDG contributions are:

SDG	Relevant SDG Target	Material Topics and Contributions
 <p>SDG 2: ZERO HUNGER</p>	<p>2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous people, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.</p>	<p>Smallholder Engagement: Including smallholders in our supply chain and implementing training and engagement programs to support them in addressing complex and interlinked barriers around yields, plantation management, land ownership, financial access and income, market access, replanting, economies of scale, and quality of life. Our programs cover scheme and independent smallholders in our operational landscapes. Beyond oil palm smallholders, we support women smallholders through a new dedicated program, and we are also beginning to work with coconut smallholders.</p>
 <p>SDG 4: QUALITY EDUCATION</p>	<p>2.4: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.</p>	<p>Innovation and R&D: Investing in R&D to produce premium seedlings, increase yields, improve oil extraction rates, reduce reliance on chemicals, improve soil management, and focusing on sustainable and regenerative agriculture to improve the amount and quality of production and contribute to food security worldwide. We released four new oil palm seedlings (Musim Mas GS Series) with superior traits that result in greater yield, land-use efficiency, and productivity.</p>
 <p>SDG 6: CLEAN WATER AND SANITATION</p>	<p>4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.</p>	<p>Children's Rights: Providing access to education for school-age children living at Musim Mas plantations and from surrounding communities by:</p> <ul style="list-style-type: none"> • Building and operating kindergartens, primary schools and secondary schools. • Providing access to education services and facilities. • Offering scholarships to deserving students for secondary and tertiary education.
 <p>SDG 6: CLEAN WATER AND SANITATION</p>	<p>6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all.</p>	<p>Human Rights and Labour Rights:</p> <ul style="list-style-type: none"> • Providing access to free, clean drinking water at employee housing. • Building wells and related infrastructure in communities.
 <p>SDG 6: CLEAN WATER AND SANITATION</p>	<p>6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.</p>	<p>Community Rights and Community Relations:</p> <ul style="list-style-type: none"> • Providing sanitation facilities and maintaining sanitary premises at estates. • Ensuring access to clean toilets at our operations. • Providing toilets to communities and engaging with communities on sanitation.

SDG	Relevant SDG Target	Material Topics and Contributions
 <p>SDG 8: DECENT WORK AND ECONOMIC GROWTH</p>	<p>8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<p>Human Rights and Labour Rights; Gender Equality; Occupational Safety and Health:</p> <ul style="list-style-type: none"> Upholding fundamental employee rights, including freedom of association; ensuring employees are treated fairly without discrimination, with dignity and respect; ensuring wages are at least in line with legal requirements; making sufficient provisions for employees to afford a basic but decent standard of living. Safeguarding the health and safety of employees and instilling a culture of safety; preventing accidents and work-related illnesses; promoting the well-being of employees; providing free healthcare. Respecting all human rights as outlined in the International Bill of Human Rights and UN covenants; adhering to the business principles set out in the UN Guiding Principles on Business and Human Rights (UNGP BHR) and applicable national laws; providing adequate housing, sanitation, community facilities, infrastructure, electricity, access to religious centers, etc. Ensuring no workforce discrimination; respecting diversity and promoting gender equity; ensuring equal opportunities and full and effective participation in leadership for women at our operations. Operating Gender Committees, issuing family cards regardless of gender, providing breastfeeding centers, etc.; building and running childcare centers for preschoolers.
	<p>8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p>	<p>Human Rights and Labour Rights:</p> <ul style="list-style-type: none"> Upholding our commitment to protect children’s rights, based on the UN CRC. Adhering to the UNGP BHR on Human Rights Due Diligence (HRDD). Consistently ensuring human rights risks are properly assessed and managed through various programs and efforts.
	<p>12.2: By 2030, achieve the sustainable management and efficient use of natural resources.</p>	<p>Water Management; Waste Management:</p> <ul style="list-style-type: none"> Optimizing water use and consumption at our mills. Minimizing waste generated at our operations; reducing, reusing, recycling, and recovering 100% of upstream waste; exploring ways to reduce and recycle midstream and downstream waste.
 <p>SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.</p>	<p>Supply Chain Engagement and Transparency; Grievance Resolution:</p> <ul style="list-style-type: none"> Continuously engaging with suppliers on our NDPE policy commitments through our NDPE roadmap to move the industry towards responsible and sustainable production; verifying NDPE progress using evidence-based approaches; supporting smallholders with national certification schemes (i.e. ISPO); supply chain engagement for coconut production. Resolving external complaints and grievances in an accessible, effective, timely, and appropriate manner; bringing suppliers into compliance with NDPE requirements by enacting our Controlled Purchase Protocol (CPP) in cases of verified grievances on breached commitments.

SDG	Relevant SDG Target	Material Topics and Contributions
 <p>SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION</p>		<p>Sustainability Certification and Compliance:</p> <ul style="list-style-type: none"> Complying with leading industry certification and verification schemes within our operations to progressively raise standards in the palm oil sector; supporting leading industry certification and verification schemes to delink oil palm expansion and deforestation, protect forests, optimize productivity and efficiency, etc.
 <p>SDG 13: CLIMATE ACTION</p>	<p>13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>	<p>Climate Risk and Adaption:</p> <ul style="list-style-type: none"> Minimizing GHG emissions through targeted reduction plans; generating energy from process waste, and investing in renewable energy sources (e.g., methane capture facilities). In 2023, we began reporting against the TCFD framework for the first time. Commitment to net zero emissions by 2050 under the SBTi framework, to limit warming to 1.5 degrees in accordance with the recommendations of the IPPC.
 <p>SDG 15: LIFE ON LAND</p>	<p>15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.</p> <p>15.2: By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.</p>	<p>Conservation and Management of HCV, HCS, and Peat Areas; Supply Chain Engagement and Transparency; Pesticide and Chemical Management:</p> <ul style="list-style-type: none"> Implementing our NDPE policy at Musim Mas operations; conserving, managing, and rehabilitating HCS forests and HCV areas, including riparian buffer zones; protecting waterways; assessing the impact of our operations on biodiversity, water, and ecosystems. Implementing our NDPE policy to promote deforestation-free commodities throughout the supply chain; holding suppliers, including smallholders, accountable for deforestation activities. Managing the use and handling of pesticides and chemicals; optimizing and reducing chemical fertilizer and pesticide use; adopting organic substitutes where possible. <p>Fire and Haze Prevention:</p> <ul style="list-style-type: none"> Managing and monitoring fires; reforestation of burnt areas; applying best management practices to manage existing plantations on peat; protecting soil from degradation; handling waste and chemicals responsibly. Implementing our NDPE policy to promote deforestation-free commodities throughout the supply chain; holding suppliers, including smallholders, accountable for deforestation activities.
		<p>Supply Chain Engagement and Transparency:</p> <ul style="list-style-type: none"> Working towards traceability to plantation and full supplier visibility to eliminate deforestation in supply chains.

SDG	Relevant SDG Target	Material Topics and Contributions
 <p data-bbox="172 658 309 712">SDG 17: PARTNERSHIPS FOR THE GOALS</p>	<p data-bbox="389 264 762 568">17.16: Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries.</p>	<p data-bbox="807 264 1461 318">Stakeholder Collaboration and Reporting; Landscapes; Product Quality and Safety:</p> <ul data-bbox="807 322 1461 815" style="list-style-type: none"> • Working with a broad range of industry players, government bodies, and civil society organizations to address pressing issues; collaborating on transforming the industry; maintaining transparent and accountable partnerships; contributing expertise, resources, and innovation to partnerships and multi-stakeholders' initiatives; collective action for coconut supply chain sustainability. • Collaborating with private and public sector stakeholders in landscapes to transform the industry and support jurisdictional approaches. • Staying responsive to customer needs and legislation on contaminant levels requiring mitigation efforts during the production of edible oils to minimize contaminants; increasing consumer awareness of nutritional, dietary, and health benefits. <hr data-bbox="783 853 1477 857"/> <p data-bbox="807 880 1040 902">Innovation and R&D:</p> <ul data-bbox="807 907 1461 992" style="list-style-type: none"> • Developing new solutions for using sustainable palm oil-based functional blends and specialty fats to address different industry needs.

Our secondary SDG contributions are as follows:

SDG	Relevant SDG Target
 <p>SDG 1: NO POVERTY</p>	<p>Target 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.</p>
 <p>SDG 2: ZERO HUNGER</p>	<p>Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.</p> <p>Target 2.2: By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.</p>
 <p>SDG 4: QUALITY EDUCATION</p>	<p>Target 4.4: Providing development opportunities by investing in capacity building, training, and technical skills programs to help employees achieve their career goals.</p>
 <p>SDG 5: GENDER EQUALITY</p>	<p>Target 5.1: End all forms of discrimination against all women and girls everywhere.</p> <p>Target 5.6: Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Program of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences.</p>
 <p>SDG 8: DECENT WORK AND ECONOMIC GROWTH</p>	<p>Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>
 <p>SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p> <p>Target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.</p>
 <p>SDG 13: CLIMATE ACTION</p>	<p>Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>
 <p>SDG 15: LIFE ON LAND</p>	<p>Target 15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.</p>
 <p>SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Target 16.5: Substantially reduce corruption and bribery in all their forms.</p>



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