



PT Astra Agro Lestari Tbk

PROGRESS REPORT **ON SUSTAINABILITY**

First Quarter
Update 2020

INTRODUCTION

Entering 2020, we have been facing serious challenges related to the COVID-19 pandemic since the Government instructed a systematic quarantine for almost all provinces. Most of the fieldwork that should have been carried out from the beginning of the year experienced a significant slowdown, although some work had already been successfully carried out in spite of that. For this first quarter report, progress is reported on the implementation of sustainability policies, in which challenges and strategies developed to address problems are discussed. Innovations in the problem approach strategy are also developed such as the jurisdiction and multistakeholder approaches so that the prioritized targets can be achieved. Through this process we wish to understand the broader sustainability issues.

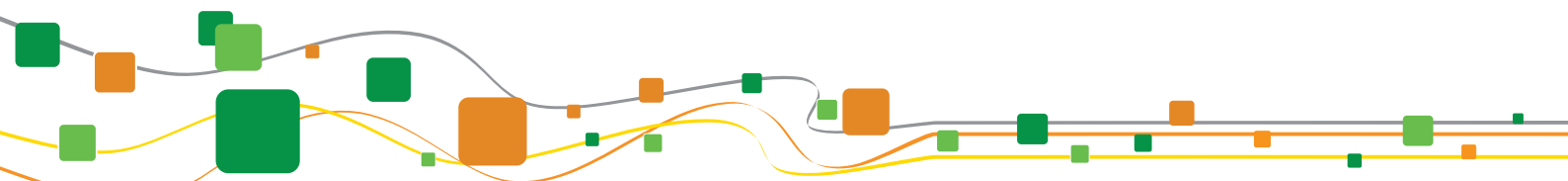
COMMITMENT TO NO DEFORESTATION

We confirm that for the first quarter of 2020 no deforestation was found in our concession area. Entering 2020, the conservation activities concentrate on several things: (1) Collaboration with local communities in protecting forests, (2) Renewal of the valuation of high conservation value (HCV) areas, (3) Management of biodiversity, and (4) Improvement of ecosystems through restoration and rehabilitation.

Collaborative Efforts with the Local Communities for the Protection of Conservation Areas

The forest in the concession is not only protected, but also used for the benefit of the surrounding community. Our biggest challenge is ensuring that forest usage is not too excessive that it would cause actual damage to the forest itself. An example would be the cutting down of trees by some members of local community on a massive scale for commercial purposes. We have identified this problem in several conservation forests in our concession.

Seeing this problem, we developed a model for the purpose of managing forests alongside local communities in several places. Participatory intensive appraisal with the community were held to map out issues regarding forest use while also protecting the forest at the same time. This model is still in its early stages and has so far been trialed in two concessions in the East Kalimantan region, Penajam and Sangkulirang.





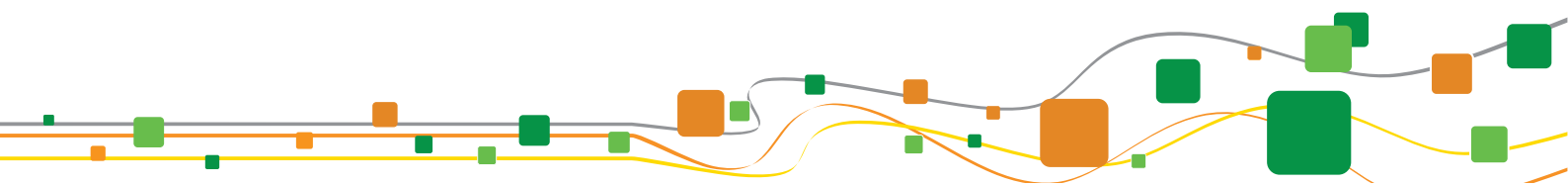
Sustainable managed landscape areas

Multi-stakeholder Cooperation

Despite the conservation forests being located within the concession area, its benefits can and continue to be enjoyed by the surrounding communities. Therefore, management and protection efforts must be approached with the involvement of local stakeholders at the sub-district level. Intensive discussions in the context of the introduction to forests, empowering the local communities on the benefits derived from forest conservation and its management, and understanding the importance of forests for long-term benefits.



Discussions with related communities regarding forest conservation



Some of the challenging issues are (1) The high dependency of some members of the community on conservation forests, (2) The possibility of certain parties receiving illegally obtained timber, thereby triggering massive logging of trees.

Mutual Agreement on the Protection of Forest

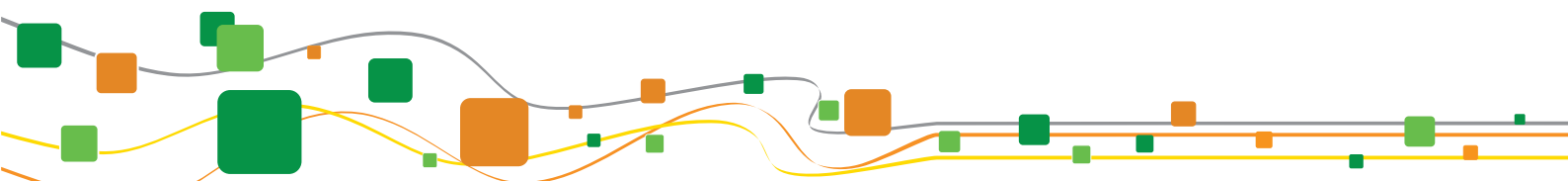
The multi-stakeholder participatory approach involving villages, village offices, districts, and community members has resulted in a mutual agreement for sustainable forest management through the prevention of forest destruction. This progress was achieved for the people of Saka Village who live around our concession in the Sangkulirang area. The memorandum of understanding for the commitment of protecting existing forests is a step forward that will hopefully set an example for collaborative management between communities and companies.

Renewal of High Conservation Value Areas Reports

At the start of Q1, we updated an assessment in one of our concessions in Pelalawan-Riau. This process consists of the pre-assessment, scoping study, and the full assessment which will be explained below:

Pre-assessment : the collecting of information related to the location of the assessment through the tracking of environmental documents, spatial data of management unit boundaries, village data included in the study area, and socio-cultural documents. In this process, the feasibility test is quickly performed by combining the latest data related to the landscape of the assessment area.

Scoping study : analyzing data from the results of the pre-assessment and conducting field visits. Initial analysis includes hydrological mapping, topographic mapping, land cover mapping, determination of valuation boundaries, and identifying stakeholders involved in the assessment. The results of the analysis will be used as a reference during the initial field visit. Field visits are carried out in coordination with site management regarding the preparation of logistics and field teams when conducting a full assessment. In addition, field checks are carried out at locations that are potential HCV areas, conduct initial stakeholder consultations at the district and village level (identifying important issues related to biodiversity and social factors), make visits to surrounding villages to collect data pertaining to village monographs, parties to be involved in the survey, and permission for the full assessment to be conducted. The results of this field visit determine which topics require deeper study during full assessment (related to experts' needs) and the planning of meeting schedules for FGDs or stakeholder interviews.



Full assessment : a joint expert assessment for environmental studies (collecting data on the number of flora and fauna species listed as RTE at each location with HCV potential, collecting data on landscape conditions in management units that function as corridors, collecting environmental service data) and social factors (collecting socio-economic and cultural data in the villages around the management unit) and conducting participatory mapping, analysis, and interpretation of HCV. Before finalizing the report, a public consultation (draft assessment) will be carried out to discuss the stakeholders and communities related to the assessment.

In January 2020, we conducted a full assessment led by CORE (ALS-accredited) in one of the subsidiaries in line with the conditions set by the HCV Resources Network (HCVRN). This assessment includes re-verification of the previously identified HCV area based on reports that have been made previously through biodiversity surveys, environmental services, socio-cultural dynamics of the local communities, and polls to the Ministry of Environment, Regional Development Planning Agency BAPPEDA / Badan Perencanaan Pembangunan Daerah, Department of Public Works & Public Housing (PUPR), District/Village Officers, and other interested parties based on the results of previous scoping studies.

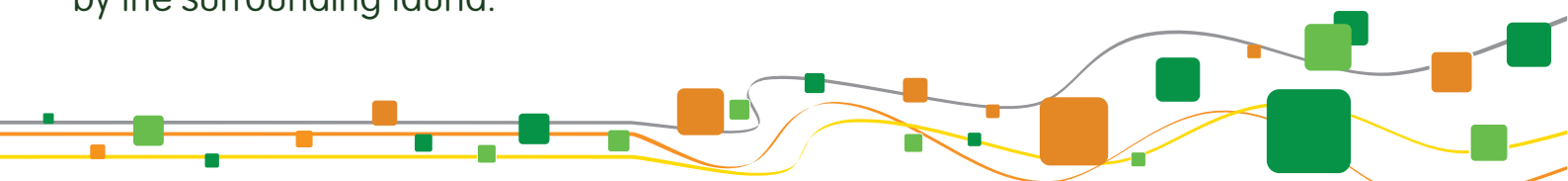
The scope of the assessment is not only concentrated within the concession, but also in reviewing the broader landscape around the concession. At present, the CORE team is in the process of finalizing the report.

Biodiversity Management

Routine management activities are ongoing such as biodiversity monitoring and routine area patrols. Biodiversity monitoring is prioritized for Key Species in our conservation areas, such as Proboscis Monkey, Gibbons, and Hornbills.

At the beginning of this year, we applied the Hippodamus plan (Grid plan) system to divide each segment of the forest area (conservation) into blocks. The construction of these blocks aims to localize the targeted management areas for more ease of control, facilitate analysis, and evaluation, and assist in the planning of unit activities in a given area.

From some of the monitoring carried out, several key species are still found in group foraging activities in conservation areas. Rainy weather with low intensity during January in several work areas provides opportunities for plants to bear fruit to be fed on by the surrounding fauna.



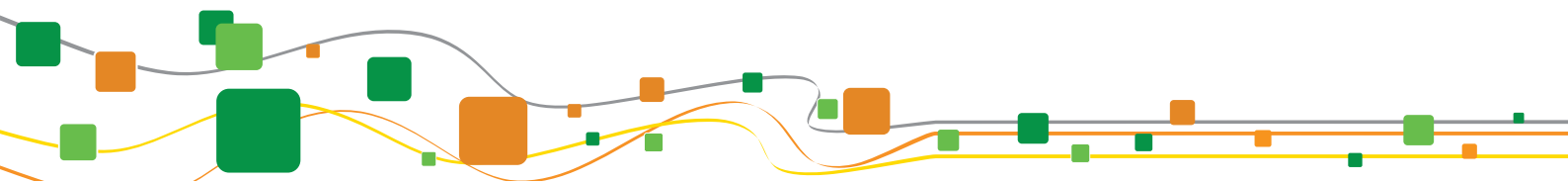
Improvement of the Ecosystem Through Restoration and Rehabilitation

In this first quarter period, one of our priorities is continuing the maintenance and monitoring of rehabilitation areas that were first carried out in 2018 and 2019 in the Kilangan Village Coastal Area as previously reported. This village is located west of Singkil District which is directly adjacent to the Indonesian Ocean which is about 40 km from our concession in Aceh Singkil Regency.

The restoration of the environment in the coastal area of Kilangan Village through the planting of mangroves is a joint program between our subsidiary Lembah Bhakti and the Aceh Singkil District Environmental Agency which also involves the Payau Forest Farmer Group (KTHP) "Teluk Bayu" as partners in the restoration program. This program is one of the models we have developed for ecosystem management on a landscape scale. We tried to develop a jurisdictional approach at the district level by encouraging partners from the Local Government (represented by Environmental Service Department) and the local community. This program is still in its very early stages so there is still plenty of room for evaluation and improvement to achieve the expected restoration targets.

Payau Forest Farmer Group "Teluk Bayu" is a group of brackish water fishermen around the Kilangan Village, part of the target group of the Environmental Services Department of Aceh Singkil since 2016 which has been engaged in preserving the landscape of Aceh Singkil. As the program's implementing partner, KTHP "Teluk Bayu" carries out nurseries, planting, and maintaining mangrove trees in accordance with the agreement made with us. This program has been in force since 2018. The company carries out its role as a facilitator during entirety of the restoration program, starting from site surveys, seedling procurements, and the planting and monitoring of tree growth that is carried out jointly.

In the beginning of February 2020, we worked together with the Environmental Services Department (Dinas Lingkungan Hidup) Aceh Singkil inspected live trees. The results of monitoring planting activities in 2018 found that 80% of mangrove trees planted survived well while mangrove trees planted in 2019 only recorded a 70% survival rate. The main causes of death of these trees are due to drought and being swept away by the current during high tide. Mangrove planting activities have slowed down due to the COVID-19 pandemic which requires local communities to retreat into isolation thus temporarily halting activities.

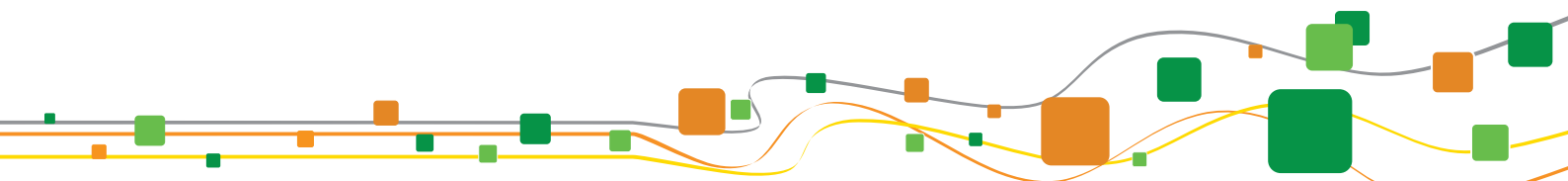


New planting activities for rehabilitation are still awaiting land preparation with plantings to be carried out on river banks and mangrove areas for some of our sites.



Mangrove conditions in the Kilangan Village which were the result of planting in March 2018

Mangrove plantings activity



FIRE PREVENTION

Based on our daily monitoring activities, there were no indications of hotspots and fire spots in the Company's concession throughout the first quarter period. The activities were geared toward the anticipation of land fires due to a decrease in seasonal rainfall and the efforts of a multi-stakeholder approach to prevent fires in community areas.

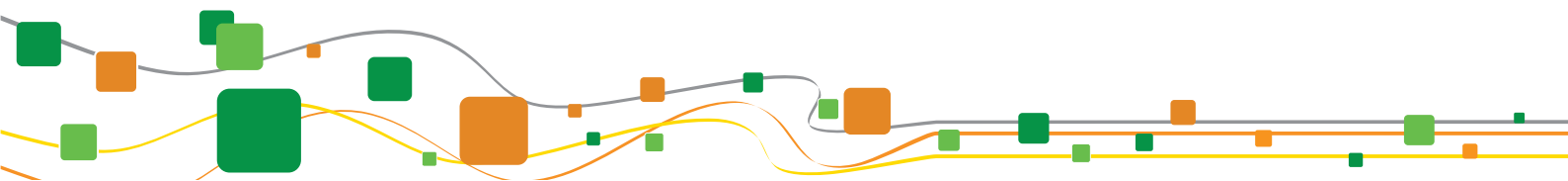
Anticipation of Wildfires

Based on the monitoring of the Meteorology, Climatology, and Geophysics Agency (www.bmkg.go.id), there was a decrease in rainfall from February to mid-March in the regions of Riau and East Kalimantan. There are 8 subsidiaries in the region, which lead to our decision to raise the status from Alert 2 to Alert 1 (Alert statuses are based on climate indicators are labeled Normal Status, Alert Status, Alert Status 2, Alert Status 1 and Wildfire Emergency Status).

Issue of Repetive Fires on Local Community Lands

Caution and alertness are also stressed and prioritized on rural areas within a 15 Km radius of concessions experiencing a reduction in rainfall. There were records of fires occurring in several villages within this radius. To combat this streak, a multi-stakeholder cooperation between the Sub-district government, the Company, and the MPA was formed and the fires were extinguished in a relatively short amount of time.

Based on the results of joint field monitoring, we have discovered the aforementioned fires occurred on land unmanaged by its owner located near the river. We uncovered that a fishing community set fire to the tall grass gain access to the river.



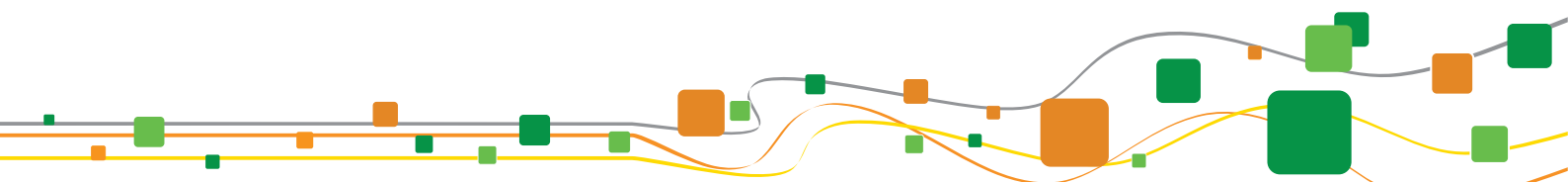
Participatory intensive appraisals were held with the sub-district government, the community, and the land burners. Some necessary short-term steps have been immediately taken, namely:

- » There needs to be a mutual agreement between fishermen, landowners, and the local communities to determine steps so that the fishing activities do not cause massive fires.
- » Collecting complete data on fire positions, condition of access to location, distance of water sources to hotspots, and estimated area of fire. This information is important to determine the sort of equipment needed and the amount of personnel required to ensure effective fire mitigation.

The challenges ahead are indeed lengthy, because a long-term strategy is needed to prevent the occurrence of unpredictable fires. The process of a jurisdictional approach will continue to be built so as to obtain an agreeable and profitable strategy for all parties involved.

Some excerpts regarding a joint approach to fighting fires in the Riau region have been documented in the news below:

- » <https://riaupos.jawapos.com/lingkungan/21/01/2020/221089/2-kategoriberita-hukum.html>
- » <https://portalriau.com/advertorial/kabpelalawan/rpk-pt-sari-lembah-subur-bantu-padamkan-kebakaran-hutan-dan-lahan-di-desa-pangkalan-terap>
- » <https://riau.antaranews.com/berita/145474/meski-jauh-dari-konsesi-pt-ktu-ikut-padamkan-karhutla-di-sungai-apit>
- » <https://riaupos.jawapos.com/siak/07/03/2020/226370/kapolres-siak-benderang-tanpa-jerebu.html>
- » <https://riau.antaranews.com/berita/145478/sarpras-lengkap-pt-ktu-komit-wujudkan-siak-bebas-asap>



Multistakeholder Approach For Countermeasures Toward Community Fires

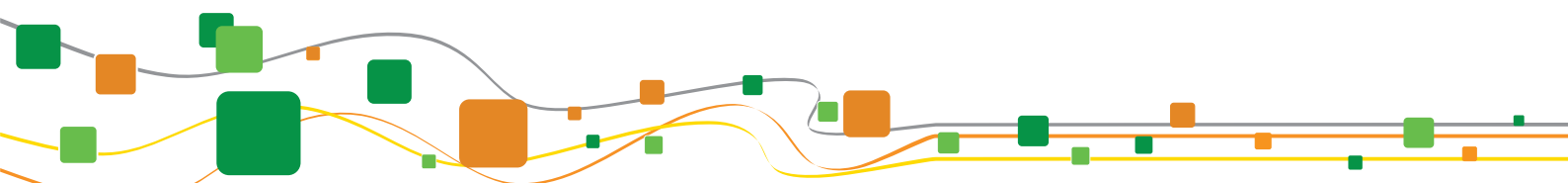
The issue of recurring fires in local community areas requires a multi-stakeholder approach to identify the root cause and obtaining a comprehensive solution. We developed a model with a case study of recurring fires in the jurisdiction of the Kerumutan-Pelalawan sub-district, Riau.

Based on the mapping we carried out of the local communities' social structure in early 2018, six traditional fishing groups were identified as the ones responsible out of a total of 250 fishermen surveyed. They still use traditional equipment in fishing such as Ambatan, Tajur Fishing, and Bubu.

The collaboration system developed is a multi-stakeholder approach involving the local Maritime and Fisheries Agency, Sub-Districts, and the local communities. Problems that arise at the community level are (1) The complexity behind cultural and ethnic backgrounds (2) The discovery of fishermen who utilize poison and electric shock methods for fishing (3) The various mindsets and desires expressed by different communities (4) uncoordinated Fishing communities (5) Lack of fishing equipment and fish processing (6) Difficulties faced by Fishermen in selling large amounts of fish.

Based on the results of this analysis, we developed several approaches:

- » Increasing public knowledge of environmental sustainability. The approach is carried out by building intensive serial discussions involving fishermen. Participatory rural appraisal is applied for mutual identification of issues pertaining to land fires and how to fish in a sustainable manner
- » Establishment of community institutions that can provide economic and welfare benefits
- » Developing appropriate training to increase the economic value of fishermen's catches
- » Providing environmentally friendly fishing gear, construction of fish fuming units, and floating cages

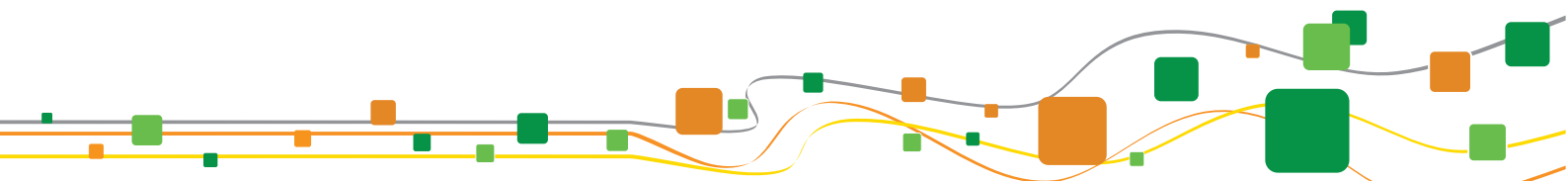




Smoked fish produced by trained MPAs

The expected end result is (1) an increase in business value added through increased fishing yields, an increase in the value of commodities processed by fish fuming, and fish farming with floating cages (2) increased community awareness manifested in routine patrol activities carried out by fishing communities (3) The fishing community are capable of independently protecting the area around the riverbed from land fires and other environmental damage. (4) Creation of fire-free Riverbeds.

An excerpt about a multi-stakeholder approach to managing land fires in the Pelalawan region, Riau has been documented in the following news:
<https://m.halloriau.com/read-126093-2020-02-22-para-nelayan-penjaga-lingkungan.html>



Revitalization of MPA: The Multistakeholder Program Between Astra Agro and The Peat Restoration Agency

As of Q1 2020, we have provided guidance to 80 MPA groups from 80 ring 1 villages in subsidiaries. However, to further enhance the capacity of the MPA and to streamline the forest and land fire prevention program to all elements of the community in the village; it would be far more efficient and effective if it involved the participation of all parties, both the central government and regional governments.

To make this happen, we have been conducting intensive communication with the Deputy for Education, Dissemination, Participation, and Partnership of the Peat Restoration Agency (BRG) since 2019 to synergize the *Desa Peduli Gambut* (Village Peat Care) BRG Program with the *MPA Mandiri* program established by the Company. Discussions regarding this collaboration focus on the different types of programs that can be developed as well as also which villages will be targeted for joint work.

Based on the results of the mapping of BRG restoration target villages, it was agreed upon that seven villages would serve as the model for this collaboration, namely MPA groups from four villages in Riau Province and three villages in South Kalimantan.

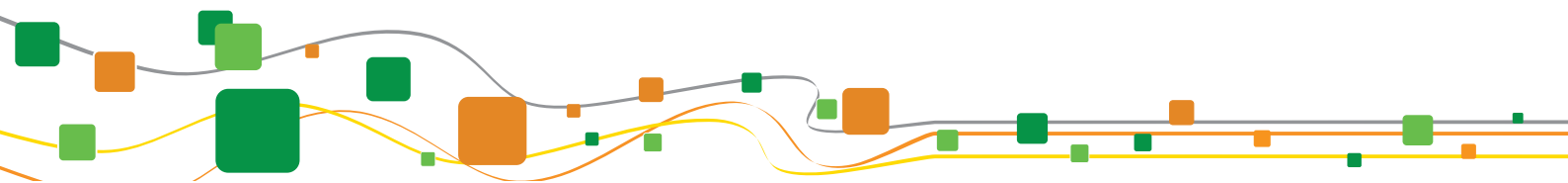
The *Desa Peduli Gambut* programs that BRG collaborated with us on include:

Socialization of The *Desa Peduli Gambut* Programs

This initial outreach is to introduce the *Desa Peduli Gambut* program to farmers, community leaders, and village governments. Besides that, it is also a medium for farmers and community leaders to discuss their ideas and objectives for the next program's target: field schools.

Peat Management Education for Teachers in Priority Villages

This activity is designed to train and inform teachers, through the use of educational and interactive teaching methods, on the functions and benefits of peat ecosystems and the hazards of forest and land fires so that these teachers can then educate and pass on this knowledge to children at school beginning from an early age.



Peat Farmer Field School Program

For this particular field school activity, an integrated farmer group and peatland agriculture demonstration plot will be formed. The field school will be used to improve the competency and capacity of farmers to cultivate peatlands, especially agriculture without fuel, disseminating and implementing local “wisdom” with regard to farming on peatlands, facilities for the sharing and exchanging of knowledge and practices of peatland management among farmers, and use as a means of organizing peatland farmers.

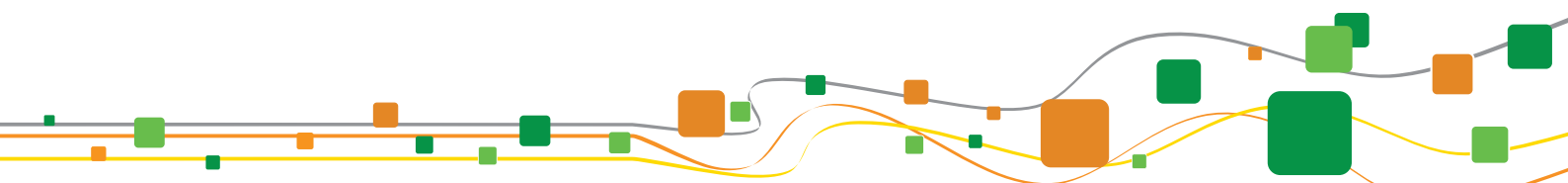
During this first quarter, the results achieved from this collaboration were concentrated in Riau Province and are namely the joint socialization towards the people of Artificial Village 1 and Artificial Village 2 in Pangkalan Pisang District, Kab. Siak and Pangkalan Lesung Village and Mak Teduh Village, Kerumutan District, Kab. Pelalawan. The socialization was hosted and led by the BRG team related to the Management and Restoration of peat and the local Police regarding monitoring, prevention, and the legal ramifications for those convicted of fires.

SUSTAINABLE PEAT MANAGEMENT

Peat management activities must be performed by way of intensive consultation and cooperation with the government due to the fact that the process of managing peatlands is heavily regulated by law. The government also closely monitors this process.

Verification of Peatlands

Verification of peatlands must involve the Indonesian Center for Agricultural Land Resources (BBSDLP) of the Ministry of Agriculture, which is the only peat data trustee in country today. As reported in Q3, peatland verification has reached 92% by BBSDLP, and subsequently this verified peatland data has been sent to the Ministry of Environment and Forestry (KLHK) for final verification. In this step, field verification by KLHK is needed. For Q1, the field verification by KLHK was originally planned to continue in four concessions but has since been postponed due to the global COVID 19 pandemic.



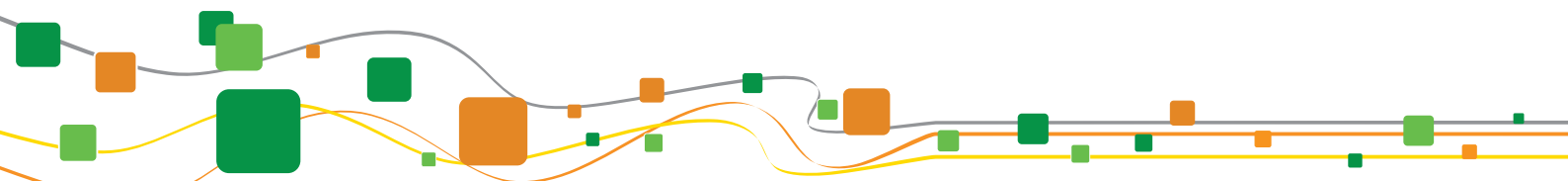
Peat Management Under Government Supervision

The applied standard operating procedure for managing peatlands must refer to applicable regulations that cover aspects of groundwater level monitoring and water management system. All peatlands in our concession have adopted this standard. The Ministry of Environment is always monitoring this process as well as all documents pertaining to peat governance that have been submitted to the government. Consultation with KLHK is carried out through inspection of all documents and field verification.

As of the first quarter, nine of Astra Agro subsidiaries have been undergone intensive monitoring by the Government and must report the results of monitoring of good water governance indicators to KLHK on a scheduled basis, including the results of improvements in response to recommendations given.

Research

We believe that in-depth understanding of tropical peatland is very important as the basis of long-lasting management. It will require long-term research to gather comprehensive information. As reported in the previous updates, we actively engage with peat experts and the government to initiate in-depth research on peat areas. Finally, multi-stakeholder collaboration initiatives involving the government and national peat experts have been established with the Center for Agricultural Land Resources (BBSDL P), the Soil Research Institute, the Agro-climate and Hydrology Research Institute (Balitklimat), the Directorate General of Plantation, the Ministry of Agriculture, IPB University, Kyoto University, and Astra Agro. At present, long-term research is still ongoing and entering the next phase. Researchers and experts are still gathering supporting data on the field and it is expected that from this phase, the improved water system model will also be produced which will prove beneficial not only for the health of the ecosystem, but also for better yields.



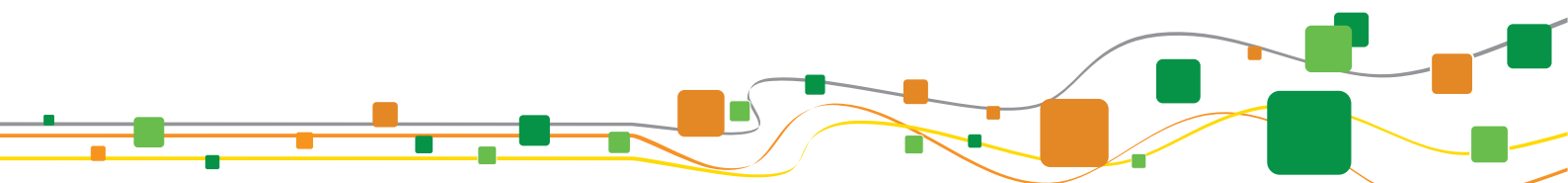
Discussion of palm oil supply sources is concentrated on (1) traceability of CPO suppliers, (2) traceability of the FFB sources of our CPO/PKO suppliers, and (3) prevention of deforestation, land fires, and human rights violations in the supply chain.

Traceability of CPO Suppliers

In Q1 of 2020, the traceability of CPO and PKO suppliers at the mill level continues to be maintained at 100% (see <https://www.astra-agro.co.id/en/traceability-4/>) with a total of 87 mills, 16 of which are internally sourced and the remaining 71 are external mills (Table 1). During this time period, we have also conducted transactions with seven (7) new suppliers who had passed the due diligence process required to enter the supply chain. (<https://www.astra-agro.co.id/en/responsible-sourcing/>).

CPO and PKO Suppliers in Q1 2020

| No | Supplier (Mill) | Supplier Destination | | | | Total |
|-------|-----------------|----------------------|---|---------|--------------------|-------|
| | | Refinery | | Trading | Trading & Refinery | |
| | | Kreasijaya Adhikarya | Tanjung Sarana Lestari & Tanjung Bina Lestari | | | |
| 1 | Internal | 4 | 12 | - | - | 16 |
| 2 | External | 15 | 1 | 52 | 3 | 71 |
| Total | | | | | | 87 |



Traceability of FFB Suppliers for CPO/PKO

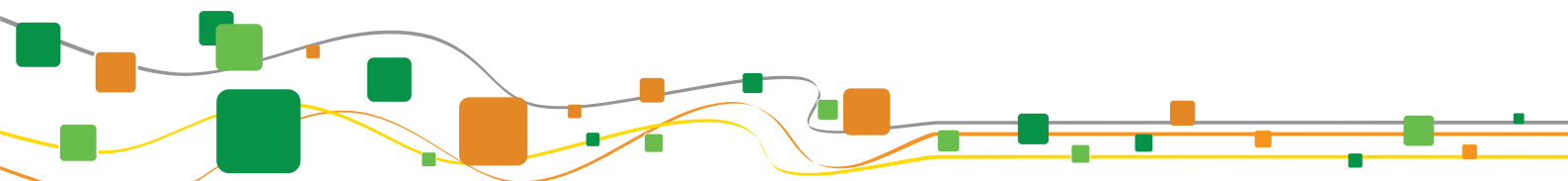
In addition to ensuring that the source of our palm oil is obtained from reputable and traceable companies, we also seek to ensure that their FFB sources are not the result of environmental risks. This process is carried out through several stages, namely (1) introduction of the importance of safe FFB sources, (2) data collection on FFB traceability, and (3) ensuring that FFB sources are not derived from environmental risks.

For the first stage, a thematic workshop on Traceability was held in 2019 regarding the origin source of raw FFB procured by CPO / PKO suppliers and ensuring that all suppliers are capable of procuring sustainable and traceable raw materials. In Q1 2020, we began entering stage 2, ensuring that all suppliers had received a template format for the traceability of third party FFB suppliers in the entire supply chain. This data is currently being collected from suppliers.

Prevention of Deforestation, Land Fires, and Human Rights Violations in the Supply Chain

Prevention of deforestation, land fires, and human rights violations that may occur in the supply chain is ensured by way of commitments made by the suppliers themselves as well as their monitoring. As a first step, we can confirm that the suppliers have given their official commitment to be in line with our sustainability policy.

Based on our monitoring and the input received from our stakeholders, the majority of suppliers have yet to show any indication of deforestation, land fires, and/or human rights violations. However, we would like to mention one case of deforestation alleged toward suppliers. For information on how this case was handled, please view: <https://www.astra-agro.co.id/sustainability/complaint>.



FFB SOURCING & SMALLHOLDERS

Discussion of FFB sources and smallholders is concentrated on (1) Traceability at the smallholder level, (2) Development of Partnership Networks and (3) Support programs for FFB suppliers.

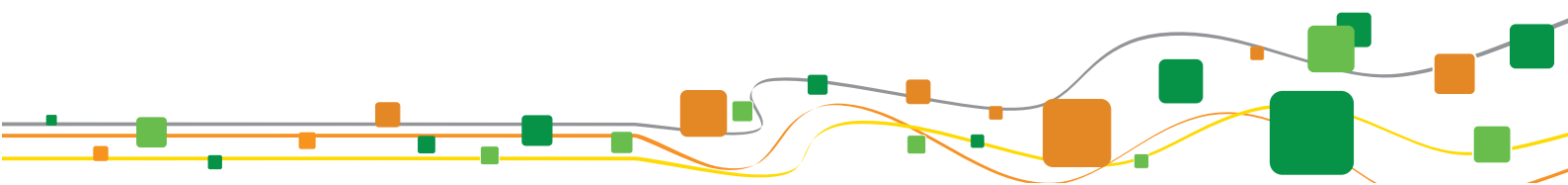
Traceability to Plantation

In the first quarter of 2020, the recorded total FFB received by Astra Agro's palm oil mills was 50% sourced from nucleus estates/plantations, 6% sourced from associated estates/plantations (more than 14,000 smallholders) and 44% sourced from third party/independent suppliers (more than 50,000 smallholders). We continue to further improve our progress with regard to traceability to farmer level by enlarging our achievement through the addition of new traceability data from three other priority mills bringing the total to nine mills as targetted in the three year action plan. Overall, 74% of our FFB are fully traceable and we can confirm that they do not originate from high-risk source. In total, we have documented traceability data from more than 34,000 smallholders belonging to 300 villages. Our traceability progress for the nine mills can be seen at <https://www.astra-agro.co.id/wp-content/uploads/2020/04/Progress-traceability-Jan-March-2020.pdf>

Strengthening Partner Networks

Affiliated DO holders are our strategic partners at ground level to reach and engage almost all our supplying smallholders (estimated 64,000 smallholder). This partnership network is based on long term relationship with the value of trust and mutual benefit. We have facilitated them with trainings and continuous discussion on the nature of sustainability in term of production, environment, and community welfare.

This network serves to help communicate our various partnership schemes to all our supplying smallholders to ensure all our supply sources are free of environmental risks and in line with our sustainability policy. As of this quarter, 1,400 partners have become part of our network. However, this figure is dynamic as our partners are free to choose whether or not to continue joining this program when they are no longer our official DO holders.



Empowerment Program for Smallholders

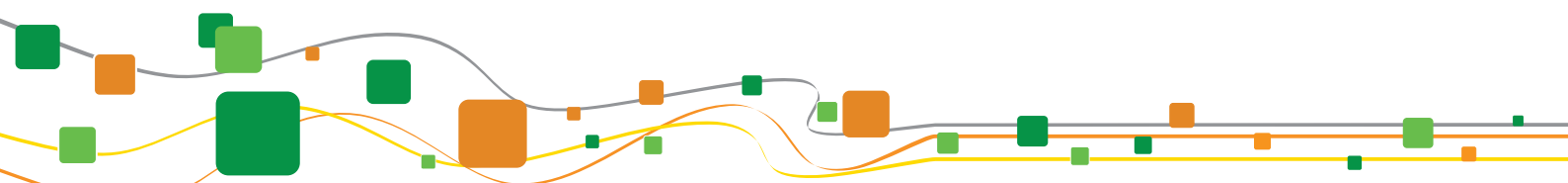
Farmer empowerment program is prioritized to all FFB-supplying smallholders, of which there are 64,000. However, there are several challenges we face, namely (1) not all supplying smallholders have been well documented (fully traceable), (2) smallholders do not always consistently sell their FFB to our mills as they are free to sell their harvest to other mills, and (3) not all smallholders decide to join our program since they are coming from various cultural and educational background, and needs some time to digest all the upcoming new issues before a decision is made.

The empowerment program that we built for supplying smallholders consists of three steps, (1) identification of participating smallholders (traceability), (2) training for smallholders, and (3) assistance for smallholders. The first stage has been explained in the section on traceability to plantation. For this section, discussion is focused on farmer training and assistance.

In the case of independent smallholders, more than 20,000 smallholder have been traced back to their plantations, with the remainder still undergoing evaluation. It is because of this that our training program is concentrated on smallholder whose data and information have already been properly documented. The independent smallholder support programs are carried out through several stages including (a) pre-training (b) training (c) assistance and (d) ISPO certification assistance.

Pre-Training Program

The pre-training stage, consists of two activities, namely (1) program introduction and (2) needs assessment. Program introduction is intended to inform the types of programs and recruiting supplying smallholders to join these programs we offered. Due to the spread of these smallholders across various regions along with the diverse cultures that come with the patience and stout physical fitness are required when engaging in face-to-face meetings and introducing the smallholders to our training programs.



Need assessment is a must for participating smallholders who are ready to enter the next stage. This needs assessment is to determine the sort of support that would be suitable for supplying-smallholders. It is dependent on the smallholders' knowledge pertaining to technical farming and their experience on how they manage their plantations. Throughout this process, Networking Partners are actively involved to ensure that their members are suitable for participating in the needs assessment. For this first quarter, 531 smallholders from 46 networking partners located in the provinces of Aceh, Riau, Jambi, Central Kalimantan, East Kalimantan, and West Sulawesi have all undergone the required needs assessment. In total, this program has been disseminated to 912 smallholder from 100 networking partners since the second quarter of 2019.

The results of this activity seem to indicate that the general the level of understanding possessed by these targeted smallholders is still centered on basic agronomics and techniques for oil palm cultivation.

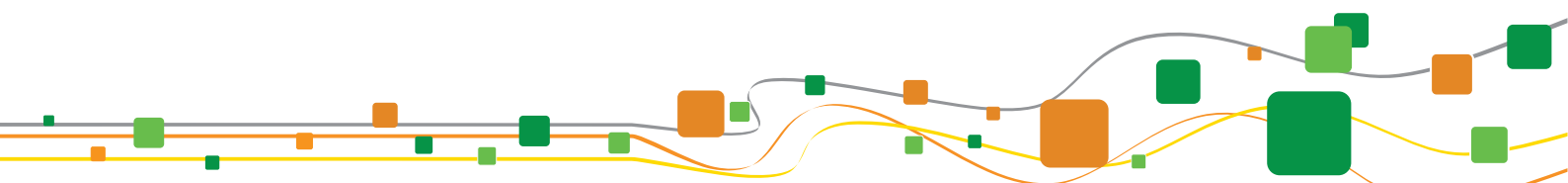


Pre-training for smallholders from Pelalawan (left) and from Rokan Hulu (right), Provinsi Riau

Trainings for Supplying-Smallholders

Training for smallholders is a facilitation activity carried out by the instruction team throughout the learning process, both from a theoretical and practical approach in the field. This training is carried out through two schemes, namely the coaching package scheme and the financing- fertilizer support scheme. This is very much tailored to the needs of smallholders so that they have the flexibility to choose the package that they feel is suitable for them.

The coaching package scheme consists of (1) basic agronomic packages, (2) technical oil palm cultivation, (3) organizational institutions (4) social aspects, and (5) environment in Sustainability. From each of these packages it is expected that periodically, the capacity of the participating smallholders can increase.



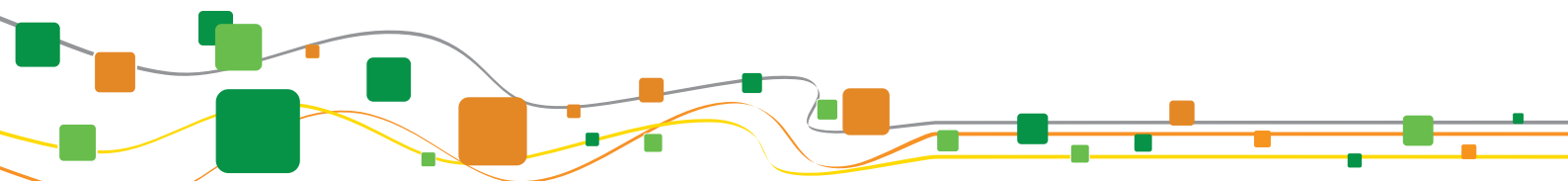
In addition, participating smallholders and the networking partners are also encouraged to be able to build cooperative organizations or smallholder groups possessing legal entities so that smallholders can grow actively and independently in managing and organizing activities with their smallholder members. Evaluations are conducted periodically so as to observe and monitor the capacity progress of the participating smallholders.

In Q1 of 2020, we implemented a training package scheme for 74 smallholders from 5 partners located in East Kalimantan. In total, 469 smallholders from 47 partners participated in this program.



Training program for members of Sawit Babulu Nusantara cooperative unit in Penajam Paser Utara, East Kalimantan

In the financing-fertilizer support scheme, for this quarter, there were more than 50 smallholders from five partners in Riau Province who participated. If calculated as a whole, as many as 380 smallholders from 31 networking partner are actively involved in this scheme. This scheme is also very popular, especially for smallholders who already have a grasp of basic farming knowledge, but do not have the sufficient capital for replanting and fertilization.



Assistance for Smallholders

Smallholders who already have good capacity in managing oil palm plantations are the focus of this assistance program. Despite their competency and capacity, they still require regular consultations to ensure that the process of managing oil palm plantations lead to high yields and is environmentally friendly. In Q1, the assistance program was carried out on the basis of agronomy for smallholders that were entering the rejuvenation phase of oil palm (replanting). This activity was carried out on one networking partner with 140 smallholder in Riau Province and one networking partner in Jambi Province with 29 smallholder. In the previous year, as many as 149 smallholder actively participated in this scheme, totalling 318 smallholder who have benefited from this scheme.

Operational assistance is provided beginning with land preparation, preparation of planting media, and finally to nurseries. This process follows the best standard practices conducted by Astra Agro so that in turn these smallholders can produce oil palm at a more optimal rate.

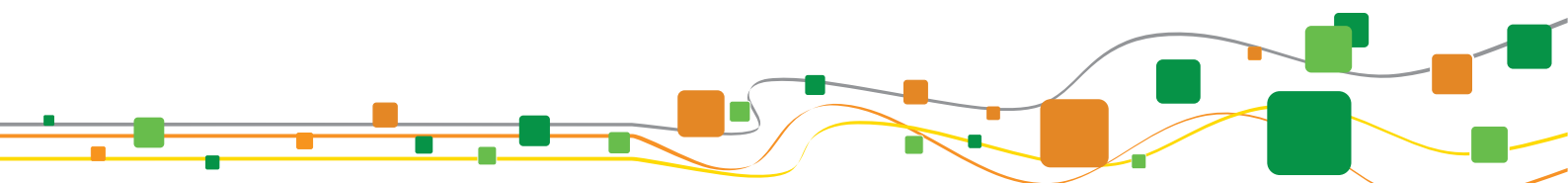
ISPO Certification Assistance

This ISPO certification support scheme is prioritized for smallholders groups/cooperative units who have excellent skills in managing oil palm plantations and organization management, and are committed to partnering with Astra Agro.

In previous years, two cooperative units/partners were successfully assisted in obtaining ISPO certification, namely Karya Mukti from Jambi province and Sumber Rezeki from Riau province. This year, certification assistance is addressed to several cooperative units in the Riau, East Kalimantan, and Jambi regions.

In this Q1, socialization activities and pre-assessment of ISPO fulfilment have been carried out for 1 cooperative unit/networking partner located in Riau Province and 1 cooperative unit/networking partner located in East Kalimantan Province. This activity is a preliminary process that aims to provide an understanding related to ISPO which includes principles & criteria, requirements for certain stages in the ISPO certification process.

In addition, Astra Agro is also continuing the process of improving the fulfilment of ISPO principles & criteria in 1 cooperative unit/other networking partners located in Riau so that it can be immediately audited by the Certification Body.



Astra Agro helped in facilitating the third surveillance in one cooperative unit/networking partner located in Jambi Province as part of a standard procedure following the achievement of ISPO certification in the previous period. The results of these activities are that there are no indications of Zero Non-Compliance in cooperative unit/networking partners as proof of their consistency after the implementation of ISPO principles & criteria.

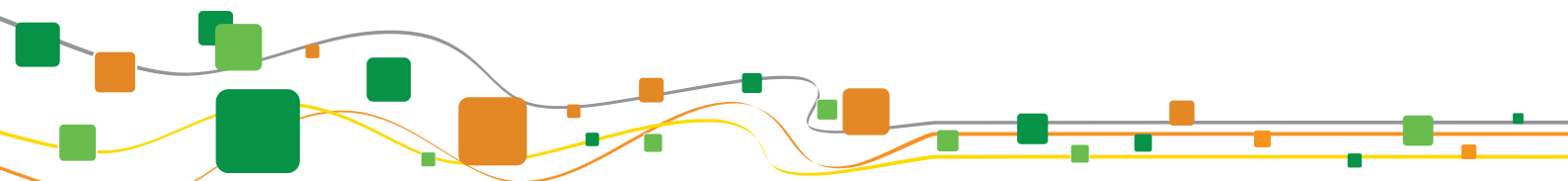
Some of the challenges faced by smallholder groups in the ISPO certification process include: 1) validity of land legality, especially STD-B for smallholders who have not been certified or are still reliant on Land Certificates (SKT) even though the area is in Other Use Areas (APL), 2) smallholder groups who have yet to be classified as legal entities, and 3) substantial financing for arranging the legality of STD-B, increasing the capacity of members for implementing ISPO certification all the way to financing a series of audits that must involve external parties.

The challenges in the certification process are different for different smallholder groups. Therefore, the form of assistance and the type of assistance provided to the smallholder groups being assisted may very well vary. Astra Agro will continue to look for a way out so that the smallholders who are assisted in this process reach the certification target.

INDIGENOUS LOCAL COMMUNITIES (Orang Rimba)

Entering 2020 and with regard to the Orang Rimba programs, we carry with us the experience we have gained through the course of 2019 and the years prior. Contemplating the successes, challenges, and obstacles, these three aspects have now become the basis for the formulation of program improvements in 2020.

We have always had a keen eye towards the problems of the Orang Rimba and strived to get to the heart of the matter by way of deep rooted programs. We hope that the presentation of this report will provide a concrete picture of our programs in the field for Orang Rimba.



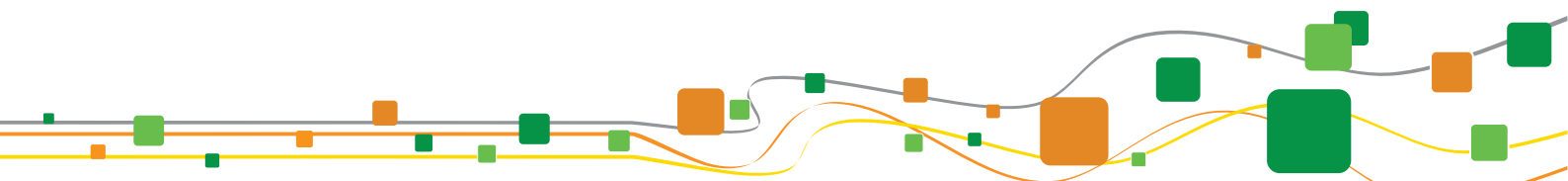
As has been mentioned in the previous report, the establishment of PT SAL in the Sarolangun-Merangin region was because of the government's order to help trans migrant communities develop nucleus estate smallholder (PIR) in 1987 and Members Primary Cooperative Credit (KKPA) for local communities (Malay and Orang Rimba) in the year 2002.

Orang Rimba community is part of the Indonesian social order who should have the same rights as other communities in Indonesia. Unfortunately, this disadvantaged community are slightly left behind and do not have an official identity as citizens to access various public facilities such as healthcare services, education and fair economic opportunities. These difficulties of the Orang Rimba came to our attention so that PT. SAL strives to provide these accesses progressively especially to the targeted Orang Rimba. Numerous programs have been implemented since 2008. The programs were evaluated regularly and developed based on the needs of the community. The details of this development has always conveyed through reports that we publish periodically.

The 217 Orang Rimba families living around PT SAL's concession and Bukit Dua Belas National Park are the primary targeted recipients of our programs that were developed in accordance with the needs of the Orang Rimba, the consultations of which were facilitated by the government, the initiative of the Company, and the Orang Rimba themselves. Our five main target groups are the Temenggung Nggrip, Nangkus, Afrizal, Bepayung, and Sikar groups. Fortunately, in fact, our programs have touched more than the targeted Orang Rimba. Over time, we have come to see an interrelated relationship between access to education, health, and economic improvement in the Orang Rimba community. The development of the three pillars should be sustainable and interrelated. Tackling this is indeed as very daunting task as the issue of the Orang Rimba is the responsibility of many key parties, especially the Government. PT SAL alone will not be able to solve all the problems of the Orang Rimba therefore, we have always sought to consult with the local Regional Government to find the best comprehensive solutions possible.

The Sarolangun Regional Government took the initiative to invite the majority of stakeholders, including PT SAL, to jointly commit to helping the Orang Rimba.

As previously reported in 2019, PT SAL is now part of the Social Development Partnership Forum for the Orang Rimba (FKPS-SAD) in Jambi Province initiated by the Sarolangun District Government. The forum which was formed on 17 June 2019 consists of :

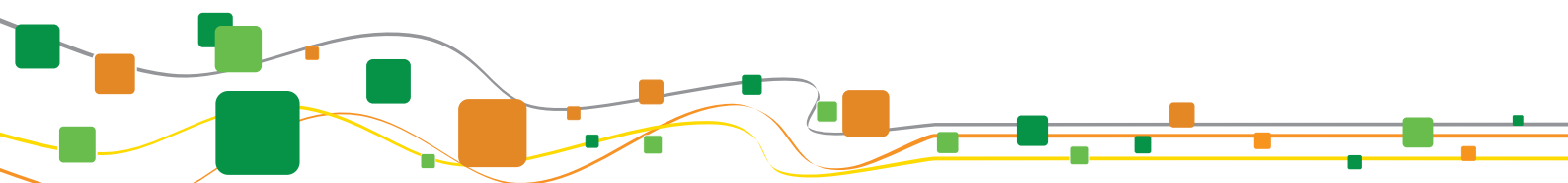


1. Central Government Institutions, namely the Directorate of KAT Empowerment, the Directorate General of Social Empowerment of the Ministry of Social Affairs of the Republic of Indonesia (the Ministry of Social Affairs of the Republic of Indonesia) and the Directorate of Conservation Areas, Director General of KSDAE, Ministry of Environment and Forestry (KLHK) and the Bukit Dua Belas National Park Office
2. Regional Government: Jambi Province Social Service, Sarolangun Regency Government, Merangin Regency Government and Downstream Unit VIII KPHP),
3. Academics from the University of Jambi: Faculty of Public Health, Faculty of Agriculture and Faculty of Forestry,
4. Companies, namely PT Sari Aditya Loka (PT SAL) and PT Sinarmas Agro Resources and Technology (PT SMART),
5. NGOs: NGO Prakarsa Madani Institute, NGO 3S Pundi Sumatra, Air Hitam Customary Institutions,
6. As well as traditional leaders of the Orang Rimba Temenggung and Jenang.

The function of this forum is to coordinate the programs and activities of the various parties involved in alleviating the problems of the Orang Rimba. In essence, every institution that wants to contribute in finding solutions to the Orang Rimba is expected to coordinate through this forum.

In addition to being a part of this forum, PT SAL, as reported in the Q4 2019 report, also officially collaborates with the Merangin and Sarolangun District Governments as holders of community welfare responsibilities in the jurisdictions of the two districts that the Orang Rimba reside in, to jointly integrate short-term and long-term programs as solutions in overcoming the problems of the Orang Rimba.

At the same time, PT SAL has long taken the initiative to assist the Orang Rimba, consistently continuing and improving the quality of its programs. The progress of the programs explained below is the initiative of PT SAL to help the Government in encouraging the improvement of the Orang Rimba's welfare. However, the most sustainable long-term solution still lies with the country. Next, we describe the progress achieved and the challenges faced.



Access to Staple Foods

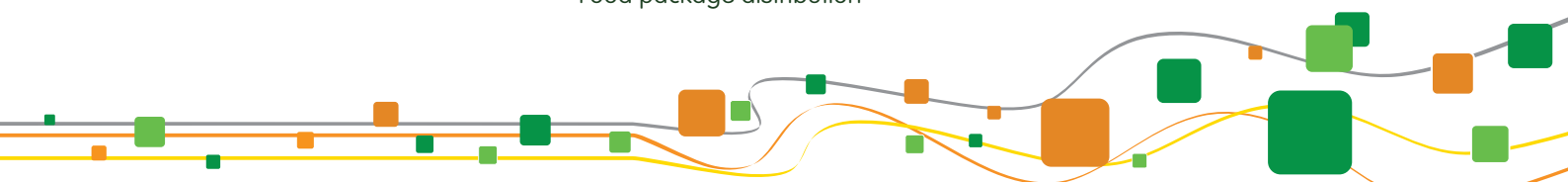
As we have previously reported our 2019 progress reports, PT SAL had provided staple foods to our key target Orang Rimba groups to alleviate starvation. In order try to make this process as transparent as possible and how to ensure that this program is able to touch and reach the targeted recipients, this process is always in conjunction with consultations with local stakeholders including Jenang, Tumenggung, and the representatives of other Orang Rimba communities and involving local governments at the sub-district and village levels so as to ensure that the aid provided by the programs is rolled accordingly and can support the availability of food can be accessed.

In Q1 2020, the Company distributed 10.65 tons of rice and 903 food packages for 301 families and 1082 people. It is important to ensure that all allotted food is received by all Orang Rimba families and one of the ways to do so is through the involvement of village officials, traditional leaders, and Jenang in the distribution process, as well as routine health inspection activities carried out by PT SAL's medical team and the health department through the Supporting Puskesmas whose results can be monitored through the health data reported to the local Community Health Center /Puskesmas (Clinics).

We recognize that during the program's implementation not everything went as smoothly as expected. Evaluations and improvements are continuously being developed and several key adjustments to the programs have now been made, one of which is the method of distribution involving local village officials. Adjustments were made mainly to accommodate the nomadic and semi-nomadic Orang Rimba groups so that they could still obtain the food we distribute every month.



Food package distribution



Various types of foods serving as supplementary to rice (salted fish, instant noodles, salt, sugar, etc.) will also be evaluated by taking into consideration all complaints and/or inputs from program beneficiaries and other related parties, most notably the social and health offices as implementers of regional government policies. Our programs are always open to constructive criticism and inputs from the Orang Rimba as they are the main targets of the recipient and more aware of what they need.

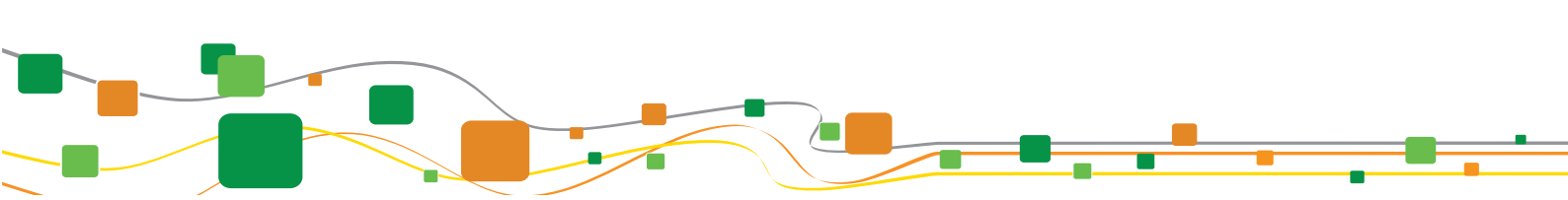
Development of the Agricultural Learning Center (*Suluh Rimbo*)

In the previous report, the objectives and functions of the agricultural learning center for the Orang Rimba have been outlined, with the ultimate goal being their self reliance through the proficiency and mastery of modern farming techniques, organizational skills, maintaining food security, and adapting to changes in modernization.

Suluh Rimbo for Sikar Group

The Suluh Rimbo Program was first implemented in the Sikar Group in 2018 through the development of a plantation and was warmly and positively received by the group's members which then sparked the interest of other Orang Rimba groups to partake in the same program. Participatory appraisal was conducted on how this program could be in line with their need and culture as well as how this program can be a learning process for the community to well adapt with modern knowledge and technology.

The program initially introduced to Sikar group in August 2019 as demonstration plot. The company mentoring team assisted and trained the group to cultivate the land starting from preparations, development, and maintenance all the way to the distribution of harvests. This preliminary phase not only aims to introduce the know-how on producing staple foods, but also serves as an initial means of mentoring the Orang Rimba on modern agronomic techniques for tuber cultivation. Continuous participatory discussion is conducted with the community member on step by step evaluation and what can be learned from the process. Through this approach, they also learn about management, investment, and organization. At present, the Suluh Rimbo plantation has entered the second stage and management has also seen the involvement of Sikar group members, many of whom have begun showing initiative plant crops besides of the tubers prescribed by the Company such as pineapples, bananas, and jackfruits.



Suluh Rimbo for the Nggrip, Nangkus, Bepayung, and Afrizal/Kecinto Groups

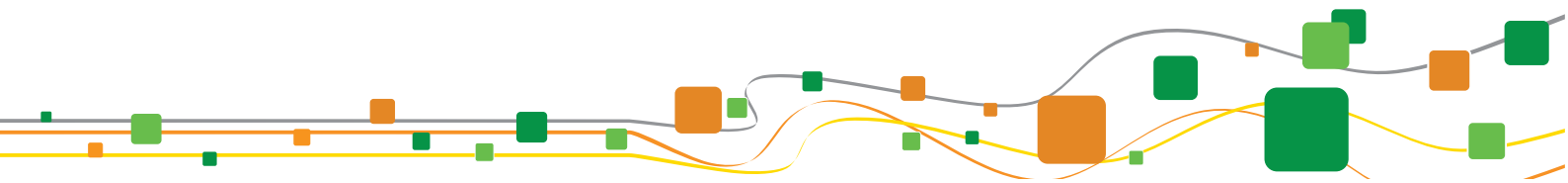
Entering the end of 2019, we successfully obtained a land in the Air Hitam area measuring 2.04 Ha with the similar purpose as Sikar Group. This plantation was prepared for four groups in the Air Hitam region, namely the Nggrip, Nangkus, Bepayung, and Afrizal/Kecinto groups. The various stages for this scheme include (1) Consultation and socialization with Jenang and related Tumenggung regarding plans to develop the Suluh Rimbo plantation, (2) agreement on workflow and involvement of all group members, (3) agreement on the location of the agricultural learning center mainly concerning the distance between the plantation and the four different groups, (4) preparation of land, and (5) organizations for the education of land management (planting, maintaining, and harvesting).

At this current time, we have managed to materialize first phase which is consultation and program introduction. In January 2020, we did consultation with the targeted group of Orang Rimba, especially the Temenggung that this plantation is communal land for the utilization by community member as a learning center for agriculture and plantations, especially for means of food security.

Based on results of participatory consultations with the Tumenggung involved, mainly Temenggung Nggrip, Nangkus, Bepayung and Afrizal / Kecinto, it was agreed that harvests produced on this land would be distributed to all Orang Rimba families in the Bukit Suban and Pematang Kabau regions. They will also be actively involved in every process of land management from planting to harvest. Temenggung Nggrip is also willing to share his experience in farming and teach planting procedures such as spacing, seed selection, and depth of planting.

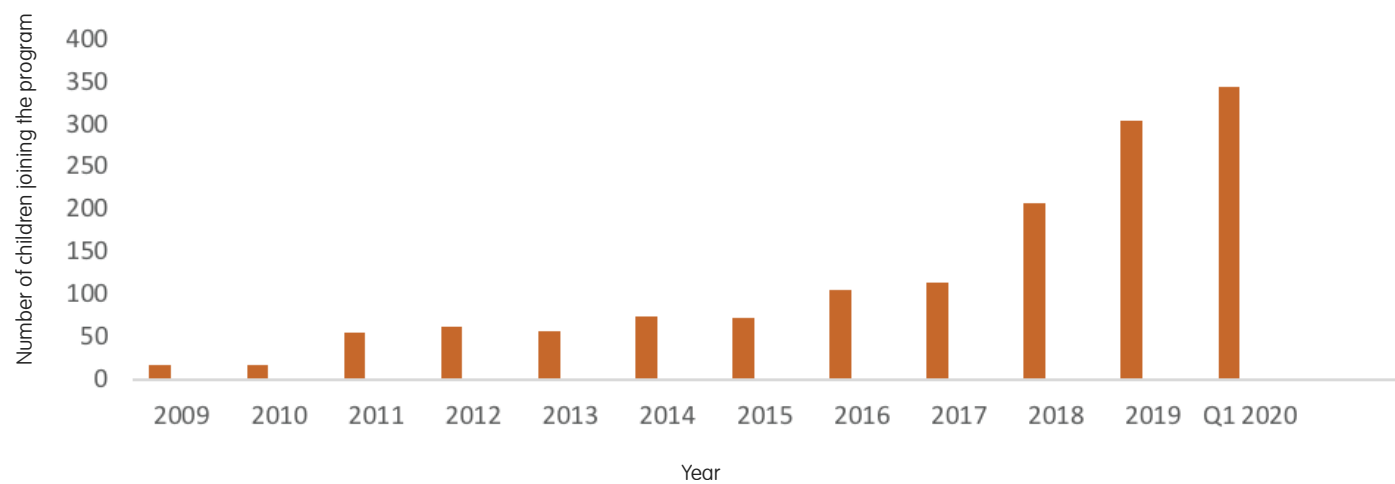
The program was commenced in October 2019 on a very small scale through the planting of tubers in a small section of the land to find out just how effective the growth of plants in the region is as well as introducing the cultivation of tubers.

During this period, the harvest was carried out in March 2020 and yielded 250 kg from three small raised beds. In accordance with the mutual agreement, the harvest is distributed evenly to all families for the utilization of food supply. The Suluh Rimbo Plantation is meant to function as a learning center in the field of agriculture, from the process of plantation development, plantation management, plant care, the harvesting process and to the distribution of harvests.



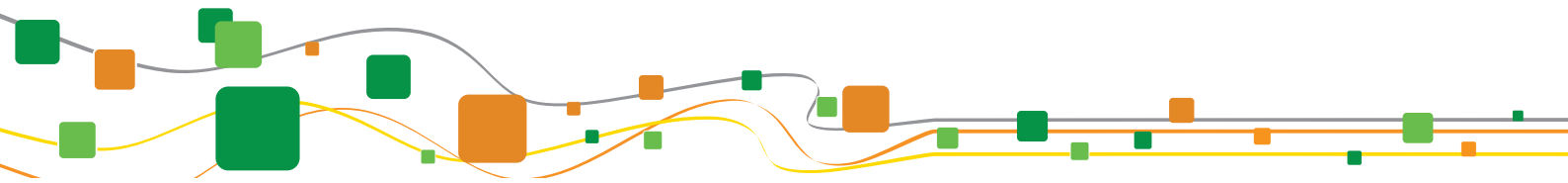
Access to Educational Services

As stated in last year’s progress reports, we have always prioritized the provision of education for the Orang Rimba. As of this quarter, 516 people benefited from our educational services. Out of this 516, 467 school-aged children, of whom 300 are currently following formal and non-formal education options while the remainder have yet to succeed. Obstacles that we normally face are cases of students who are still prone to wandering with their families due to a native tradition known as “Melangun” or are simply asked by their parents to help with activities in the forests. However, there are 45 people who are not of what some would define as proper “school age” that are still studying. With that in mind, the total number of people covered by our education services in this period is 345 people. The data in the bar graph below shows the number of Orang Rimba who have gained access to education which continues to increase in number from year to year.



Number of school age children joining education programs provided by PT SAL

PT SAL prepares two types of educational programs for Orang Rimba children: (a) Equivalent Education Program Based on Package A Program (equivalent to elementary school graduates), Package B (equivalent to junior high school graduates) and Package C (equivalent to high school graduates), (b) Formal Education Scholarship Program.



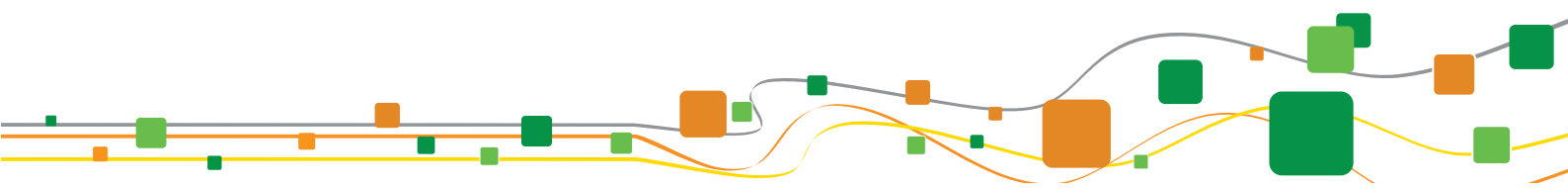


Teaching and learning activities at Rajo Nasar school

Educational Program Based on Equalization Packages

The company collaborates with one of the non-formal education providers who are accredited by the Office of Education in the form of Community Learning Centers (PKBM). Children ranging from 4-6 years of age (Early Childhood Education) to adolescence can receive non-formal education without being tied to strict times in schools that the Company provides such as Sekolah Alam: Halom Putri Tijah School and 10 other similar schools established and funded by the Company's operations.

In schools like this, children are taught from a special curriculum prepared by the education team from the Company and a number of them collaborate with TNBD and the local Education Office. Children who attend school at Sekolah Alam, learning activities are tailored to the needs, time availability, and conditions of children because the focus of learning for children in this school is the approach of functional literacy or mastery of reading and writing and arithmetic (better known as CALISTUNG), mastery of basic knowledge for those who have mastered CALISTUNG and preparation for Package exams for Packages A, B, and C.



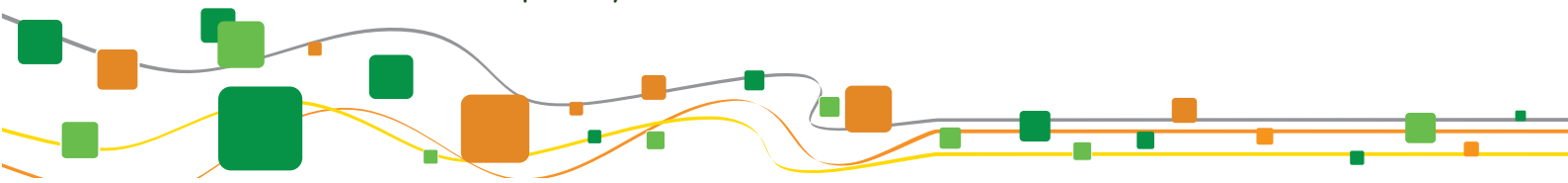
Until 2020, the number of students in the Package Education Program was 41 in the Package A class and 2 students in the Package B class. The Sekolah Alam has seen the graduation of six Package A students and all of them have decided to continue their studies in Sekolah Alam rather than enrolling in formal schools.

Packages A, B, and C diplomas issued by this school have the same eligibility rights and are equal in standing to those who hold diplomas in elementary education, secondary education, and vocational education and are able to register at higher education units in formal schools. Currently four people from the Selambai Group are preparing themselves to take the Package A test facilitated by PT SAL in collaboration with TNBD. This preparation is done 3 times a week at the Sako Selensing Sekolah Alam located in the National Park through teaching and learning activities. Meanwhile, other groups have complete preparations in the previous period.

Formal Education Scholarship Program

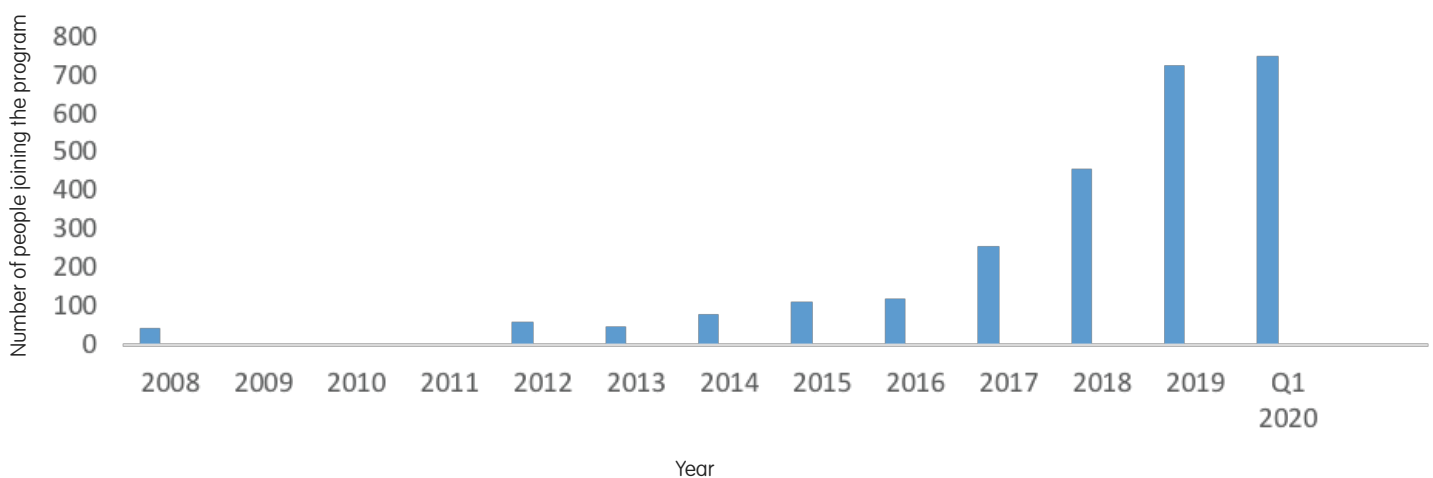
This education program is pathway to formal education the same way that public schools generally function in Indonesia. Orang Rimba children who have attended non-formal education that are able to continue to formal schooling from the PKBM-based Sekolah Alam are welcome to choose according to their abilities and desires to continue to formal education at elementary or secondary education levels at the closest public schools. The company facilitates all education costs for the Orang Rimba children in formal schools from uniforms to school equipment. The company also provides a special boarding house, known as Madu Rimbo (Integrated Dormitory for Orang Rimbo Students), for Orang Rimba students who attend formal schools with teacher and caregivers to act as their guides and tutors while in the dormitory and guarantee living costs while in the dormitory. Four students attending school outside Jambi consist of one student attending the Pekanbaru Forestry Vocational School (in collaboration with TNBD in preparing Orang Rimba students for the entrance examination) and 3 (three) students attending the Plantation Vocational School in Yogyakarta were graduates of the MADU RIMBO dormitory.

We hope to see these four children as role models for other children in the Orang Rimba community. As role models, they will become facilitators, initiators, and motivators for other children. Their achievements are expected to influence children and their parents to be more enthusiastic about the prospect of education. In Q4 2019, we reported how one of our students spent their vacation sharing his experiences attending the school we developed. Following his arrival, there was a 26.83% increase in the frequency of student attendance in the Q1 2020.



Access to Healthcare Services

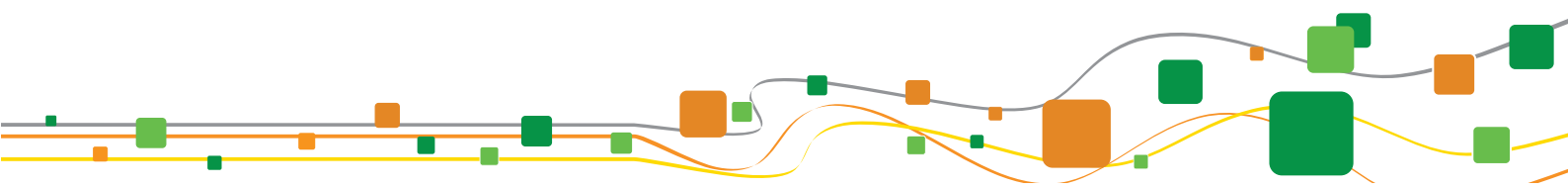
As reported previously in the 2019 progress reports, PT SAL routinely organizes active medical treatment by personally visiting residents while also providing them with information on basic healthcare. The number of residents who benefit from this service continues to increase every quarter. As reported in Q4 2019, 729 Orang Rimba residents have received this healthcare service. Meanwhile up to Q1 2020, there has been an increase in the number of people who have received health services bringing the total to 753 people. The increase in the number of participants can be explained through the following chart starting from door to door treatment services which first began in 2016.



Number of community member of targeted Orang Rimba joining health program

The healthcare program initiative for the Orang Rimba was first started in 2008, although health services for the Orang Rimba, both at the clinic and hospital, have also received full subsidies from the local government, so as to ensure that the Orang Rimba not required to pay to obtain access to health facilities.

Starting in 2017, we tried to increase the intensity of the healthcare programs implementation so as to be more structured and more focused on providing education in relation to the health sector through 3 programs: (1) preventive programs, including: Posyandu activities (Integrated Health Service Posts) for maternal health services and infant care, family planning services, and care for pregnant women, and the PMT (Supplementary Feeding) program for children and seniors, (2) promotive programs, including PHBS counselling (Clean and Healthy Lifestyle) program to maintain personal and environmental health, and (3) the curative program in the form of routine health checks, medication, and referral services to the clinics and even the nearest hospital.

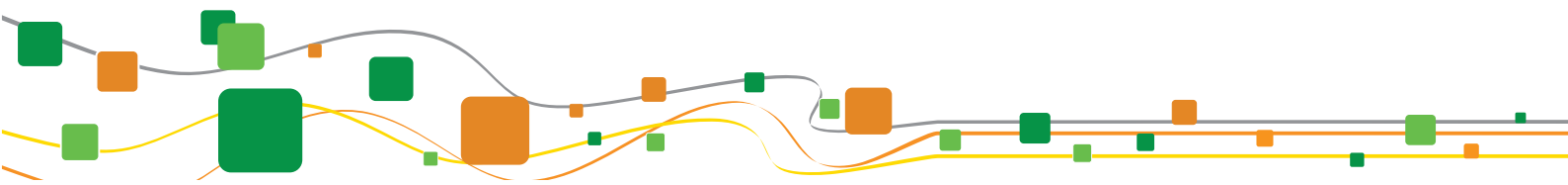




Medical inspection by PT SAL medical staff

However, for groups still residing in the National Park, they still have difficulty in accessing these health services because of the relatively long distances between their place of residence and the nearest clinic and/or hospital. To account for this, we provide mobile health services (visiting Orang Rimba settlement locations) and clinics that cater specifically to them.

Based on examinations carried out from January 2019 to March 2020, there are five illnesses commonly found among the Orang Rimba community: (1) Acute Respiratory Infection (ARI) is a disease caused by unhealthy living habits, smoking habit, unhygienic water sources, and lack of environmental hygiene, (2) influenza due to viruses or bacteria, (3) myalgia (muscle aches), long distance travel by foot and lack of rest, (4) gingivitis due to cavities and or smoking (long-term effects), (5) Worm infections, there are 101 residents who have indications of worms and the majority of those that suffer from this are children.



PT SAL strives to provide the necessary treatment. However, it should be noted here, that all illnesses suffered are greatly influenced and caused by the Orang Rimba's daily living habits that are still not in accordance with the Pattern of Clean and Healthy Behaviour (PHBS).

The company also helps in facilitating to acquire Identity Cards as it is one of the requirements for the issuance of KIS (Indonesian Health Card) provided by the Government so that the Orang Rimba can also access other types of health services. The company continues to help the village government in collection of data and recording process for the issuance of NIK (Population Identification Number) and ID card that runs in parallel with the socialization regarding free treatment if they when they visit clinics and/or hospitals.

The record of Orang Rimba health data at our polyclinic are used as reference for Orang Rimba community health report. These data are regularly reported to the supporting Puskesmas at the village level and Puskesmas at the District level.

Posyandu Program

Until Q1 2020, the Community-based Health Services Program (POSYANDU) are held in 6 units for 8 Orang Rimba Groups, in the form of Supplementary Feeding such as formula milk, bread and vitamins. Other Posyandu activities are infant and toddler monthly weighing, monitors the health of pregnant women and routine health checks. The following is a list of Posyandu participants facilitated by PT SAL.

Summary of posyandu program

| No | Posyandu | Number of Posyandu Participants | | |
|-------|--------------|---------------------------------|----------------|---------|
| | | Infants and toddlers | Pregnant Women | Elderly |
| 1 | Nurul Islam | 11 | 1 | 7 |
| 2 | Rafflesia | 28 | 2 | 18 |
| 3 | Punti Kayu 2 | 9 | 2 | 3 |
| 4 | Astera | 25 | 0 | 6 |
| 5 | Tunas Bangsa | 11 | 1 | 7 |
| 6 | Mawar | 10 | 2 | 1 |
| Total | | 94 | 8 | 42 |

All the posyandu that have been established have covered all children and pregnant women for the 8 groups. If they do not come to the posyandu, they will be visited to their house so they can get the same service. The company and the Puskesmas through the nearest supporting Puskesmas try to ensure that the children of Orang Rimba residents meet the required Recommended Dietary Allowance (RDA).

Development of Economic Empowerment Program

As previously reported, PT SAL strive to help develop the economic resources of the Orang Rimba community to increase empowerment in improving their welfare. The following describes some of the potential economic resources of the community. Exploration of economic development potential is based on consultation with the Orang Rimba community. This is a long process, where the targeted Orang Rimba have different knowledge backgrounds. Some programs developed based on agreement with them are as follows :

Chicken Livestock/Farming Program

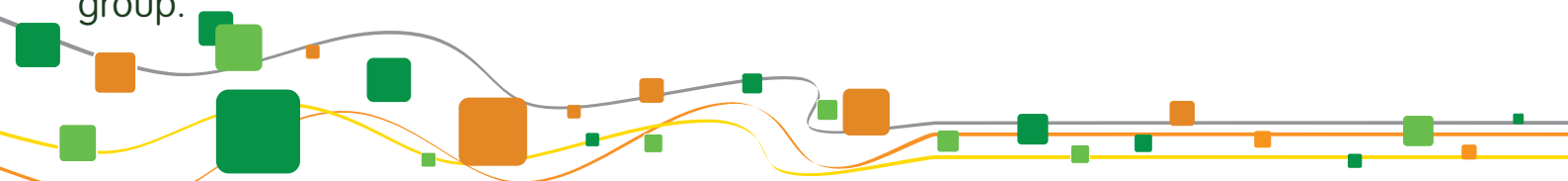
This chicken farming is a potential economic development proposed by the Mete group (a sub group of Temenggung Nangkus). As time passing by, the positive achievement by Mete group has inspired other groups, namely Saidun (a sub group of Temenggung Ngrip) and we also facilitated Temenggung Ngepas (extension target).

» Mete Group

The chicken farming program was formed as a result of consultation and discussion between PT SAL and the Mete Group on November 18, 2018 about the type of assistance to increase income that suitable and desired by the group.

Our mentoring team in the field always provides counseling to foster a sense of belonging and a sense of awareness to care for chickens to each participant so that the mentor continuously provides routine guidance both verbally and in practice so that participants attract to participate in the farming of free range chicken.

This chicken farming demonstration plot is managed by 1 group consisting of 3 people. This chicken farming cycle is 3 months. The harvest in the first cycle will be used as capital for the second cycle and so on. With this method that they are expected to be able to get additional income continuously. The first batch is a learning stage for the group.



In February 2020, the group managed to harvest and sell 23 chickens as the result of the on going farming.

From the ongoing programs and the results of the evaluation, the mentoring team and participants plan to increase the number of chickens so that they can have more incomes than the previous harvest and can also be a pilot model by other groups.

» Saidun Group

Witnessing the success enjoyed by the Mete group, Saidun group becomes motivated and interested in this program. In the beginning of 2020, PT SAL initially distributed 38 chickens for 19 families of Saidun Group. In March 2020, chickens have bred to 55 chickens. At this stage, the process is still focused on breeding. Sales will be the next stage.

» Ngepas Group

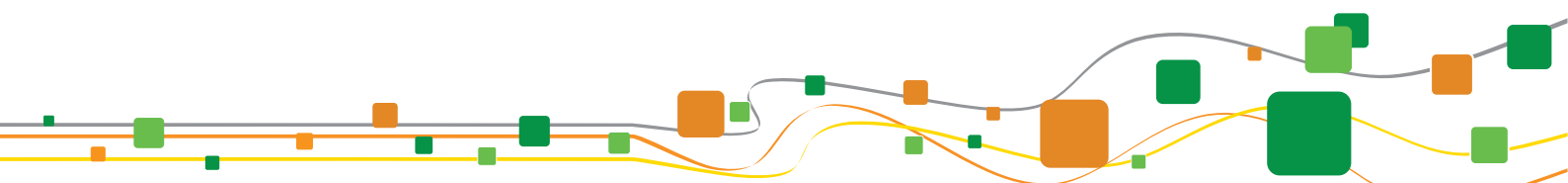
Ngepas group also conveyed their interest in chicken farming as well in the early of 2020. The company then rolled out chicken farming program to Ngepas Group, start with a total of 15 chickens and currently they have bred to 17 chickens.

Turtles Shelter Program

The turtles shelter program is based on Meriau's request to temporary rear turtles that they catch in the rivers around Bukit Suban Village and Air Hitam River. Two ponds were established for Meriau.

These ponds functioned as a place for raising turtles that caught by Orang Rimba until the turtles are ready to be consumed or sold to fellow Orang Rimba.

This program was participated by Nyerak and Meriau. This program originated from the proposal of the Orang Rimbo Ninjo / Meriau Group. This was motivated by their liking in consuming turtles, followed by Meriau and Nyerak from the Ninjo / Meriau sub group. In the beginning, the pond was only filled with turtles that were owned by Meriau group. Since Nyerak group has the similar interest, the company added one more pond to the group with the same size as two ponds of Meriau.





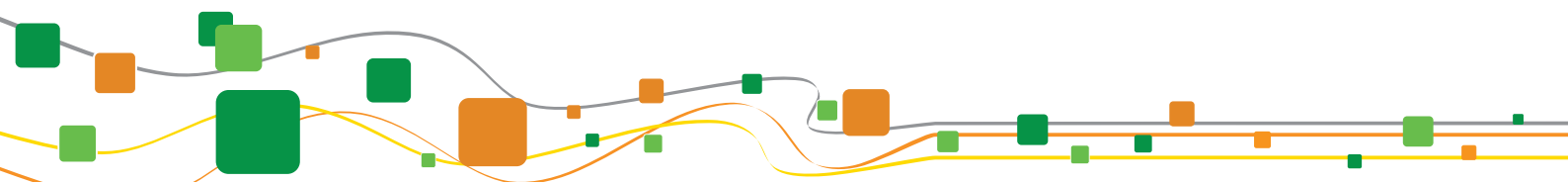
Turtle care in ponds

The program commenced in July 25, 2018, starting with construction of a pond for the turtles by the company. It took one week to finish the construction of the pond. The next step is taking care of the turtles including maintaining the ponds will be the Orang Rimba duty.

Orang Rimba managed to sell 65 turtles from this turtles shelter program for their income. To support the sale of the turtles, in June 2020 the Company plan to explore opportunities for breeding of turtles by involving experienced breeders. This activity will involve the Sarolangun Regency to boost the people's income. Before doing so, the Company will first explore opportunities for collecting turtles from outside the area to ensure the pond adequacy.

Fish Culture Program

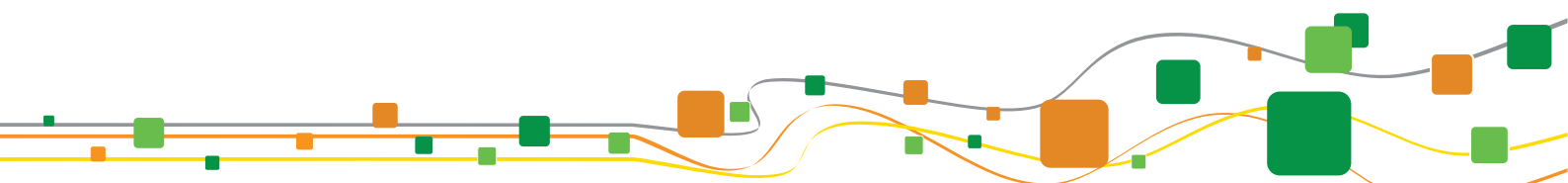
The results of the evaluation and improvement of the previous catfish culture program, PT SAL has facilitated the provision of catfish ponds implemented at the location of Mr. Tarib and Mr. Nggrip with 10 ponds (5 ponds each). Currently Mr. Tarib is still pursuing catfish culture with some improvisation carried out by Mr. Tarib himself with the addition of 1 permanent pond. Meanwhile 2 ponds from 5 other ponds are used as harvest preparation ponds. The catfish culture cycle is estimated to be 3-4 months. One pond contains 1200 catfish. So that every one cycle Pak Tarib has 6000 catfish. The last harvest in February 2020, Mr. Tarib received an average of 406 kg. The success of Mr. Tarib is expected to be able to motivate other friends. In the future at the beginning of Q3 2020, Mr. Tarib will be involved as one of the resource persons and a mentor of this catfish culture program to other groups. Mr. Tarib can share his experiences and success stories as well as motivators in running this fish culture program. As an effort to develop the program and increase yields, in June 2020 the company will also involve the local Fisheries Office to assist the mentoring process in terms of catfish culture while expanding the implementation of this program for other Orang Rimba groups interested in fish culture programs.



Jernang Planting Program for National Park Enrichment

This program is an implementation of cooperation between PT SAL-1 and the Bukit Dua Belas National Park (TNBD). Jernang cultivation is one of the TNBD enrichment programs, namely the Jernang Plant Enrichment. This program is expected to provide long-term results for the Orang Rimba by utilizing the TNBD area which has become a home for them. At same time this program can enrich the national parks with biodiversity. The system provided in this activity is by planting mature seedlings, providing incentives for Orang Rimba to breed and plant and set up pilot sites. The implementation of the collaboration program began to be materialized through training of Jernang cultivation participated by 21 people. They come from 4 groups, namely (a) Afrizal group - 5 people, (b) Bepayung group - 6 people, (c) Nangkus group - 5 people and (d) Ngggrip group - 5 people. The participants were chosen based on their interest in Jernang commodities. This activity was carried out at Resort Il.E Air Hitam I - Sptn Region li Tebo Bukit Dua Belas National Park, Pemasu Kabau Sarolangun with guidance from the Environment and Forestry Research and Development Agency (BP2LHK) Palembang. The speakers who attended were Mrs. Sahwalita and Mr. Nanang Herdiana as researchers at BP2LHK. After the training was conducted, each participant received 20-25 Jernang seedlings for planting in the TNBD area. Total Jernang has been planted as many as 520 stems with planting distance adjusted to the spacing of existing rubber which is 3 x 3 meters. With the consideration of Jernang rattan will develop into clumps and spacing is provided for tapping rubber trees.

This activity also involves other parties such as TNBD Agency, BP2LHK Palembang and Temenggung. This training activity is expected to motivate the Orang Rimba to maintain the remaining rattan and enrich it in the forest area so that it can provide increased income for Orang Rimba. Overall the trainees managed to get incentives from the company. The participants were able to carry out planting according to instructions and direction from BP2LHK Palembang. Until March 2020, the Jernang plant is growing well. Harvest estimates are expected to take place in the next 5-6 years. The enrichment of the TNBD area through Jernang planting will be carried out every year by also involving other stakeholders such as Jenang, village and sub-district governments. From the out reach and planting programs that have been carried out, Orang Rimba has upgraded their knowledge about the practice of Jernang planting intercropping with rubber plants and their maintenance procedures. From this Jernang enrichment program as well, Orang Rimba will be wiser in sorting Jernang to be harvested according to the long-term survival of Jernang and the Orang Rimba will have a sustainable income from Jernang enrichment within the TNBD area.



Alleviation of Nomadic Orang Rimba Groups

It has been mentioned before, that one of the challenges is the group of Orang Rimba who keep moving for one location to another locations, so that various types of assistance are difficult to distribute. The Meriau group is one of the concentrations of our program. Based on our database, the Meriau Group consists of 15 families with 80 people consisting of: 2 babies, 21 toddlers, 19 children, 13 youths, 21 adults and 4 elderly people.

Following is the assistance program from the company that was rolled out specifically for the Meriau group, namely:

Access to Staple Food

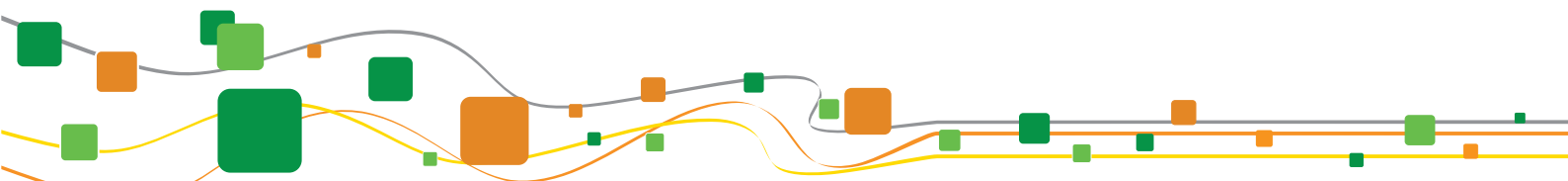
The Meriau group was also one of the recipients of the staple food assistance program, including cooking utensils which were distributed to all the Orang Rimba groups in the company's concession area. PT SAL has routinely supplied food for the Meriau Sub-group. Until Q1 2020, PT SAL has distributed 720 kg rice and 72 food packages to Meriau group. The distribution of staple food is carried out by visiting the Meriau group's settlement location directly and making sure they receive them completely.

Assistance for Settlement Location and livelihoods

Regarding the certainty of the location of the settlement, PT SAL has provided a temporary settlement for the Meriau Subgroup so that they do not move around in early 2019. The determination of the location has previously been communicated and discussed with the land owner and Meriau group itself. However, Meriau group decided to look for other locations of their own free will. After our evaluation, the provision of land for a place to live for Meriau does not seem to work because the group is still moving according to the conditions and needs of the Meriau group itself, although currently there are Meriau members, Ninjo who lives in the boundaries of the TNBD area with wooden house and live with three other house holders.

Healthcare Access for Meriau Group

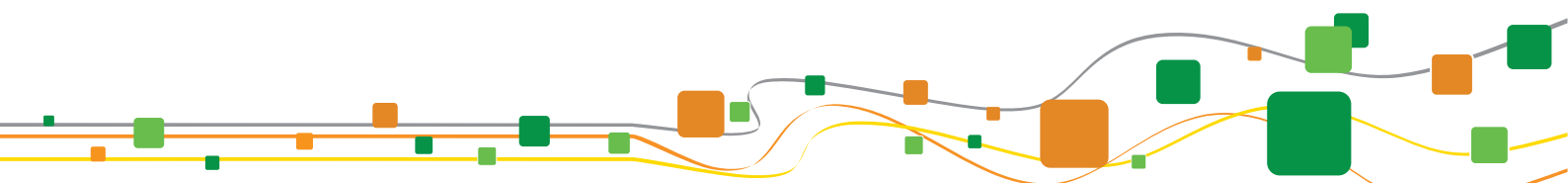
In providing health service, the company medical staffs provide promotive, preventive and curative treatment services for all Meriau group members through mobile health services and adapted to their location.



Free services have also been applied to Orang Rimba. In the period from end of February to the beginning of March 2020, one of Meriau's family who was sick admitted at the hospital in Sarolangun, the Company assisted in his referral to the hospital in Sarolangun, helped to send him to the Hospital using an ambulance which was specifically dedicated to health services for the Orang Rimba and facilitated food needs for the Meriau group's family while in the hospital as well as for the family left in their settlement.

From the results of the examination and treatment carried out by PT SAL's medical team, from the beginning of 2019 to Q1 2020, in the Meriau Group, it was found that acute respiratory infection became the most dominant disease with 42 cases. While other diseases, namely intestinal worms infection and fever 15 cases. While there are 3 cases of skin diseases. Health counseling is continuously carried out by the company's medical team in collaboration with the supporting Puskesmas medical team through intense healthy lifestyle education to the Meriau Group consisting of healthy lifestyle coaching, prevention of acute respiratory infection, diarrhea and skin disease. This counseling is one of the educational efforts in order to be able to implement healthy life style that is most likely to be done such as reducing smoking, doing physical activity and providing exclusive breastfeeding.

Meanwhile they have also been introduced to how to manage waste by sorting between organic and inorganic waste. Waste segregation is an effort to manage waste in order to reduce the negative impact untreated waste. In the previous location, a place and a waste pit have been provided to manage the waste.





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