



PT **Astra Agro** Lestari Tbk



PROGRESS REPORT ON
SUSTAINABILITY
THIRD QUARTER
UPDATE 2022

INTRODUCTION

For this third quarter of 2022, we continued the strong foundation laid by the achievements in the 5-Year Action Plan (all of which can be accessed [here](#)). The progress put forward includes HCV assessments for the remainder of the Company's subsidiaries, continuing our rehabilitation program with two additions of mangrove rehabilitation and biodiversity monitoring, internal fire management audits, empowering local communities with fire prevention initiatives, Company's GHG introductory to a reduction program, sustainable peatland management update, providing support to our CPO as well as FFB suppliers, and continuing our collaboration with the Orang Rimba communities. In addition, we also input a new program, Community Empowerment program in Sulawesi area.

HCV MANAGEMENT

MILESTONE HCV ASSESSMENT BY 2022

Updating our HCV report activities continues to be carried out as planned to meet the targets set for this year. Up to Q3, two companies have successfully carried out public consultations, and the hope is that by the end of the year, the full report is complete. In this quarter, one more company entered the pre-assessment, bringing the total to six companies for this stage. In addition, the six companies in the scoping study stage are still progressing in the process of determining the boundaries of the assessment area based on mapping village boundaries with communities, as well as field verification of hydrological aspects and landcover to map indications of HCV areas. The size of the survey site and the complexity of the assessment region in terms of the presence of forest areas, the number of villages, and local communities also influenced the activity's progress.

Table 1. HCV assessment planning for 2022 and its progress

Stage	Target Until December 2022	Realization Q1 2022	Realization Q2 2022	Realization Q3 2022	Realization Q4 2022
Pre-assessment	8 PTs	1 PT	1 + 4 PTs	5 + 1 PTs	-
Scoping Study	2 PTs	8 PTs	6 PTs	6 PTs	-
Full assessment	4 PTs	-	2 PTs	-	-
Public Consultation	2 PTs	-	-	2 PTs	-
Completion of assessment (Accumulated number of subsidiaries)	3 PTs*	-	-	-	-

* One of the companies has fully completed the assessment in 2021.

REHABILITATION PROGRAM

Rehabilitation activities during Q3 succeeded in planting 5,000 trees in sites of Aceh Jaya, Aceh Singkil, West Aceh, Central Kalimantan, and West Sulawesi, bringing the total number of trees planted to date to 10,985 trees. In addition, we also carried out maintenance to the planted trees, such as weeding along the planting holes, which is an important factor in the survival of the plants in the riparian areas. 85% of the total planted trees survived well, and with intensive maintenance, we hope the trees' survival continues to increase. The source of seeds that we used for this rehabilitation activity came from third-party seed suppliers and internal nurseries.

Due to the limited supply of seeds from the third party, especially in the West Sulawesi and Central Kalimantan sites, throughout this year, planting in both areas focuses on using in-house nursery seeds that developed from mother trees in conservation areas (<https://www.astra-agro.co.id/wp-content/uploads/2021/10/Sustainability-Progress-Report-Q2-2021.pdf>). As much as 40% of the total seedlings used at West Sulawesi sites (equivalent to \approx 3266 trees) came from internal nurseries consisting of forest, fruit and rare tree species such as *Swietenia mahagoni*, *Terminalia catappa*, *Diospyros celebica*, *Nephelium lappaceum*, *Heritiera simplicifolia*, *Aleurites moluccanus*, *Cerbera mangha*, *Durio* spp. and *Syzigium* spp. While at Central Kalimantan sites use 100% seedlings from the nursery, which are 217 rare tree seeds (*Shorea* spp & *Shorea balangeran*).

Table 2. Increased number of planted trees in Q3 2022

Region	Total PTs	Q1 2022	Q2 2022	Q3 2022	QTD (Quarter-to-Date)
Aceh	2	10	893	1,007	1,910
East Kalimantan	1	-	40	-	40
Central Kalimantan	1	-	-	217	217
Riau	2	-	575	-	575
West Sulawesi	3	3,997	426	3,820	8,243
Total		4,007	1,934	5,044	10,985



MANGROVE REHABILITATION

Mangrove rehabilitation is one of the models we have developed for managing landscape-scale ecosystems at the West Sulawesi and Aceh sites. During this quarter, we planted an additional 450 mangrove trees at the Aceh site bringing the total to date to 6,000 planted mangrove trees, which exceeds the 2022 target of planting 5,000 trees. Of the total planted trees, we noted that more than 80% of the plants are growing well due to intensive care, which focuses on how the trees can survive the current during high tide, be braced for stake and develop breakwaters.

Kilangan Village Coast in Aceh site is one of the focuses of our landscape-level environmental restoration program, which we run jointly with the Aceh Singkil Environmental Agency, and also involves the Teluk Bayu Brackish Forest Farmers Group as a partner since 2018. Teluk Bayu farmers group carries out activities that include preparing the nursery and planting and maintaining the mangrove trees. To date, we jointly managed to plant 5,500 mangrove trees in this area.

Table 3. Increased number of planted mangrove trees as of Q3 2022

Region	Total PTs	Q1 2022	Q2 2022	Q3 2022	QTD (Quarter-to-Date)
Aceh	1	-	5,050	450	5,500
West Sulawesi	1	-	500	-	500
Total		-	5,550	450	6,000



Figure 1. Mangrove conditions in the Kilangan Village, Aceh since 2018



BIODIVERSITY MONITORING

The routine management activities like biodiversity monitoring proceed by maintaining existing natural habitats like intact and patched forests, riparian ecosystems and other habitats across our subsidiaries. From 2010 to Q3 2022, we recorded more than 718 species of flora and more than 550 different wildlife species living in and around our concessions. There are also an additional five species that had just recently been observed from the results of monitoring this year. These species are from the taxa of birds, namely Takur ampis sumatera/Malay Brown Barbet (*Caloramphus hayii*), Takur kuping hitam/Black-eared Barbet (*Psilopogon duvaucelii*), Trulek gelambir merah/Red-wattled Lapwing (*Vanellus indicus*), Elang-alap shikra/Shikra (*Accipiter badius*), and Takur ungkut-ungkut/Coppersmith Barbet (*Psilopogon haemacephalus*). Besides the inhabitant wildlife residing in our concession area, we also found migratory birds, namely the Elang-alap Nipon/Japanese Sparrowhawk (*Accipiter gularis*). Our efforts to preserve biodiversity in our concession area are by implementing the policy of No Deforestation and wildlife hunting as well as routine area patrols.



Figure 2. Malay Brown Barbet



Figure 3. Black-eared Barbet



Figure 4. Coppersmith Barbet



Figure 5. Red-wattled Lapwing



Figure 6. Japanese Sparrowhawk (*Accipiter gularis*) and their Nest

FIRE PREVENTION

Almost all regions in Indonesia enter the dry season during the period of July to September. We recorded decreased rainfall in all of our subsidiaries (<100 mm). Monitoring of our operating areas via <http://modis-catalog.lapan.go.id/> also showed an increase in hotspot points in all of our operating regions. With the hotspot escalations, guided by our fire prevention system, we have increased our preparedness level from Alert 1 to Fire Emergency.

In Q3, we recorded one fire incident inside our concession that happened in an area adjacent to the community land. The fire incident was due to land clearing by the community for agriculture which then spread to the company's concession area. The fire was put out in less than two hours by our Emergency Preparedness and Response Team (TKTD) together with the police and the village government. The team also communicated with the landowner about not clearing land by burning.

Entering the dry season, strengthening the fire prevention team is a routine activity and we are also intensifying our socialization activities to the community and joint patrols with stakeholders. Several multi-stakeholder collaborations for fire prevention carried out in Q3, are as follows:

- 1 <https://mediakaltim.com/pt-wkp-latih-2-ktpa-hadapi-karlabun/>
- 2 <https://www.petah.id/berita/cegah-terjadi-karhutla-pt-ktu-gencar-lakukan-sosialisasi-dan-patroli-terpadu>
- 3 <https://www.lintas10.com/pt-kimia-tirta-utama-bersama-polsek-kotogasib-gelar-simulasi-pemadaman-karhutla.html>
- 4 <https://kaltara.tribunnews.com/2022/09/06/pt-sumber-kharisma-persada-dan-cipta-narada-lestari-sosialisasi-jaga-kelestarian-dan-bahaya-karhutla>



Figure 7. Patrol with District Agency and MPA

Fire Management System

On the review of our fire management SOP and audit form activities that include documents review and field visit, the Manggala Agni team has completed verification and provided input for improvements to the SOP and audit form so that we comply with the standard of applicable regulations. The review was conducted in PT Sari Lembah Subur. Improved SOP and audit forms will be implemented in all subsidiaries.



Figure 8. Implementation of the Review from Manggala Agni

In addition, we were also verified by external parties, namely the Plantation Service, Forestry Service, the Police, Manggala Agni and Regional Disaster Management Agency (BPBD) for compliance with Minister of Agriculture Regulation No. 5/2018 including the readiness of each subsidiary in fire prevention and mitigation. As of Q3, 23 subsidiaries have been validated and assessed as ready for fire prevention and mitigation. Meanwhile, the other five subsidiaries' verification process will continue in the next period.

Fire Monitoring in Suppliers' Operation Area

During this period, our regular spatial monitoring did not identify any warnings/notices regarding hotspots/fire-spots in the concerned monitoring areas.

Fire Prevention Initiatives with the Community and Related Parties

In Q3, we managed to form a new Community Cares for Fire (MPA) group in one of our subsidiaries in Central Sulawesi, bringing a total of 104 MPA in all our operations. During the MPA formation, the company also provided fire prevention equipment in the form of portable pumps and carried out relevant training for fire prevention and mitigation.



Challenges commonly found in forming an MPA are because of the complexity of the community's background and interests. Approaches to the Village Head and repeated socialization to the community about the importance of MPA and the potential for programs that can be developed to support the MPA group's livelihood are very important. In establishing and developing the MPA, we usually involve the District Plantation Service and the District Forestry Service.

Strengthening the Community Cares about Fires (MPA) group to become a self-sufficient MPA

Strengthening the existing MPA to become self-sufficient MPAs is an ideal approach to minimize the incidence of repeated fires and increase community participation in fire prevention. To date, we have 20 self-sufficient MPAs and two additional MPAs, which are still progressing to become self-sufficient MPAs in two villages in South Kalimantan. The development stage up to Q3 is the intensive discussion regarding the program, training and delivery of assistance to 13 farmer groups with 314 people, 100 fishermen and two buffalo herding groups with 45 people.

In self-sufficient MPAs, the community has been able to finance MPA activities on their own, and the group economic development program becomes a long-term program expected to boost the economic growth of MPA members in the future. The Company also continues to assist the community in fostering the MPA group's economic development through routine socialization of the fire prevention program, joint patrols and providing necessary assistance to suit their needs. Below are some of the Company's activities with its self-sufficient MPA during Q3:

- 1 <https://kalsel.antaranews.com/berita/337117/pt-pdl-dukung-usaha-poktan-lewat-program-csr-ekonomi>
- 2 <https://mediakalimantannews.com/dukung-poktan-pdl-banjang-berikan-bantuan-bibit-sayur-dan-obat-semprot/>
- 3 <https://kalsel.antaranews.com/berita/336205/pt-sam-serahkan-bantuan-alat-tangkap-ikan-untuk-nelayan>





Figure 9. Meeting with community leaders in the independent MPA Target Village



Figure 10. The Swamp Buffalo Farm location

One of the most successful self-sufficient MPAs fostered by the Company is the Fishermen Group Cares for Fire (KNPA) at PT Sari Lembah Subur in Riau. The KNPA now has its own fish-culture business, and they have also processed its fish products into smoked fish and salted fish, which are marketed through their cooperative unit.

Various achievements and performances by this KNPA in protecting the environment around the Company's area have led them to participate in the 2022 Festival of Kampung Berseri ASTRA (KBA) and Desa Sejahtera Astra (DSA) organized by Astra International. The community won second place in the category of Marine and Fisheries DSA.

Furthermore, the Head of KNPA got appointed as a Head of the Peat Ecosystem Research Work team, a program by the Ministry of Environment and Forestry (KLHK) through the Peat Care Independent Village Program from the Sustainable Management of Peatland Ecosystems in Indonesia (SMPEI).



Figure 11. Head of KNPA was invited to a sharing session about best practices implementation for community direct involvement on peatland protection and management.



Mapping of fire incident sources and landscape-based community structure information

Recurring fires in local community areas require a multi-stakeholder approach to identify root causes and obtain comprehensive solutions. Involving the community, company and local governments, these multi-stakeholder initiatives apply to six districts, namely Siak and Pelalawan (Riau), Tapin, Hulu Sungai Selatan, Hulu Sungai Utara (South Kalimantan) and Kutai Timur (East Kalimantan) Districts. The stage that we carry include desk study (field data collection and data analysis) and intensive communication to relevant key stakeholders for a strengthened mitigation action community-based.

In this quarter, we have conducted initial desk study in the first two districts in South Kalimantan, namely Hulu Sungai Selatan and Tapin and the results are shown below:

1. Tapin and Hulu Sungai Selatan Regency area is a single landscape unit, where we have determined a total of 28 villages within four Company landscape areas.
2. It is a swampy area, which is influenced strongly by the tides of the Barito River and the Negara River.
3. Livelihoods of local communities include farming, fishing, trading, Galam wood seekers and livestock breeders.
4. The total number of historical hotspots in the landscape area from 2015 – 2020 is 1,480 hotspots.
5. The research landscape included in the Peat Hydrological Unit (PHU) covers 38% Peat Ecosystem Protection Function (FLEG) and 62% Peat Ecosystem Cultivation Function (FBEG) in Barito River and Tapin River, South Kalimantan.
6. Land cover type majority is more than 50% vulnerable shrubs.

The results of this desk study work as an initial overview to develop initiatives together with relevant stakeholders.

GHG EMISSIONS

In 2022, we will periodically carry out an inventory and calculate the value of GHG emissions using the GHG Protocol Standard method. As stated in the previous period, Scope 1 emissions include operational emissions from fossil fuels (gasoline, biodiesel, and coal), inorganic fertilizers, pesticides and herbicides, and chemicals. On the other hand, Scope 2 emissions include operational emissions from electrical energy.



We compiled and developed this GHG emission calculation method guided by Engie Impact, a sustainability management consulting firm. In addition, with Engie Impact, we are also in the final stage of formulating an AAL emission reduction strategy to achieve a 30% reduction target in 2030. The reduction program we are planning and implementing includes business operational reduction processes and conducting a tree-planting program in the concession area.

CONSERVATION OF PEATLANDS

Sustainable Peatland Management

During this quarter, we conducted a field survey following the recommended survey transect point from the Ministry of Environment and Forestry. We complete this survey with the assistance of land mapping experts who previously assisted in mapping the soil and distribution of peatlands within the Company's concession. In carrying out the Peat Ecosystem Inventory using the transect method or Observation Path, observing sample points on the 13 Peat Ecosystem Characteristics are determined under Article 1 of the Minister of Environment and Forestry Regulation No. P. 14/2017.

The concessions carried out by the Peat Ecosystem Inventory are located in West Sulawesi and Central Sulawesi provinces. The three Peat Hydrological Unit (PHU) surveyed include the Laa River-Petasia River PHU in Central Sulawesi, the Pasangkayu River-Bambalamotu River PHU and the Salo Lariang River-Pasangkayu River PHU, which stretches across West Sulawesi and Central Sulawesi. The total observation points reached 316 points with an area coverage of more than $\pm 27,000$ ha of the PHU area. On the other hand, we are preparing a survey report to convey the results to the Ministry of Environment and Forestry in the next period.

In addition to surveys in compliance with regulations, we need to continuously improve the capacity of the peat monitoring and management team at the site level. Dr Ngudianoro, a lecturer and researcher from the Data and Information Center for Swamp and Coastal Areas from Sriwijaya University, and a trainer for Prevention of Peat Damage from the Ministry of Environment and Forestry accompanied in carrying out cross-learning and peat management sharing. We hope that through this activity, the entire Company's internal team can increase their knowledge and understanding of applying sustainable peat management so that all Company areas located on peatlands can properly implement Sustainable Peatland Management.



Field Assessment for Priority Smallholder Partners on Peatlands

In our previous analysis, 4,000 of the 4,700 smallholders spread across 15 villages are classified as high-risk and need to be engaged. These smallholders are under 25 networking partners who already have an organization (farmer group), and have a high volume and frequency of FFB supply. After that, our next step is to do a pre-assessment through field ground check to ensure that the partner smallholder areas are located on peatlands and see the extent to which peat management supports preventing peat damage and increasing productivity in peat areas cultivated by smallholders. As of the publication of this report, pre-assessment activities (verification and profiling of smallholders) on 25 priority networking partners are still being conducted and the progress results will be submitted in the next period.

RESPONSIBLE CPO SOURCING

TRACEABILITY TO MILL

1. Traceability of CPO/PKO Supply Sources

In Q3 2022, we continue to maintain a 100% traceability commitment of CPO/PKO sourced from 39 mills (26 internal and 13 external) where information details about the related composition and list of suppliers are accessible in the [traceability report](#) and [list of suppliers](#) are available on the Company's website.

The number of suppliers still dropped compared to before despite one new supplier entering the supply chain. However, in terms of supply volume, there was an increase of up to 80% compared to the Q2 period. This increase occurred, particularly at the Kreasi Jaya Adhikarya refinery.

ALIGNING SUPPLIERS WITH AAL'S SUSTAINABILITY ASSESSMENT MECHANISM

We continue our activity to ensure the implementation of suppliers related to the concept of sustainability as stated in the Sustainability Assessment Tools (SAT). These activities are ongoing, and we appreciate our suppliers who continue to provide good cooperation in aligning their operations with our sustainability policy. This is demonstrated by the supplier's efforts to meet the various gaps in the SAT assessment. We also offered some support to suppliers to fill the gaps. Until this period, the average SAT result for all suppliers is 86%.



The increase in supplier SAT assessments was demonstrated by those who have plantation area. These suppliers complete their forest and land fire prevention infrastructure facilities as regulated under Minister of Agriculture Regulations No. 05/2018. Another progress is on the improvement of recording and reporting related occupational health and safety aspects.

POTENTIAL SUPPLIER VIOLATIONS

Based on the findings and verifications carried out in the third quarter of 2022, no violations were committed by direct suppliers in our supply chain or by affiliated subsidiaries in our suppliers' parent groups. Details on our list of grievances and how they are handled, is available [here](#).

FFB SOURCING AND SMALLHOLDERS SUPPORT

1. Traceability of FFB Supply

In the third quarter, we can maintain the commitment and consistency of 100% traceability of FFB sources with the composition of the volume of FFB received consisting of 45% sourced from own plantations, 6% sourced from associated plantations and 49% sourced from third party/independent suppliers. Traceability reports for each mill are available [here](#).

2. Support Program for FFB Suppliers

We continue to support our partners and FFB supplying smallholders to increase their productivity and to be in-line with our Sustainability Policy. As of Q3, we have worked with ± 53,000 traceable smallholders.

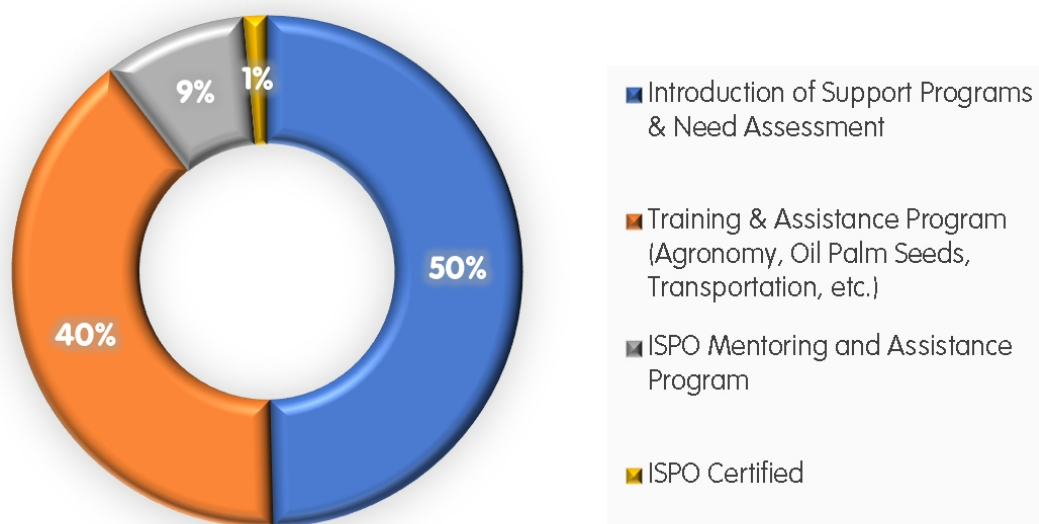


Figure 12. Implementation of support programs for FFB suppliers as of Q3 2022

The following is a continuation of the training and assistance programs as well as several new partnership programs to support the operational activities of independent smallholders that we continue to provide throughout Q3 2022:

a. Training and Capacity Building

Until this period, our training and capacity-building programs were still carried out online. We conducted four training sessions with seven topics related to operational aspects. We recorded 288 partners and smallholders participating in the training, which consists of 149 smallholders who had just joined this period, and the remaining were participants who previously attended the training period. There have been 461 smallholders who have participated overall in 2022.

b. Facilitating Partnership Support Programs

We continue to facilitate our networking partners in financing and procuring oil palm seeds, fertilizers and provision of transport units for FFB evacuation. In addition, we also provide new support programs such as herbicide facilitation programs, FFB transport units and heavy equipment. Below is the continuation of facilitating programs throughout Q3 2022:

Table 4. Details of increased smallholder partnership support programs as of Q3 2022

No	Support Program	Networking Partners				Smallholder				Quantity				Location
		Q1	Q2	Q3	QTD	Q1	Q2	Q3	QTD	Q1	Q2	Q3	QTD	
1	Financing and Procurement of Oil Palm Seeds	4	12	7	23	86	43	40	169	Procuring ±86,000 oil palm seeds	Procuring ±51,450 oil palm seeds	Procuring ±45,800 oil palm seeds	Procuring ±183,250 oil palm seeds	Jambi, Riau, West Sulawesi, East Kalimantan and Central Kalimantan
2	Financing and Procurement of Fertilizer	64	23	8	95	109	62	26	197	Received volume ±1,613 tons	Received volume ±1,075 tons	Received volume ±336 tons	Received volume ±3,024 tons	Aceh, Jambi, Riau, Central Kalimantan, West Sulawesi and Central Sulawesi
3	Financing Procurement of FFB Transportation Units	66	16	17	99	207	90	25	322	Transported volume of ±11,192 tons	Transported volume of ±15,577 tons	Transported volume of ±13,738 tons	Transported volume of ±40,507 tons	Riau, Jambi, Central Kalimantan, and West Sulawesi
4	Financing and Procurement of Herbicide	-	-	3	3	-	-	18	18	-	-	Procuring ±1,730 liters herbicide	Procuring ±1,730 liters herbicide	Aceh and East Kalimantan
5	Financing of FFB Transportation Units Ownership	-	-	2	2	-	-	2	2	-	-	Financing of two FFB Transportation units	Financing of two FFB Transportation units	Aceh and Riau
6	Financing of Heavy Equipment Units Ownership	-	-	3	3	-	-	3	3	-	-	Financing of three heavy equipment units	Financing of three heavy equipment units	Riau and Jambi

ORANG RIMBA PROGRAMS

Distribution of Food

The Company's food distribution program continues to be carried out regularly to the targeted 313 Orang Rimba families with 3,750 kg of rice and 313 food packages every month. As of Q3, the Company has distributed 33.75 tons of rice and 2,817 food packages.



Figure 13. Food distribution for the Orang Rimba of the Saidun group

Access to Education

Education Program

Implementing the new 2022/2023 school year, there were 421 children out of 512 school-age children, with 74 attending learning studios in the Merangin area and 347 attending formal schools and learning studios in the Sarolangun area.

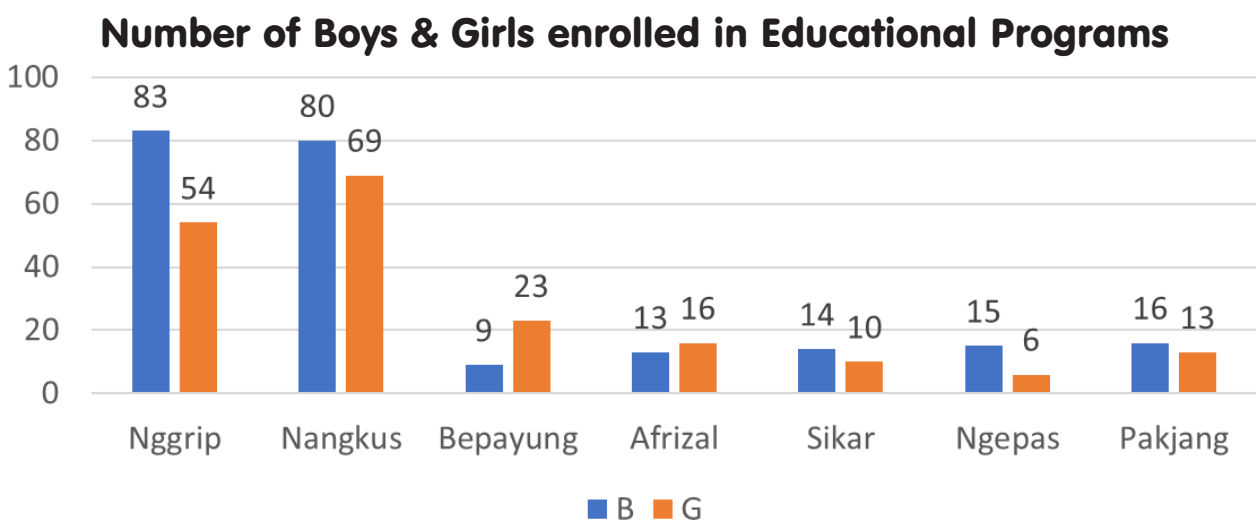


Figure 14. Numbers of boys and girls in educational program as of Q3 2022

For this quarter, there were 16 new kindergarten (TK) children, eight new elementary school (SD) children, and four new junior high school (SMP) children. In total, we recorded 102 boys and 97 girls in kindergarten, 111 boys and 85 girls in elementary school, 11 boys and three girls in junior high school, three boys and six girls in senior high school (SMA) and three students pursuing higher education at university. The two students who graduated from high school, namely Jupri and Asrofi, are currently doing their own activities where Jupri is helping out at the Bukit Duabelas National Park as a field extension worker, while Asrofi is learning to start a motorcycle workshop.

We see that within the Orang Rimba community, parents are becoming more aware of the importance of education. This is apparent due to the increase in the rate of attendance, especially with the larger presence of female students within secondary schools (SMP and SMA), where previously, girls dropped out of school after completing primary education and settled down at a young age. Thus, we hope that the education programs promoted by the Company continue to motivate Orang Rimba to pursue the highest level of education possible.



Figure 15. tree planting activities

Higher Education Program

Meanwhile, in Q3 2022, three children who have studied at Jambi University (UNJA), namely Bejujung, Besar and MT Fauzan from Polbangtan Bogor, are currently carrying out their second stage of the internship. Bejujung and Besar are doing their internships in Lubung Village, while MT Fauzan is doing it in Lembang, Bandung.



Figure 16. MT Fauzan internship activities in Lembang, Bandung.



Figure 17. Besar and Bejujung are doing internship activities in Lubuk Jering Village.

Access to Healthcare

The Company regularly provide health service programs for Orang Rimba residents, which include *Posyandu* services, family planning services, routine counseling and treatment activities. To date, the number of residents who have received health services is 939 people, and in Q3, an average of ten people seeks treatment monthly, and an average of 60 people attend counseling sessions per month. The *Posyandu* program is carried out once a month, while family planning services are carried out according to Orang Rimba's requests.



Figure 18. Health service activity and examination for Orang Rimba.

Active Collaborations

Identity Card for Orang Rimba

The Company continues to encourage and assist the targeted Orang Rimba to obtain ID cards so they can access various public services provided by the government. Collaborating with the Population and Civil Registration Services and the local village government, the Company is targeting 722 Orang Rimba who are eligible for ID Card, spread across seven groups in Sarolangun and Merangin Districts.

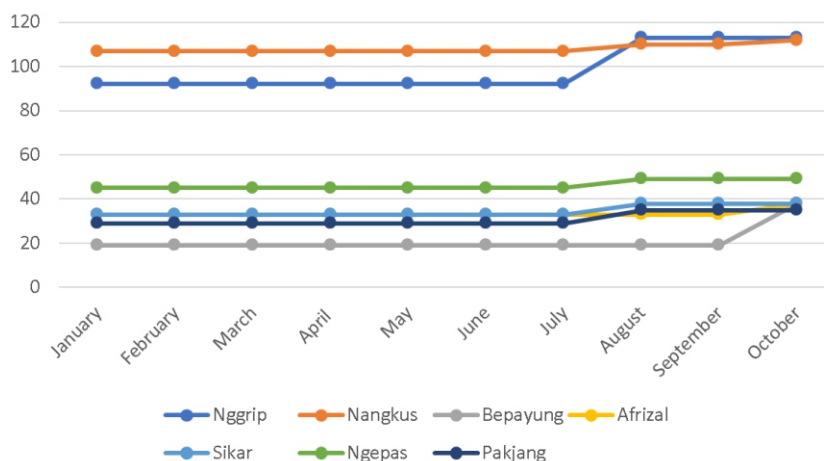


Figure 19. Acquisition of ID cards for Orang Rimba 2022

As of Q3, 423 Orang Rimba had ID cards which means this achievement has reached 58.5% of the total target of 722 ID cards. Apart from focusing on recording the ID cards, this collaboration also helps Orang Rimba manage the administration of birth certificates and family cards.



Figure 20. Documentation of ID cards recording in Pematang Kabau Village, Sarolangun Regency September 2022

Agricultural Learning Center (ALC)

Suluh Rimbo Sikar

Utilizing an area of 6000 m², in the second quarter, Suluh Rimbo Sikar has successfully produced various crops such as chili, sweet potato, cassava and sweet potato, respectively 90 kg, 160 kg, 210 kg and 96 kg. All harvests are used to meet the family's food needs.



Figure 21. Suluh Rimbo Sikar chili planting when harvesting taro

In the third quarter of 2022, Suluh Rimbo Sikar replanted sweet potato, cassava and taro crops previously harvested in second quarter. In addition, other activities that were carried out consisted of land preparation and chili nurseries for the second stage of planting.

Suluh Rimbo Air Panas

With a land area of two hectares in Q2 2022, a total of 1,500 chili plants have been successfully planted on a one-hectare area, intercropping with banana plants. Meanwhile, another hectare of land is currently in the process of plowing and preparation for planting.



Figure 22. Establishment of 'Rimba Tani' farmers' group in Suluh Rimbo Air Panas

In the third quarter of 2022, Suluh Rimbo Air Panas focuses on strengthening farmer group institutions. Through this institution, the hope is that plant cultivation can be encouraged to orientate towards alternative family income. The farmer group is called Rimba Tani, and it has 11 core committee members, including a Chairman, Vice Chairman, and members. In addition, there are three people in charge, two field assistants and one advisor.



Figure 23. Process of chili plants treatment on plant beds that have been divided per head family.



Figure 24. Huts used for shelters

The Rimba Tani group was formed to become a forum for Orang Rimba with strong will and commitment towards the Suluh Rimbo program. Rimba Tani also regulates how the distribution of responsibilities for each member to care for the plants is determined by the family head. Thus, members present can take care of the plants and get a good harvest. Each family head will be responsible for a 40 m x one (1) m plant bed. With the forming of this group, the activity in Q3 is to carry out intensive care of chili plants previously planted in Q2. The Company also set up huts as living quarters to facilitate better coordination within the group's responsibility in caring for the plants.

COMMUNITY EMPOWERMENT PROGRAM SULAWESI AREA

Community empowerment is one of the Company's activities in supporting community development around plantations. In this quarter, our reporting focused on community empowerment activities in our operational area in Sulawesi, which includes the Pasangkayu Regency (West Sulawesi Province), Donggala Regency and North Morowali Regency (Central Sulawesi Province). We started operating in the Sulawesi area in 1988, starting from Mamuju Regency which is now Pasangkayu Regency and progressing to Donggala Regency and North Morowali Regency.

At that time, the land clearing process still relied on water transportation as the land routes were still swamps and difficult to access. There were only a few settlements in the land-clearing area, and most of them were located on the coast or river estuary. Areas like Sarjo, Bambaira, Bambalomotu, Pasangkayu, Tikke, Lariang, Bamba Loka, Sempo, Sarudu, Benggahulu, Tobinta, Tumbu, Babana, Kire are areas that became community settlements at that time. It was only after the transmigration program in place, these areas began to open up, which later became known as Martajaya, Martasari, Pedanda, Lalundu, Baras, Tobadak, Topoyo, Salugatta and others.



Figure 25. Heavy equipment crossing the Tikke River

The transmigration program has also changed the typology of community which was originally homogeneous to diversity. Ethnically, the transmigrant communities came from the Bugis, Makasar, Toraja, Bali, Mandar, Javanese, Sundanese, and Sasak tribes, which of course gives color to diversity in society, especially for Indigenous people in the area, namely The Kaili Tribe (Central Sulawesi and West Sulawesi) and the Mori Tribe (Central Sulawesi). The complexity of diversity between communities does not make differences in views and social distance. Transmigrants and indigenous people have succeeded in building a vibrant and harmonious community through openness and mutual support.



Company's Contribution in Sulawesi Area

The presence of the Company in the Sulawesi area through plantation development along with the ongoing government transmigration program has encouraged progress in the midst of a community that was previously unimaginable. The construction of access roads by the Company that connects one transmigration area to another has opened access to villages that were once remote. In addition to opening access, strong bonds are also established between the community and the company in the palm oil processing business, such as employment for both locals and transmigrants. This bond has been in place for more than a decade and across generations, which is a mutually beneficial relationship for the community and the Company.

In addition to providing job opportunities, the Company contributes to the economic development of the community through Trans People's Nucleus Plantation (PIR Trans) partnership program which began in the 2000s. This partnership program has significantly contributed to the improvement of the community's economy, as marked by the presence of many luxury houses in the community's plantation area.

The Company's contribution is not only in road infrastructure and PIR Trans partnerships program, but also in the education and health services programs targeting villages surrounding the Company. A total of 16 villages around the company's subsidiaries (PT ANA, PT Mamuang and PT LTT) benefitted from these two programs.



Figure 26. Scholarship achievement handover at SDN 1 Rio Pakava

In providing education services, in the 2022 academic year, the Company has provided scholarships to 169 students from 33 assisted schools, including 53 students from Mori tribe and 15 students from the Kaili Tado tribe. In addition, the Company also runs an appreciation program for teachers in the form of honorariums which have currently been received by 44 teachers and facilities and infrastructure for assisted schools.

In providing health services, the Company implemented the Community Health Activity Center (P2KM) program in three districts with the aim of bringing health services closer to the people living around the company. P2KM focuses on targeting the assisted Posyandu, where in 2022, it has provided services and assistance with supplementary feeding (PMT) to 1,887 toddlers and 269 pregnant women. Strengthening collaboration with the local community health center (puskesmas) was also carried out to increase the capability and optimize the role of 195 posyandu cadres.

The presence of the Company has contributed to changing the quality and educational facilities of the surrounding villages for the better, as well as health facility services which can support the improvement of the quality of public health.



Figure 27. Posyandu activities in the village around the Company

More details can be accessed at:

- <https://trans89.com/2022/12/18/program-csr-beasiswa-pt-lestari-tani-teladan-bagi-siswa-di-wilayah-kerjanya>
- <https://trans89.com/2022/12/29/astra-cerdas-dan-csr-kesehatan-pt-mamuang-bagi-siswa-berprestasi-dan-guru-honorir-serta-kader-posyandu>





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