



Our commitment to local communities is rooted in the recognition of their rights and the importance of collaborating with them. Through meaningful dialogue, we identify and safeguard the resources that hold significant value to these communities. Local stakeholder engagement involving two-way dialogue between the company and local communities is crucial to establish and maintain mutually beneficial relationships.

The Group follows RSPO guidance on Free Prior and Informed Consent (FPIC) to develop land-use agreements that respect the land rights of local communities. Prior to seeking consent for project activities, social teams visit all villages in the area to introduce the company and communicate the potential positive and negative impacts of the proposed activities. This includes an explanation of the company's Sustainability Policy, conservation plan, grievance mechanism, as well as CSR programs. Agreements are negotiated with the understanding that any group or individual within the community who has landowner or land-user rights has the right to agree or disagree with the activity plans proposed by the company.

Comprehensive and participatory assessments are carried out according to RSPO New Planting Procedures to identify and understand the environmental and social values present in a proposed new development area and to ensure the protection, monitoring and management of those values.

Through a comprehensive consultative approach based on FPIC principles and Social Impact Assessment review, the company engages with local communities in participatory mapping exercises to gather valuable insights into their needs and aspirations. This ensures that our social management plan and monitoring align with the interests and rights of local communities.

At each of our plantation companies, designated social teams regularly engage with local communities to identify community needs and aspirations, to address any concerns, and to determine priorities for management plans. These local stakeholder engagement activities are important to prevent the emergence of complaints. All enquiries are logged in a 'Book of Communications' and steps are taken to address each issue raised.

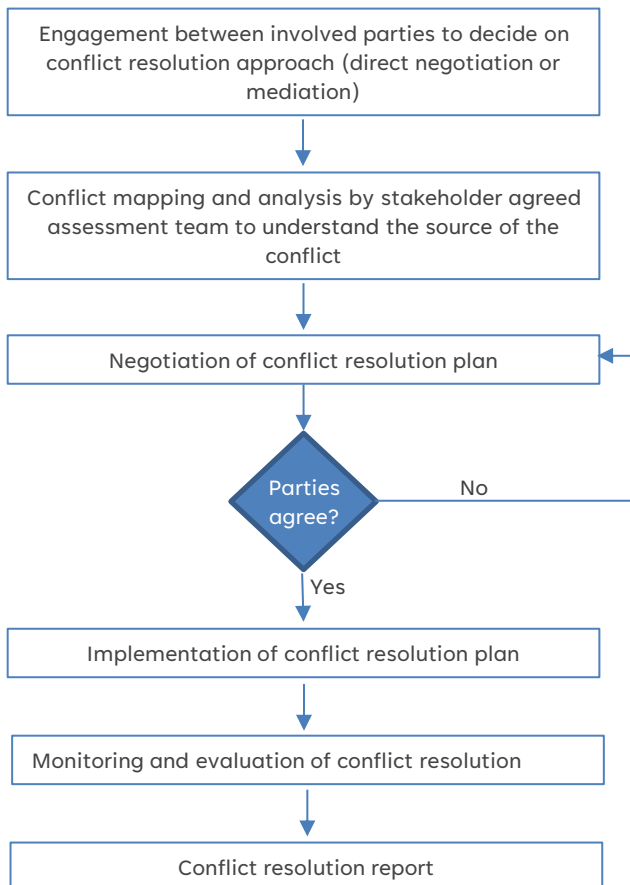
At times, our social teams are supported by third parties. For example, in Nabire Papua, we are working in partnership with PILI-Green Network to engage with local stakeholders and encourage community participation in projects that aim to provide alternative sources of income for local communities. FGDs and PRA have been carried out to gain information on sources of income and to incorporate the knowledge and opinions of local communities in the planning and management of projects.



Focus Group Discussion (FGD)	A qualitative research method and data collection technique in which a selected group of people discusses a given topic or issue in-depth, facilitated by a professional, external moderator.
Participatory Mapping	The collection of spatial social data in a participatory and inclusive manner with affected communities and other local stakeholders to record and represent the perceptions of local stakeholders. It helps to explore and assess the situation prior to development.
Participatory Rural Appraisal (PRA)	Method to study the conditions and rural life of, with, and by the local communities. It allows village people to share their knowledge of village conditions and life, so that the company can analyze make plans, take action and drive improvements. It is used to assess social impacts in a participatory manner with local communities.
Stakeholder Consultation	A participatory process that is conducted to verify information gathered, collect new information, assess the validity or credibility of claims, seek opportunities to reduce conflicts from management decision making and gather inputs from various stakeholders for management and monitoring.

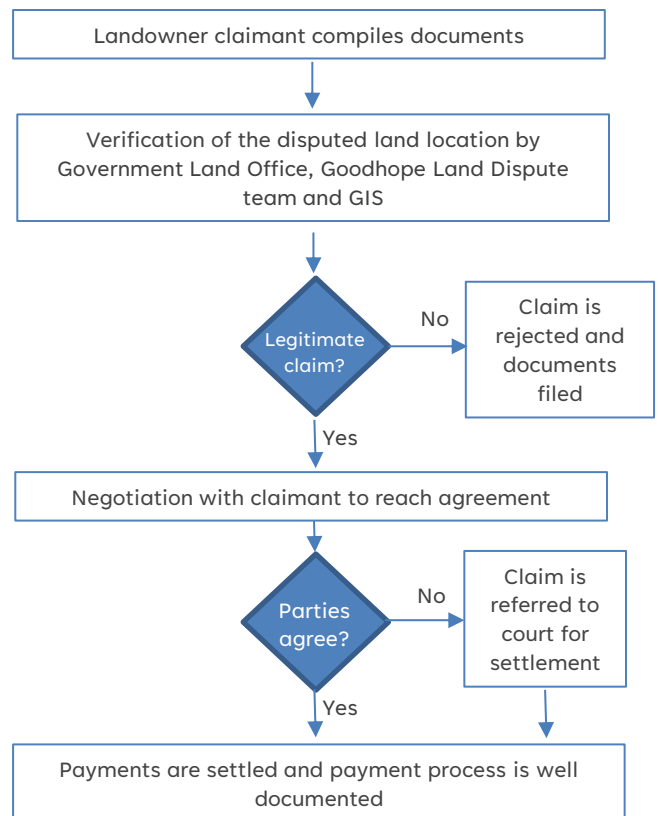
Conflict Resolution

Any conflicts that may arise are addressed as indicated in the flowchart below. Ideally, any conflict can be resolved by direct negotiation between the company and community, but as conflict escalates, it becomes more difficult to secure a solution by direct negotiation, and resolution approaches involving third parties are sought. Third parties include mediators or the RSPO, with the last resort being litigation.



Land Dispute Settlement

Given the nature of the Group operations, land boundary disputes are inevitable. Once a land claim is filed, land legality is verified by the company and Government Land Office. In case of any anomaly, the case can be referred to court. Verified legitimate claims are settled by negotiation with the land claimant. If an agreement cannot be reached, the claim can be referred to court for settlement. The process for addressing land disputes is indicated in the flowchart below:





Local communities benefit from the provision of jobs, basic amenities, education, medical services, and smallholder schemes. We also fund capacity building activities to help improve food security and strengthen livelihoods. Food security is supported by engaging local communities in food crop cultivation and providing donations when needed.

HIGHLIGHTS 2023



Developed Bumi Nabire Field School as a system to provide build capacity among local communities in Nabire, Papua.



Two community tree nurseries constructed and plots for vegetable farming established.



Two Farmer Groups established among indigenous communities in Papua and trained in nursery management.



34 community clinics supported, in addition to operating 16 of own clinics.



30 community schools supported, in addition to 13 own schools.



7,587 hectares of oil palm developed as cooperative-owned scheme smallholder plantations (Plasma).



11,551 members supported in smallholder schemes (Plasma), in a total of 29 cooperatives.

