

Apical2030

Apical2030 was launched in February 2022 as a critical milestone for Apical's commitment to achieving a sustainable and deforestation-free supply chain through inclusive transformation and partnerships with smallholders. Our commitment to climate action is reflected through circularity and green innovation, contributing to decarbonisation and achieving net-zero emissions.

The four strategic pillars of Apical2030; Transformative Partnerships, Climate Action, Green Innovation, and Inclusive Progress aligns with Apical's 5Cs business philosophy of doing what is good for the community, climate, country, and customer only then it will be good for the company.

Our approach to realising our 2030 targets is underpinned by unwavering leadership commitment and promoting shared responsibility with key stakeholders along the supply chain. By capitalising on the highest level of supply chain transparency and traceability to its origin, Apical has taken a bold move towards achieving emission reductions through technology advancement, forest protection and the adoption of good sustainable agricultural practices in its operations and supply chain. Leveraging remote sensing technology for forest protection and monitoring, 3rd party verification for traceability and NDPE compliance, and sustainability reporting in accordance with the GRI standards, Apical continuously strives to achieve the critical goals of Apical2030 as a responsible corporate citizen.

We have made significant progress since launching Apical2030 in achieving Transformative Partnerships with 91.4% NDPE IRF and 99.7% traceability to plantation which Peterson Control Union verifies. Under the Climate Action and Green Innovation pillars, we have completed the carbon footprint assessment for Scope 1, 2 and 3 and initiated the life cycle analysis which will then form the foundation for further decarbonisation initiatives. We will continue to work towards decarbonising our operations by adopting energy-efficient technologies and collaborating with our suppliers to reduce emissions across the entire supply chain (Scope 3). Under the last pillar, Inclusive Progress, we have launched the Sustainable Living Village (SLV) @Aceh with a landscape partnership approach involving local communities, government and NGOs in promoting a sustainable livelihood ecosystem through livelihood and smallholder programmes, and ensuring deforestation free supply chain through forest protection and establishment of a response team.

As we continue our journey towards Apical2030, we reaffirm our commitment to establishing a sustainable and deforestation-free supply chain, as well as achieving positive environmental and social impacts through our **four strategic pillars**.



Transformative Partnerships

Collaborating with stakeholders along the supply chain to spur positive changes relating to NDPE compliance, traceability, and conservation.

Target



Collaborate with suppliers to achieve 100% NDPE compliant supply chain by 2025



Engage 100% of suppliers for traceability independent verification by 2025



Partner with suppliers to protect and/or conserve 150,000 ha forest and peatland by 2030



Collaborate with suppliers to promote clean energy through 20 biogas

Progress Updates⁽¹⁾

91.4% NDPE IRF verified by Peterson Control Union

99.7% traceability to plantation (TTP) | **100%** satellite monitoring

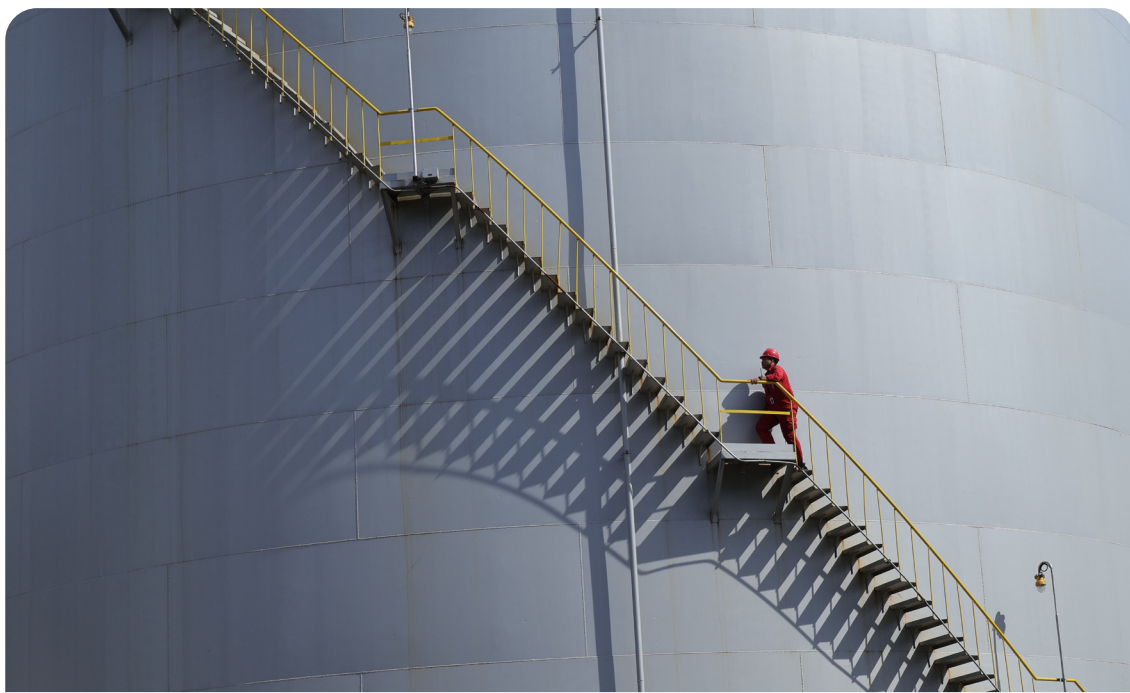
3rd party verification for TTP, NDPE, forest monitoring & sustainability reporting

50% suppliers to be verified by December 2023

SLV @Aceh launched 18 January 2023

- Partnership with **6 villages**
- Collaboration with **local NGOs** and **smallholders**

1 new biogas plant to be commission by Q4 2023



Climate Action

Taking urgent action to combat climate change and its impacts.

Target



Reduce 50% GHG emission intensity in our production against 2020 baseline



Net Zero by 2050

Progress Updates⁽¹⁾

Scopes 1, 2 and 3 carbon footprint assessment completed

Life Cycle Analysis conducted with carbon experts

7,000 mangroves planted in Dumai and Jakarta



Green Innovation

Leveraging on innovation for increasingly sustainable operations.

Target



38% of total energy use derived from renewable and clean energy sources



Improve water use intensity by 30% through circular solutions

Progress Updates⁽¹⁾

>20% increase in biomass **consumption in Dumai**

Rainwater harvesting system installed at PT Padang Refinery Nusantara



Inclusive Progress

Empowering our people and improving livelihoods through tailored initiatives.

Target



Support communities through 30 Sustainable Living Villages (SLV) by 2030



Support 5,000 independent smallholders to achieve certification by 2030

Progress Updates⁽¹⁾

SLV @Aceh launched on 18 January 2023

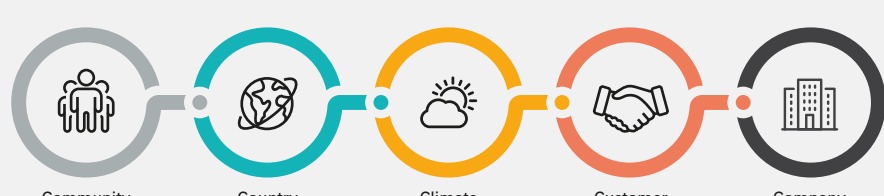
- 3 community groups** established for honey cultivation programme
- 1,000 farmers** to be supported for capacity building/RSPO certification

2,974 smallholders engaged since 2020

From **628⁽²⁾ ISH** achieved RSPO certification

(1) Progress as at 31 August 2023
(2) Data as at October 2023

5Cs Business Philosophy:



UN Sustainable Development Goals:

