

## Public Notification KTH Pulau Muda Sejahtera

Asia Pulp & Paper (APP) Sinar Mas is open for cooperation opportunities to purchase pulpwood (chip) from:

Name of Supplier : **KTH Pulau Muda Sejahtera**  
Business Type : Community Forest  
Business Location : Indonesia  
Supply Scheme : Open Purchase

The co-op, **KTH Pulau Muda Sejahtera**, has completed the risk assessment process under Asia Pulp & Paper (APP) Supplier Evaluation and Risk Assessment (SERA). Prior to the submission to the Joint Steering Committee (JSC) for final approval and inclusion into APP's Approved Suppliers List, APP conducts a Stakeholder Notification process to address any concerns that stakeholders might have on the inclusion of **KTH Pulau Muda Sejahtera** into APP's suppliers list.

The stakeholder notification will be opened on: **03 November – 17 November 2023**

Those who would like to raise any concerns are invited to send their messages to:

Email : sustainability@app.co.id  
Subject : Stakeholder Notification – Feedback on KTHPMS

Additional Notes:

1. Supplier's certification

- a. Certificate Number : IMS – SLHH – 448
- b. Certificate Scope : VLHH (± 597 Ha)
- c. Expiry Date : 30 October 2023 – 29 October 2029

3. Summary of SERA result:

No	Indicators	Evidence	Risk Categories
1	Company, or any of its associated company <sup>1</sup> , convert natural forest to other land use (plantation forest, agriculture, etc) after February 1 <sup>st</sup> , 2013.	Based on the results of the deforestation analysis in the period of 2013 - 2022, there is no indication of deforestation occurring in the area of KTH Pulau Muda Sejahtera	LOW
2	Country/Region	<ul style="list-style-type: none"><li>• Indonesia / Riau</li><li>• KTH Pulau Muda Sejahtera holds a certificate of legality for forest products (VLHH)</li></ul>	LOW
3	Tree Species	<i>Acacia sp</i>	LOW
4	Third party certification/verification	Certificate of Legality for Forest Products: IMS-SLHH-448 Issued by Inti Multima Sertifikasi Validity: October 30, 2023 - October 29, 2029	LOW

5	CoC System	<p>Covered during the wood legality audit verification activity.  Certificate of Legality for Forest Products:  IMS-SLHH-448  Issued by Inti Multima Sertifikasi  Validity: October 30, 2023 - October 29, 2029</p>	LOW
	<p>a. Identification of Supplier  b. Supplier Risk Assessment</p>	<p>The members of KTH Pulau Muda Sejahtera consist of 86 people, as indicated in the attachment SK. 7938/MENLHK-PSKL/PKPS/PSL.0/8/2023 issued by the Ministry of Environment and Forestry of the Republic of Indonesia</p>	
6	Legality Compliance	<ul style="list-style-type: none"> <li>• <i>Akta Pendirian KTH Pulau Muda Sejahtera Notaris Ashelfine, SH. MH Nomor 16 tanggal 08 Oktober 2019</i></li> <li>• <i>SK Pemberian Persetujuan Pengelolaan Hutan Kemasyarakatan pada KTH Pulau Muda Sejahtera No. SK. 7938/MENLHK-PSKL/PKPS/PSL.0/8/2023 tanggal 04 Agustus 2023.</i></li> <li>• <i>Rencana Kerja Perhutanan Sosial (RKPS) periode 2023 - 2032 yang disetujui oleh Direktur Pengembangan Usaha Perhutanan Sosial a.n Catur Endah Prasetiani P., S.Si., M.T pada tanggal 10 Agustus 2023</i></li> <li>• <i>Rencana Kerja Tahunan KTH Pulau Muda Sejahtera tahun 2023 yang disetujui oleh Direktur Pengembangan Usaha Perhutanan Sosial a.n Catur Endah Prasetiani P., S.Si., M.T pada tanggal 10 Agustus 2023</i></li> </ul>	LOW
7	Protection of High Conservation Value	<p>KTH Pulau Muda Sejahtera has a Commitment &amp; Declaration as an APP Supplier, where one of the points states: KTH Pulau Muda Sejahtera is committed to not threatening the HCV area through management activities. This was signed by the Chairman of KTH Pulau Muda Sejahtera, Mr. Junaidi, on October 2, 2023.</p> <p>According to the High Conservation Value assessment report, several HCVs were identified, including HCV 1.2, HCV 1.3, HCV 3 and HCV 4.1.</p> <p>KTH Pulau Muda Sejahtera has a Peat Hydrological Management Plan in compliance with applicable regulations.</p> <p>The area utilized by KTH Pulau Muda Sejahtera had been previously used by another organization, which means it is not a newly cleared area. As a result, there are already existing canal networks within the utilization area.</p>	LOW

8	Species protection as listed within the IUCN red list of Critical Endangered Species and Convention on International Trade in Endangered Species (CITES)	<p>1. Based on the conducted HCV Analysis, it has been determined that the utilization area of KTH Pulau Muda Sejahtera serves as the distribution area for key species, including the Sumatran Tiger. Additionally, information regarding protected flora and fauna found in the KTH Pulau Muda Sejahtera is provided, along with their Conservation Status based on IUCN, CITES, and Government Regulation of the Republic of Indonesia.</p> <p>2. KTH Pulau Muda Sejahtera is committed to protecting the protected species of flora and fauna. This commitment was signed by the Chairman of KTH Pulau Muda Sejahtera, Mr. Junaidi, on October 2, 2023.</p>	LOW
9	Company's respect to traditional civil or human right	The members of KTH Pulau Muda Sejahtera are the landowners, and they have their Articles of Association, which includes articles governing the rights of its members.	LOW
10	Compliance to ILO Core Conventions (Child Labor, Freedom of Association, Forced Labor, and Discrimination)	<p>KTH Pulau Muda Sejahtera is committed and declares that it will ensure that the supplied wood does not originate from forests that involve Child Labor, Freedom of Association, Forced Labor, and Discrimination. This commitment was signed by the Chairman of KTH Pulau Muda Sejahtera, Mr. Junaidi, on October 2, 2023.</p> <p>Based on the list of members of KTH Pulau Muda Sejahtera attached to the SK <i>Pemberian Persetujuan Pengelolaan Hutan Kemasyarakatan</i>, the youngest member is 26 years old.</p>	LOW
11	Company's respect to Safety and Health for forest worker	KTH Pulau Muda Sejahtera is committed and declares that it will ensure that the supplied wood does not originate from forests that do not prioritize Occupational Health and Safety (K3) in carrying out work in their management area. This commitment was signed by the Chairman of KTH Pulau Muda Sejahtera, Mr. Junaidi, on October 2, 2023	LOW
12	No introduction of genetically modified organism	KTH Pulau Muda Sejahtera is committed and declares that it will ensure that the supplied wood does not originate from forests that use genetically modified organisms (GMOs). This commitment was signed by the Chairman of KTH Pulau Muda Sejahtera, Mr. Junaidi, on October 2, 2023	LOW