

KPN PLANTATION

NDPE TIME BOUND ACTION PLAN

This NDPE Time Bound Action Plan will serve as working guideline that puts into operation base on our stated commitment in NDPE policy. This Time Bound Action Plan contains milestones and activities for the subjects outlined in our group NDPE policy.

This Time Bound Action Plan will be monitor and regularly updated from time to time by considering all the feedback and information from all related stakeholders.

We will review smesterly all the implementation to better understand the activities status as well as to add new activity or milestone related to any new commitment in our journey toward NDPE compliance.

NOTE : D = Done, P = Planning & OG = On Going

ACTIVITY / POLICY / MILESTONE	STATUS PER 15 AUGUST 2019	2017	2018	2019				2020				2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
I. Policy : Stop Work Order																							
1	Biweekly Monitoring by Aidenvironment		D	D	D	On Going																	
2	Independent 3rd party monitoring			D	D	D	On Going																

II. Policy : Forest Protection																								
1	HCV & HCS assessment as defined and integrated approach defined by the HCV Resource and HCS Approach Steering Group	a. PT ACP & PT APM - Papua by PT Ecology																						
		- Initial scoping (17 to 25 June 2019)				D																		
		- Full assessment & Approval by HCRN					On Going																	
		b. PT GAN - West Kalimantan by PT Kyara																						
		- MOU & Agreement (target 23 Aug 2019)						OG																
		- Initial scoping							P															
		- Full assessment & Approval by HCRN					Planning																	
2	Review the integrated HCV area management and monitoring program with carbon stock assessments using the HCV Resource approach and HCS Approach Steering, especially for PTs that have conducted HCV studies before 2015 and have potential areas for HCS (Forest Vegetation & Regeneration)	a. PT BSU - Jambi by PT Aksenta								P														
		b. PT PTW - West Kalimantan by PT Aksenta									P													
		c. PT WKN - West Kalimantan by PT Aksenta										P												
		d. PT THIP - Riau by PT Aksenta												Planning										
3	Scoping & Establish a Recovery - Remediation Program integrated with the Conservation Area Program (CAP). Areas to be remediated are HCV-4 and degraded peat after December 2015.	Using aerial photographs, GIS is conducting a land cover analysis to determine the potential areas for HCV and HCS in the not planted concession area																						
4	Conservation Area Program (CAP)	a. Conservation Area Finalization Determine the Conservation Area Program after GIS has finished conducting land cover analysis																						
		b. Conservation Area Pilot Project - PT BSU Jambi																						
		- SOPs Revision																						
		- Development of Field Technical Guide																						
		- Natural Nursery Regeneration																						
		- Instalation of Camera Trap to monitor wildlife																						
		- Co-management of Conservative Area with BKSDA Jambi & University of Jambi																						

NOTE : D = Done, P = Planning & OG = On Going

ACTIVITY / POLICY / MILESTONE	STATUS PER 15 AUGUST 2019	2017	2018	2019				2020				2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
II. Policy : Forest Protection																							
4 Conservation Area Program (CAP)	c. Conservation Area Pilot Project - PT GAN West Kalimantan																						
	- SOPs Revision					OG																	
	- Development of Field Technical Guide					OG																	
	- Natural Nursery Regeneration					OG																	
	- Collaboration of Conservative Area with BKSDA West Kalimantan on Orangutan Protection					On Going																	
	- Socialization of Orangutan Protection to the village of Re'es and Muara Baru		D			D			P			P			P			P			P		
	- Collaboration with IAR on Orangutan Protection monitoring				D				P			P			P			P			P		
5 Recovery Plan Support Social Forestry Program around our Estate in West Kalimantan & Papua Recovery will be applied to land cleared without HCV HCS assessment after December 2015 Based on Aidenvironment calculation, the non compliance area for 2016 to 2018 are 11,719 Ha	Recovery Plan will support communities to develop appropriate economic activities (other than palm oil). As a first step, we brought together 21 community representatives from 5 villages in Sambas & Kubu Raya (West Kalimantan) and Merauke (Papua) in Nov 2018 to discuss options for co-management of remaining peat and forest		D																				
	Together Aidenvironment, conducted a Workshop: "Sustainable Landscape Development Based on Social Forestry" in Kuburaya Regency on 7 May 19				D																		
	Collaboration with local NGO in developing model of alternative economic income for the community around the PT GAN - West Kalimantan through the development of forest products and agroforestry (Proposal on Planting Calliandra - <i>C. calothyrsus</i> wood species for Wood Pellet product and Cymbopogon nardus for citronella oil)				D																		
	Field Study to IDH Honey Bee farming project in Kubu Raya - West Kalimantan for possibility developing the same model of alternative economic income for the community around the PT GAN - West Kalimantan				D																		
	Iniatte and kick start Chicken Egg Farming Program in Muara Baru and Kuala Bakung village as an alternative economic income for the community around PT GAN - West Kalimantan																						
	Support the initiative of Socil Forestry Program in Muara Baru village in Kubu Raya - West Kalimantan by Kubu Raya Regency																						
	Support the initiative of Social Forestry Program in Bukit Sigoler village and Semanga village in Sambas - West Kalimantan by Aidenvironment				D																		
	The first project supported is taking off in Papua where the company will assist the community to develop fish farming and marketing																						
	Development of non-timber forest products in Papua. From 1 to 7 July 2019, Aidenvironment together with PT ACP & APM team identified potential products that could be developed through a community empowerment (Target : abandoned Rubber Plantation & Sago Groves / Plantation)					D																	

NOTE : D = Done, P = Planning & OG = On Going

ACTIVITY / POLICY / MILESTONE	STATUS PER 15 AUGUST 2019	2017	2018	2019				2020				2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

II. Policy : Forest Protection

6	Remediation Program	Removal of planted Palm Areal Statement from the area of river buffer zone (riparian area)																						
	a. PT ACP and PT APM - Papua			D																				
	b. PT GAN - West Kalimantan				D																			
	Re-Forestation of degraded riparian areas																							
	a. PT ACP and PT APM - Papua				On Going																			
b. PT GAN - Kubu Raya, West Kalimantan				On Going																				

III. Policy : Peat Management & Protection

1	Recovery and protection of remaining natural vegetation forests on peat I in the company's concession	Together with SPORC and KPH, carried out socialization on peat protection to the community in Re'es village, Lingga Dalam village and Muara Baru village - Kubu Raya West Kalimantan on June 2019																					
				D					P													P	
2	Maintaining the level of the ground water level maximum of 40 cm at the point of compliance in accordance with Regulatory Requirements	SOP Revision for Peat Cultivation and Water Management																					
	Restoration of the Hydrological Function of Peat Ecosystems : submission of Peat Ecosystem Recovery Plan to KLHK as part of regulation compliance																						
	a. PT THIP - Riau		D																				
	b. PT JJP - Riau		D																				
	c. PT GAN - Kubu Raya, West Kalimantan		D																				
	d. PT SUM - Kubu Raya, West Kalimantan			D																			
	e. PT AAN - Kubu Raya, West Kalimantan			D																			
	f. PT PTW - Bengkayang, West Kalimantan			D																			
	g. PT SUM - Bengkayang, West Kalimantan			D																			
	h. PT SAM - Sambas, West Kalimantan			D																			
	i. PT BAS - Kubu Raya, West Kalimantan				D																		
	j. PT PLD - Kubu Raya, West Kalimantan				D																		
k. PT WKN - Bengkayang, West Kalimantan				D																			
3	Co-management Water Management Program	Landscape-based Kapuas Delta management in a KHG - Peat Hydrology Area propose by Aidenvironment																					
		On 7 May 2019, GAMA together with Aidenvironment held a Workshop (Discussion and Socialization) "Sustainable Forestry Development Based on Social Forestry with related key stakeholders in Kubu Raya West Kalimantan																					
4	Peat hydrological function recovery program	Program to close 442 canals in areas that have been cleared but not cultivated at PT. GAN. Study in progress how to utilize for alternative fish farming for food security and income for communities.																					

NOTE : D = Done, P = Planning & OG = On Going

ACTIVITY / POLICY / MILESTONE	STATUS PER 15 AUGUST 2019	2017	2018	2019				2020				2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IV. Policy : Social Justice																							
1	Respect and recognition of the rights of all workers, including temporary workers						D																
2	Secure from indigenous or local communities their free, prior and informed consent (FPIC) in case conservation activity affects land, resources, territories, livelihoods and food security																						
	a. PT ACP and PT APM - Papua																						
	b. PT GAN - Kubu Raya, West Kalimantan																						
3	Providing health insurance for local community members in the vicinity of our estates who live below the poverty line																						
	Collaboration with BPJS to provide National Health Insurance coverage to local community around estate as part of CSR program																						
4	Embrace Independent Farmers Program																						
	Provide support & assistance to Independent Smallholders around estate																						
	PT TSB - East Kalimantan (418 families with 1.591,87 Ha)																						
	a. Facilitate the certificate of land ownership from BPN																						
	b. Apply for ISPO Certification																						
	PT BSU - Jambi (193 families with 541,10 Ha)																						
	a. Facilitate the certificate of land ownership from BPN																						
	b. Apply for ISPO Certification																						

V. Policy : Fire Prevention																						
1	Equipping all plantations with fire prevention & firefighting tools in the event of fire outbreak																					
2	Actively engaging local communities in initiatives of fire and haze prevention through the Desa Siaga Api (D-SIGAP) program																					
	APEL Siaga as a part of fire mitigation was conducted in collaboration with related stakeholder namely Local Gov. , Kesatuan Pemangku Hutan (KPH), Manggala Agni, Police and Head of Village around plantations in Kubu Raya West Kalimantan																					
	PT. GAN conducted a workshop on "Multi-stakeholder Collaboration to Prevent Land Fires in Kubu Raya with all related stakeholders																					
3	Fire Free Alliance membership																					
	Obtain membership for in August 2019																					
4	Fire monitoring program (Hot Spot Monitoring & Fire Danger Rating) and immediate vicinity																					
	Continuous Review & Improvement Fire Prevention mechanism																					

VI. Policy : Legal Compliance																						
1	Liquidation of inactive companies in Group																					
	List of liquidated inactive plantation companies that are under our control																					
	a. PT IPP - East Kalimantan in Feb 2019																					
	b. PT JT - Jambi in Feb 2019																					
	c. PT MPS - Jambi in Feb 2019																					
	d. PT Patiware Satu - West Kalimantan in Apr 2019																					

NOTE : D = Done, P = Planning & OG = On Going

ACTIVITY / POLICY / MILESTONE	STATUS PER 15 AUGUST 2019	2017	2018	2019				2020				2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
VI. Policy : Legal Compliance																							
2	IUP Revision to exclude areas that are not cultivated																						
	List of revised IUP plantations																						
	a. PT PLD - West Kalimantan in Dec 2018		D																				
	b. PT SUM - West Kalimantan in Dec 2018		D																				
	c. PT AAN - West Kalimantan in Dec 2018		D																				
	d. PT NJP - West Kalimantan in July 2019					D																	
	e. PT BAS - West Kalimantan in July 2019					D																	
	f. PT WKSM - West Sulawesi						OG																
	g. PT PANP - Landak, West Kalimantan							P															
3	HGU Revision to exclude areas that are not cultivated																						
	PT BSU in Jambi have voluntary applied for a revision of the HGU permit boundary in order to release around 3.700 Ha uncultivated land to local communities whom we will subsequently support to apply for rights under the land reform legislation (TORA) as part of Mitigation & Full Resolution to potential social conflict issue in the future																						
4	Voluntary application to surrender uncultivated land ex Forest Concession Scheme (HPK) to Government for conversion to Forest Zone (HP) to support Social Forestry Program																						
	PT GAN in West Kalimantan voluntary submit application to surrender uncultivated land ex Forest Conversion to Government to support Social Forestry Program																						
5	Group Consolidation																						
	Restructuring Holding of plantation companies																						

VII. Policy : Plantation - Mill - Environment

1	Stop the use of Paraquat	On going with the target stop the use by Q1-2020																				
2	Reduction of greenhouse gas (GHG) emissions from all operations	Implement POME Recycle Program thru ISCC Certification for Waste & Residue																				
3	Reduction of emissions of dust particles from mills	Installation of Dust Collector Program in every CPO mills																				

VIII. Policy : Traceability

1	Tracking and tracing FFB supply to mills	Implement Data Capture / Collecting Program of all FFB suppliers data consist of :																				
	a. Owner info																					
	b. Location coordinate																					
	c. Land status																					
	d. Legality																					
	e. Areal statement																					
	f. Year of planting																					
	g. Seed type																					

NOTE : D = Done, P = Planning & OG = On Going

ACTIVITY / POLICY / MILESTONE	STATUS PER 15 AUGUST 2019	2017	2018	2019				2020				2021				2022				2023					
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
IX. Policy : Transparency and Accountability																									
1	ISPO Certification	ISPO Certification Progress																							
		8 Plantations have obtained ISPO Certificate : PT PTW, PT PANP (West Sumatera), PT BSU, PT SIP, PT JJP, PT CRS, PT THIP and PT TSB		D	D																				
		4 Plantations have passed Stage 1 Audit : PT GAN, PT WKN, PT AJP and PT WKSM			On Going																				
		2 Plantations are preparing to submit for Stage 1 Audit process : PT CMA and PT ACP								Planning															
2	ISCC Certification	ISCC Certification Progress																							
		a. PT BSU - Jambi obtained ISCC Certificate					D																		
		b. PT THIP (8 estate) - Riau obtained ISCC Certificate						D																	
c. PT THIP (9 estate) - Riau in progress							OG																		
3	Grievance mechanism for conflicting land claims and other complaints & grievances	Transparent grievance mechanism have been developed and will be launched by end of Aug 2019						OG																	
4	Social, Economic and Sustainability Impact Dashboard	Development of the Dashboard to be launched via company website						On Going																	

List of Companies that are not under KPN Plantation are :

1. PT Serdang Hulu
2. PT Rajawali Jaya Perkasa
3. PT Subur Sawit Platinum
4. PT Agro Lintas Nusantaras (we have divested our interest to other non-related minority shareholder after handover of plantation assets to KP USU in 2017)
5. PT Gandaerah Hendana
6. PT Inecda

List of Companies that are not under management of KPN Plantation and managed by other Division within the group are:

1. PT Karya Palmalindo Abadi - is Construction Contractor company under Cement & Building Materials Division
2. PT Energi Unggul Persada is Energy Trading company under Energy & Power Division
3. AA Star is affiliate General Trading Company based in Singapore