

No Deforestation, Development on Peat & Environmental Policy

Socfindo commits to the following :

Best Management practices

Implement best management practices to fully comply with all Indonesian laws and regulations, RSPO Principles and Criteria to:

- Preserve soil fertility and minimize erosion of any land under its control,
- Conserve and maintain the quality of ground and surface waters,
- Minimize the use of chemicals through integrated pest management,
- To ensure all discharges at all times meet the relevant compliance standard to avoid and minimize any impact on rivers and streams,
- Ensure optimal use of renewable resources, while minimizing the use of non-renewable resource.

No Deforestation and Protection of areas of High Conservation Value (HCV) & High Carbon Stock (HCS)

Socfindo commits to no deforestation of high conservation value (HCV) areas and high carbon stock (HCS) forests. Specifically :

- No development or deforestation of primary forest or areas identified as High Conservation Value (HCV),
- No development or deforestation of High Carbon Stock (HCS) forests as defined by the HCS Approach,
- Any new land clearing or new planting (in existing plantations or new plantations) is preceded by an HCV-HCS assessment as required by the RSPO,
- Existing HCV areas and HCS forests are identified, clearly delineated, actively protected and monitored. The presence of HCV areas in our operations is made known to neighboring communities. Social HCV areas remain accessible to communities.

In the case of future developments, expansions or conversions, we are committed to follow RSPO's New Planting Procedure (NPP), which is applicable to all new plantings since 1 January 2010.

No New Development on Peat

There will be no new developments on peat, regardless of depth. Existing oil palm blocks established on peat are managed to meet or exceed the RSPO "Best Management Practices for existing peat plantations".

Burning

There will be no burning in new plantings, replantings or other developments.

There will be an active dissemination of information in order to avoid burning of domestic waste in landfills.

Paraquat and Pesticides

- Specific attention is given to the use of pesticides. Integrated Pest Management (IPM) plans are developed for all operations and reviewed annually,
- All active ingredients in use are also reviewed annually for safety and efficacy,
- Pesticides in WHO classes Ia and Ib, and Stockholm or Rotterdam conventions are used only when no effective alternatives are available. Their use is authorized in writing by local senior management on a case by case basis,
- The active ingredient "paraquat" is to be phased out of all our operations in 2019,
- All workers, permanent or not, involved with pesticides, are trained and equipped adequately and their health is monitored.

Socfindo shall ensure provision of adequate resources for effective implementation of the above programmes and policies.

Socfindo is committed to communicating this No Deforestation, No Peat & Environmental Policy to all employees, contractors and key stakeholders.

**Adopted by PT Socfindo
in June 2019**