

**BARITO GROUP OF COMPANIES**  
**RESPONSIBLE PLANTATION AND FOREST POLICY**  
March 1<sup>st</sup>, 2015

In order to implement excellence in plantation management of its rubber and palm operations, Barito Group of Companies through its rubber and palm estates is publishing its environmental and social policy. Beyond its legal obligations, Barito Group is committing to protect forests of High Carbon Stock and High Conservation Values (such as important biodiversity or social values) and respect the rights of workers, communities and indigenous populations. This policy ultimately aims at supporting the implementation of robust land use plans that will allow a sustainable development of the regions in which the company operate.

Barito Group commits to the following principles:

**1. No Deforestation**

- No clearing and development of High Carbon Stock (HCS) and High Conservation Value (HCV) area
- Best efforts to protect HCS and HCV area and prevent illegal activities
- Protection and conservation of flagship species and its habitat
- No burning
- Progressive improvement of management of existing plantations to – among others - reduce greenhouse gas (GHG) emissions and impact of chemicals
- Responsible water management

**2. No Development on Peat**

- No new development or draining of peat areas regardless of depth
- Best Management Practices for existing plantations on peat
- Where feasible, explore options for peat restoration by working with expert stakeholders and communities

**3. No Exploitation of People and Local Communities**

- Respect for land tenure rights
- Respect and recognize the rights of all workers including contract, temporary and migrant workers
- Progressive integration of smallholders into corporate supply chains
- Respect the rights of indigenous and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to operations on lands to which they hold legal, communal or customary rights
- Resolve all complaints and conflicts through an open, transparent and consultative process
- Establishment of community development programs

#### **4. Support Yield, Quality and Productivity of Rubber and Palm**

- Implementation and promotion of Best Management Practices to increase yield, quality and productivity in rubber and palm within the plantation and to the surrounding smallholders

##### **Implementation**

The policy is effective immediately.

Fully implementing those principles in the field presents a number of challenges and will require innovation, support and time.

To drive continuous progress across its operations, Barito Group will:

- Develop its own action plan.
- Engage with relevant stakeholders and partners to innovate and overcome the challenges that will arise along the implementation journey.
- Provide transparency of its operation and appointing an independent third party to annually verify that the policy commitments are being implemented and publication of its reports.

For any new development, Barito Group will conduct the appropriate environmental and social studies.