

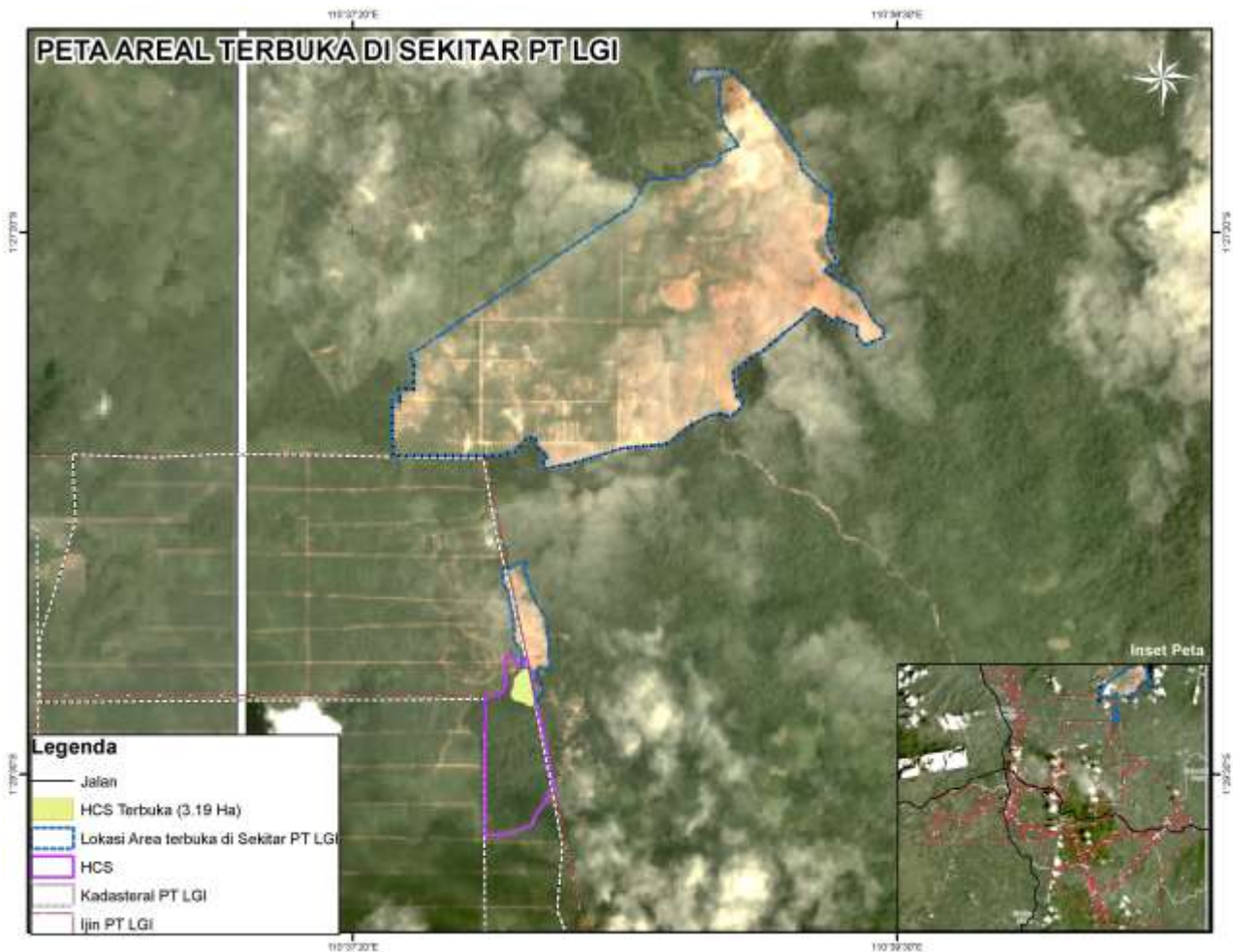


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NEWS RELEASE

UPDATE ON LAND CLEARING NEAR PT LGI (APRIL 2019)

Jakarta, 12 April 2019 - Bumitama has been alerted by our own internal as well as external sources about a land clearing in an area consisting of mostly secondary forest land cover, occurring just outside the border of our concession PT Lestari Gemilang Intisawit (LGI) in West Kalimantan. Our team of Sustainability specialists had been sent to the site.



The site inspection and discussion with the personnel revealed that the land clearing was conducted by PT Simas Sawit Mandiri (SSM) acting on behalf of the land certificate holders from local community.



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The interviewed SSM staff stated that all clearing had been conducted inside the area delineated as 'Other Uses Area (APL)' and in line with relevant Indonesian regulations; following the land zoning and presence of the nearby areas of Protected Forest (*Hutan Lindung*) and Production Forest (*Hutan Produksi*). We have briefed them about Bumitama's Sustainability policy, RSPO Principles and Criteria 2018, latest Indonesian law and regulation, inclusive of the moratorium issued by President Joko Widodo and our requirements for external Fresh Fruit Bunch suppliers not to deforest and not to plant on peat soil; pointing out that Bumitama will not be able to conduct business with SSM unless all required conditions have been fulfilled by its operations.



Further ground checking established that SSM also cleared around 3 ha of HCS areas that belong to PT LGI. We have requested the SSM staff to refrain from any further land clearing and we will proceed to contact the directors of this company and the individual landowners from the local community to prevent further deforestation.

Bumitama will continue to monitor their activities and keep interested stakeholders updated.



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