

RSPO NOTIFICATION OF PROPOSED NEW PLANTING

Date of notification: 22 September 2017

NAME OF GROWER	:	PT KARYA MAKMUR ABADI
SUBSIDIARY (If any)	:	Subsidiary of KUALA LUMPUR KEPONG Bhd
RSPO Membership Number	:	1-0014-04-000-00, 18 th October 2004
Location of proposed new planting	:	
• Plantation address	:	Tumbang Tilap Village, Tumbang Kaminting Village, (Sub District of Bukit Santuai), Tumbang Sapiri Village, Pematang Village, Pahirangan Village, Kapuk Village, Tangka Robah Village (Sub District of Mentaya Hulu), East Kotawaringin District, Province of Central Kalimantan.
• Business Permit	:	No.118.45/235/Ek.SDA/2015 Dated 09 June 2015. Issued by Regent of East Kotawaringin, Province of Central Kalimantan with area ± 9,721 Ha.
• Type of Business	:	Oil Palm Plantations.
• Size (ha)	:	9,397.1513 Ha (According to Land Use Title) No 73/HGU/KEM-TAR/BPN/2016 28 October 2016.
• Contact persons	:	Mr Stephen Tiong Mee Ing
• Email address	:	mi.tiong@klk.com.my
• Geographical location	:	North : PT Agro Wana Lestari East : PT Buana Adhitama South : PT Mentaya Sawit Mas West : PT Agro Karya Prima Lestari.
• Spatial Reference (GPS Coordinates)	:	112° 24' 51.38" E - 112° 32' 2.26" E 1° 52' 51.86" S - 2° 6' 39.95" S
• Boundary map	:	See Figure 2
• Areas and time plan for new plantings	:	See Table 1 and Figure 3

Figure 1. Location map of PT. Karya Makmur Abadi in Kotawaringin Timur District

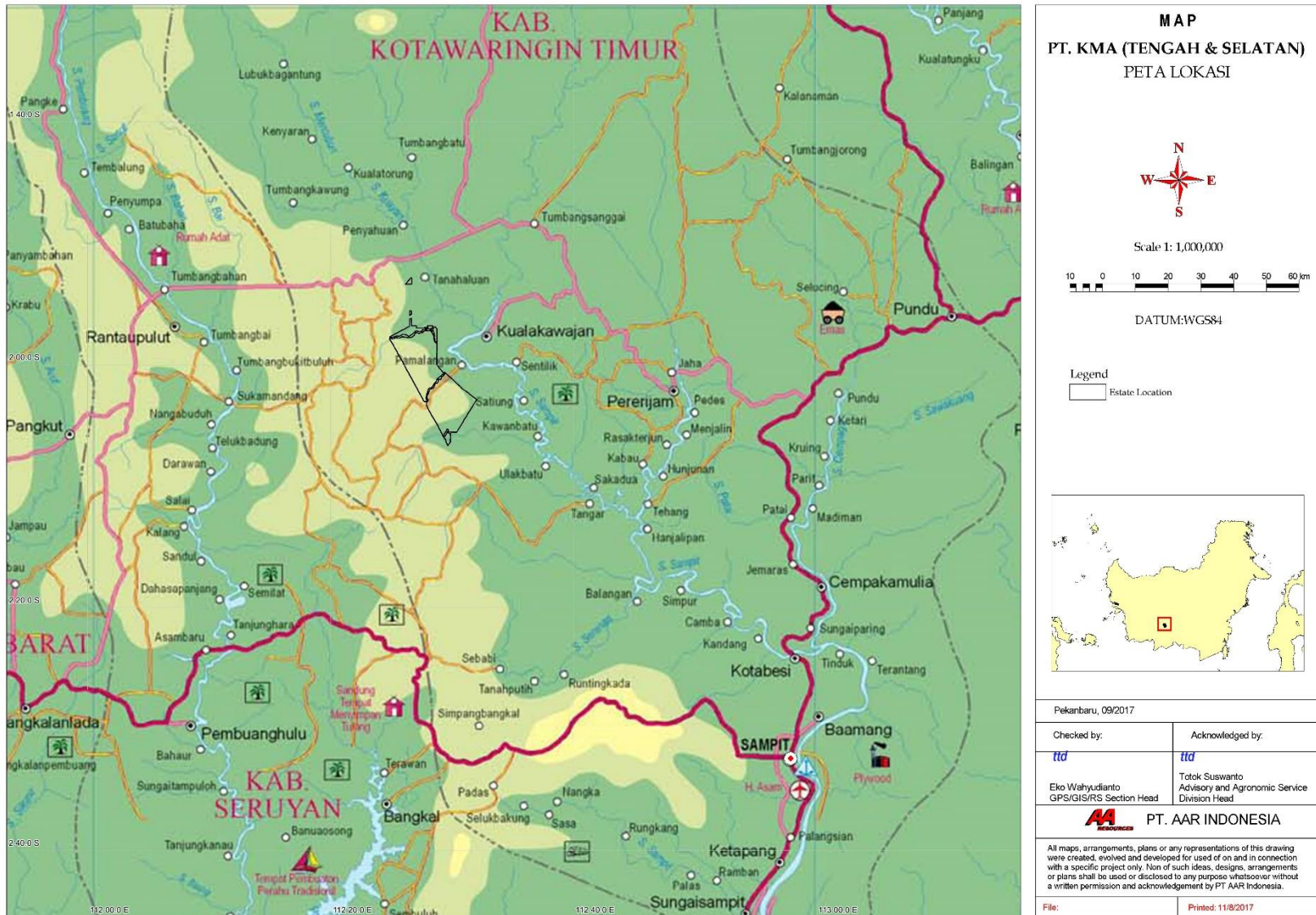


Figure 2. Concession Map of PT. Karya Makmur Abadi

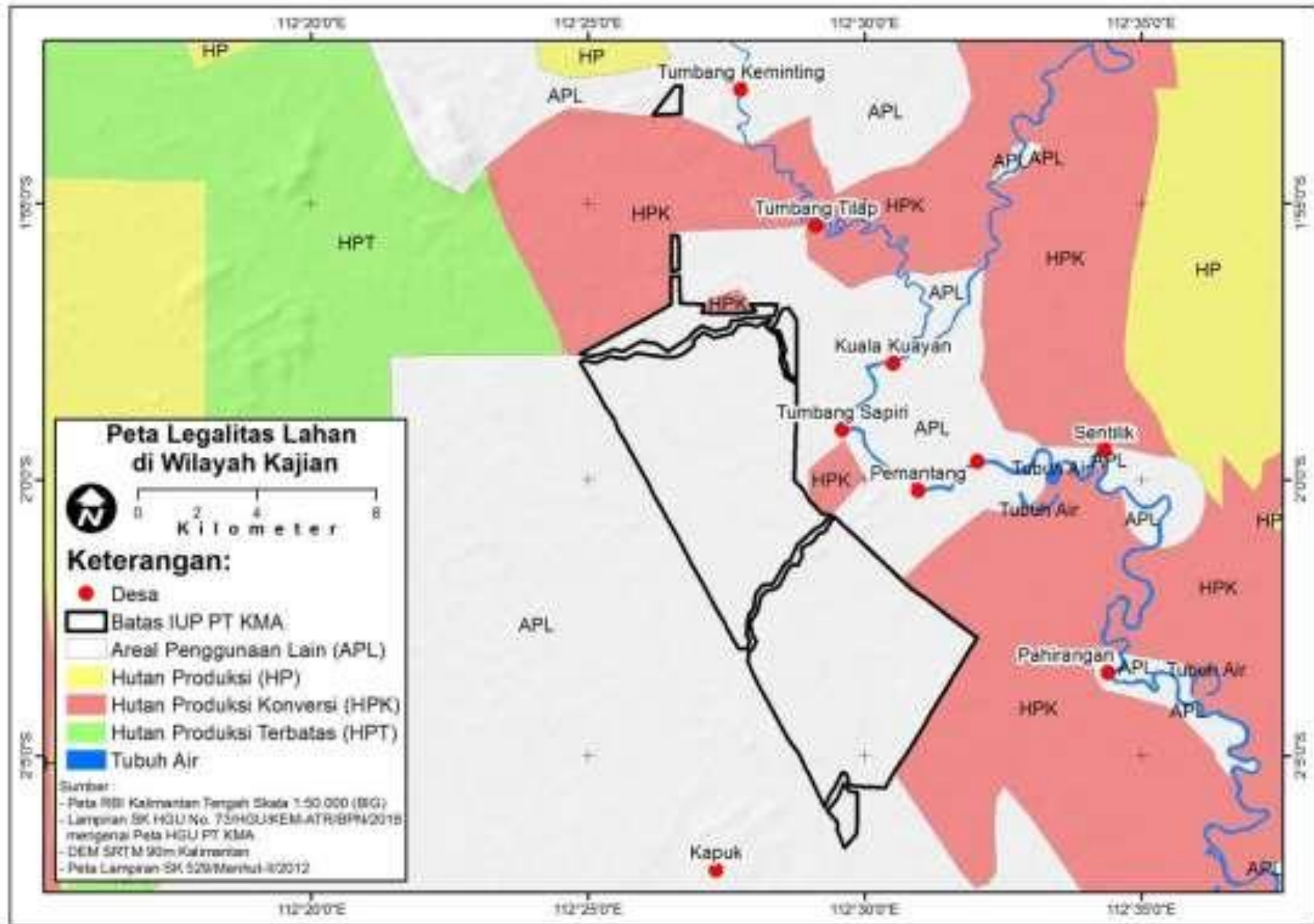


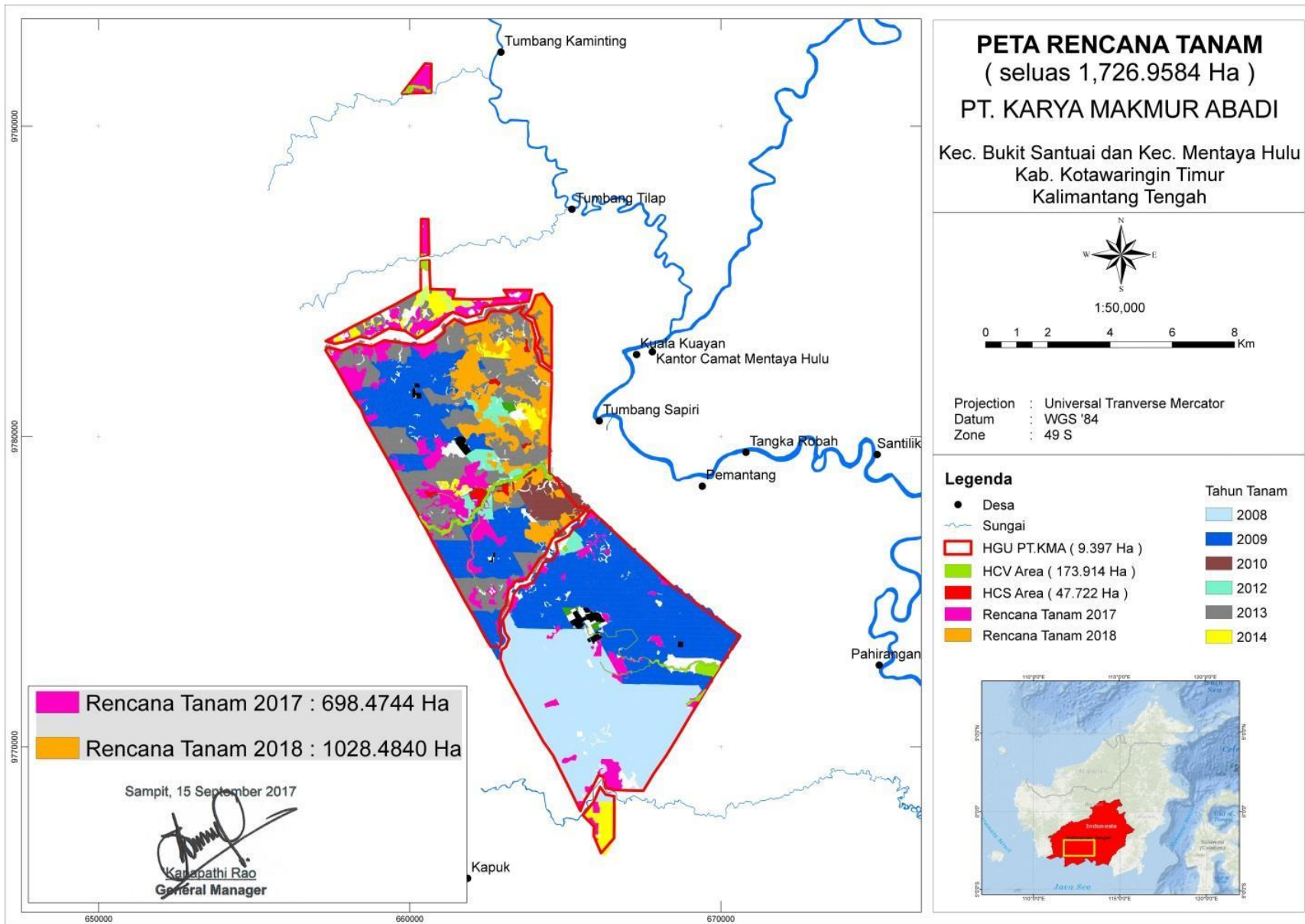
Table 1. The summarized of area and time-plan for new plantings

Description	Width of Area (ha)
A. Land Use	
Oil Palm Planted in 2008 – 2015	7,378.0*
Others (include Roads, Ditches &Infrastructure)	116.9
B. Conservation	
HCV	175.1
HCS (overlap with HCV)	-
C. Plan for Planting (ha)	
Year of Planting (December 2017)	698.5
Year of Planting 2018	1,028.5
Total A + B + C	9,397.0

2017: There are no activities in this year due to HCV Identification and Social Impact Assessment by HCV RSPO Approved Assessor. Also determining of HCV area to be managed by PT. KMA and Land Use Change Analysis measurement.

*) The area planted without NPP are subject to sanction as per RSPO Announcement

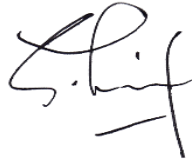
Figure 3. Planning Map of New Planting Area



STATEMENT OF ACCEPTANCE OF RESPONSIBILITY FOR NPP

Notes: The oil palm grower signs to confirm that the necessary assessments have been done and completed in accordance to the NPP.

Name of Grower : PT KARYA MAKMUR ABADI (subsidiary Kuala Lumpur Kepong Bhd.)
Name of Person Responsible : Mr Stephen Tiong Mee Ing
Position : Head Sustainability of KLK Indonesia
Signed :



Date : 22 September 2017

VERIFICATION STATEMENT BY CERTIFICATION BODY:

PT. Karya Makmur Abadi (here in after mentioned as PT. KMA) for a document verification and field verifications to conduct the New Planting Procedure because PT KMA already open several part of the area for 7,378 Ha since October 2007 until April 2015 for oil palm planting, road access, nursery and infrastructure. PT KMA has had legal right to use the land which is location permit, Business Permit (IUP), land compensation, and Land Use Title (HGU). Due to PT KMA has not gone through the NPP before the land had opened sanction for the management unit shall follow Remediation and Compensation Procedures (RaCP) 2014 and will not be able to trade the CPO and PK as CSPO and CSPK for the first 3 years after its certification. Three (3) Mutuagung Lestari auditors have conducted verification on field observation conducted at site from 21th – 23th May 2017 and desk study on Kalimantan Branch Office on 24th May 2017 and the auditor teams are: Trismadi Nurbayuto (Legal, SEIA, and Carbon Assessment aspect), Naila Karima (SIA and FPIC aspect), and Johannes Hardian (HCV and Land Use Change aspect).

PT KMA is administratively located in Sub-Districts of Mentaya Hulu, district of East Kotawaringin, Province of Central Kalimantan, It Borders with the other company of palm oil plantations. In the past before the presence of timber companies and oil palm plantations in the study areas, most of the main livelihoods of the community were rice cultivation and rubber gardening, fishing and rattan use. However, the condition of the area of primary forest in this area has long been lost due to timber exploitation that has been done since 1970 (repeatedly logged) by timber companies (HPH) and the community.

The new planting of PT Karya Makmur Abadi (own estate) will be planned on 2017 – 2018 for an area of 1,727 Ha. The assessment of HCV conduct on 2010 by an independent consultant and review by ALS Licensed Assessor on August 2016 and result of HCV assessment has been digitized (GPS) on September 2016 to avoid land clearing in HCV area. The HCV area identified in location permit of PT KMA is 141.4 Ha. However, the management specifies the HCV area of 175.1 Ha.

The FPIC process of land compensation is done by interviewing the surrounding communities. Interviews were conducted to seven surrounding villages adjacent to company locations such as Tumbang Tilap Village, Tumbang Kaminting Village, Tumbang Sapiri Village, Pemantang Village, Pahiranagan Village, Kapuk Village, and Tangka Robah Village. Interview process was conducted for three days by two auditors from 21th-23th May 2017. From interviews it is known that the community has been involved since the preparation of AMDAL (2009) up to HCV Assessment (2010) and reviewing HCV Assessment in 2016 through interviews or Forum Group Discussions. The surrounding

community supports the existence of oil palm plantations and hopes that the opening of oil palm plantations can be done as soon as possible. The communities also said that the company never commit coercion in the process of land acquisition and has involved participatory identification to local people land in company location permit.

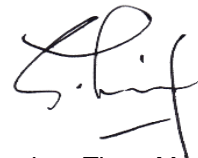
In addition to interviewing the surrounding community, field observations are made to ensure unplanted areas and HCV sites are in good condition. The field observation process was conducted for 3 days by an auditor. From field observations it is known that the condition of HCV is still well preserved, besides the location of NPP is still not yet embedded.

Signed for, on behalf of,
Mutuagung Lestari



Trismadi Nurbayuto
Lead Auditor
22 September 2017

Management of PT KMA



Stephen Tiong Mee Ing
Head of Sustainability
22 September 2017