



Bumitama Agri Ltd

10 Anson Road #11-19  
International Plaza, Singapore 079903

Tel : +65 6222 1332

Fax : +65 6222 1336

## NEWS RELEASE

### Jakarta, 6 June 2014 – UPDATE ON PT NABATINDO KARYA UTAMA SUSTAINABILITY JOURNEY

Some facts on PT Nabatindo Karya Utama (“NKU”):

- The acquisition of NKU by PT Bumitama Sawit Lestari (“BSL” which is a subsidiary of Bumitama Agri Ltd) was announced on SGX website on 18 October 2012. This acquisition comprised of 3,300 ha planted and 1,934 ha Other Designated Area (*Areal Penggunaan Lain*) but unplanted areas respectively.
  - The concession of NKU is located in the Tumbang Koling village, under the sub-district of Cempaga Hulu (its size is approximately 118,300 ha) and in the district of Kotawaringin Timur (covering an approximate area of 1.6 million ha).
  - The acquisition was completed with the approval from Ministry of Law and Human Right of Indonesia on 29 April 2013 and this announcement was uploaded to the SGX website on 13 May 2013.
  - NKU conducted High Conservation Value (“HCV”) and Social Impact assessment in April 2013.
  - NKU becomes a member of RSPO via the transfer of membership to the holding company, Bumitama Agri Ltd on 6 January 2014 (jointly known as “the Group”).
1. Since the press release dated 21 November 2013 by the Group, NKU had stopped all land clearing activities except for maintenance activities on planted areas using Hitachi excavators. NKU had strengthen its sustainability practices by conducting a New Planting Procedure (“NPP”) audit, prepared the relevant management plans and standard operating procedures and uploaded the NPP management plans onto the RSPO website on 6 February 2014.
  2. With the agreement of the complainants, NKU had conducted an independent audit by certified assessors appointed by the RSPO as shared in our news release dated 22 November 2013. The summary of this independent audit which **cleared** NKU of all allegations (except for NPP) can be found at this address: [http://www.rspo.org/file/Casecomplaint/Executive\\_Summary\\_Verification\\_NKU\\_Final\\_110214.pdf](http://www.rspo.org/file/Casecomplaint/Executive_Summary_Verification_NKU_Final_110214.pdf). Some of these allegations were:
    - NKU had cleared HCV forests which was orangutan habitats within its concession area.
    - NKU continued forest clearance activities in the full knowledge that there were orangutans residing within the concession.
    - NKU failed to comply with the RSPO Criterion 5.1 and 5.2 by failing to do a HCV assessment prior to land clearing.
  3. NKU had conducted an orangutan survey in the NKU area with Borneo Orangutan Survival Foundation (BOSF) and Center for Orangutan Protection (COP, the complainant of NKU) at the end of December 2013. This comprehensive report which confirmed zero sighting of orangutan was delivered in February 2014. As a proactive measure, NKU had taken the necessary actions to fulfil the recommendation of the survey and will be engaging BOSF and BKSDA on orangutan and biodiversity matters.
  4. On 10 April 2014, NKU received a letter from the Complaints Panel of the RSPO informing the company of the recommendation to lift the “stop work” order of NKU. NKU will be submitting monthly reports to the RSPO for the next 6 months after 10 April 2014 on its activities on the ground.
  5. The first report to the RSPO dated 29 April 2014, reported on NKU preparatory activities on the ground prior to land clearing activities which probably will start in July 2014.



**Bumitama Agri Ltd**

**10 Anson Road #11-19  
International Plaza, Singapore 079903  
Tel : +65 6222 1332  
Fax : +65 6222 1336**

For further information, please email:

---

Christina Lim

Email: [clim@bumitama-agri.com](mailto:clim@bumitama-agri.com)

Lim Sian Choo

Email: [lim.sian.choo@bumitama-agri.com](mailto:lim.sian.choo@bumitama-agri.com)

---