



PUBLIC RESPONSE

HCSA Peer Review Process of HCSA Assessment in PT. Swadaya Mukti Prakarsa

On July 2015, First Resources declared a policy on Sustainable Palm Oil. In an effort to implement the policy, First Resources has collaborated with an independent consultant (Ata Marie) to conduct High Carbon Stock (HCS) assessment in PT Swadaya Mukti Prakarsa (PT SMP) concessions in 2016. This assessment conducted based on HCSA Toolkit ver. 1.

The HCS assessment in PT SMP was carried out separately from the HCV assessment that had been conducted in 2013, and other assessments which done prior, in parallel, or after the HCS assessment were completed, either internally or by involving external parties, including the local community. All of these assessments were then outlined in company policy regarding sustainable palm oil development, such as No Go Area policy which is the company's commitment in protecting the potential of conservation areas within concessions.

PT SMP has informed the HCSA in advance about the reference toolkit used at the time of the assessment, the HCSA Toolkit ver. 1, and hope that the peer review is conducted using this toolkit as a reference. The peer review process has produced several evaluations and recommendations, both regarding the review process that has been carried out and the development and refinement of this study in the future. These are in line with company sustainability policy objectives and will be considered to be implemented gradually in the future.

PT SMP has provided constructive feedback regarding the HCSA peer review process and system to help realize a good and sustainable palm oil development in Indonesia.