

COMMUNICATION ON PROGRESS (COP)

Period covered by our Communication on Progress (COP)

From: January 2015 To: January 2016

1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)

To our stakeholders:

I am pleased to confirm that PT. Singaland Asetama reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Henderi Djunaidi
Director

2. **DESCRIPTION OF ACTIONS**

Human Rights

- Assessment, policy and goals

In line with the Company's vision to be a premier, green plantation company of choice with excellent socio-economic and environmental footprints, whereby we committed ourselves to be a socially responsible Company, to nourish the people and the communities where we operate and to care with the human rights.

A brief description of our Processes or Systems:

- a. It is clearly stated in the company's regulation that any human rights abuses will not be tolerated and there will be law implication for any human rights issues.
- b. Implement Key Performance Development Review.

- Implementation

Actions implemented in the last year/planned for next year:

- a. Socialized and implemented the New Company's regulation regarding the Human Rights, Labour and Environmental Policies to all employees.
- b. Performance Development Review has been implemented.
- c. New Job position/required published on Newspaper/Job Consultant

Targets for future Years:

- a. Increase number of local community and other potential worker to joint with the company, based on either their skill and education and company's needs.
- b. Implement any new Government regulation regarding Human Rights.

- Measurement of outcome

Measurable Results or Outcomes:

- a. Company's regulation has been socialized and implemented to all employees in year 2015.
- b. During 2015, no Human Rights issues (zero complain),
- c. Number of Local Community that joint the company increasing,
- d. Evaluate New Trainee assistant program every year.

Labour

- Assessment, policy and goals

Whereby we committed to support the abolition of child labour by ensuring that there are no children on the operation (plantation) sites.

A brief description of our Processes or Systems to avoid child Labour, we identify:

- a. Total workers and their children in Operation Area
- b. Number of School
- c. Resources required (Teachers & Childcare workers)
- d. Coordinate and support local government in Education issues

- Implementation

Actions implemented in the last year/planned for next year:

1. To ensure that there are no children on the plantation sites which will potentially lead to child labour, some actions have been taken, including:
 - a. Sign Board / Warning Signs (No Child Labour) posted on the sites,
 - b. Clearly stated in our company regulations the minimum age for workers,
 - c. Intensively communication to local workers not to bring their children to work sites.
2. As part of our commitment to support children education, and at the same time eliminate child labour, in coordination with local Education Affair we conduct the followings:
 - a. Continuing to supporting number of school & students in the surrounding operational area in term of books and stationery,
 - b. Continuous teacher allowances, including Playgroup and Kindergarten.
 - c. Provide school bus.

- Measurement of outcome

In Year 2015, to support the education for local community:

1. Renovate 2 school buildings,
2. Continuous Teacher allowance (17 Teachers),
3. Sign board/warning signs already posted on the sites,
4. No child labour.

Environment

- Assessment, policy and goals

It is clearly stated in the company's Vision "to be a premier, green plantation company of choice with excellent socio-economic and environmental footprints".

Actions implemented in the last year/planned for next year:

- a. Socialized and implemented the Company's regulation regarding Environmental Policies to the employee,
- b. Fulfilled the Indonesia Sustainable Palm Oil (ISPO) requirement regarding the environment issues,
- c. Coordinated with Environment Department for water management,
- d. PT. Singaland Asetama (SGA) as part of PT. Eagle High Plantations, Tbk. pledges commitment to support and implement "The Water Mandate",
- e. Implemented the water management system,
- f. Implemented the composting program.

Targets for future Years:

- a. Improve the water management system
- b. Improve the composting program

- Implementation

A. Monitoring Water Program

Consistent in river water quality monitoring program on water quality standard follows Government Regulation (PER-GUB KAL-SEL No. 5 Tahun 2007).

B. Access for Clean Water

Provides more clean water for employees and assist in provision of facilities for clean water for local communities.

C. Conservation Area

Preserving water way buffer zone (100 meter from riverside).

- Measurement of outcome

Measurable Results or Outcomes:

A. Monitoring Water Program

Consistent in river water quality monitoring has been implemented, by reported every 3 months to Kementerian Lingkungan Hidup Province. Meanwhile, water quality standard implemented follows Government Regulation (PER-GUB KAL-SEL No. 5 Tahun 2007).

B. Access for Clean Water

Already provides clean water for employees and assist in provision of facilities for clean water for local communities.

C. Conservation Area

Water way buffer zone has been complied with.

Anti-corruption

- Assessment, policy and goals

It is clearly stated in the company's regulation that any corruption issues will not be tolerated and there will be law implication for any corruption activities. Some actions has been arranged obviously, such as:

1. Implement Performance Development Review (PDR),
2. Budget Monitoring Procedure,
3. Internal Audit Procedure.

- Implementation

Actions implemented in the last year/planned for next year:

- a. Socialized and implemented the Company's regulation regarding the corruption Policies to the employee and suppliers (third parties).
- b. Performance Development Review has been implemented.
- c. Implement Budget monitoring procedure (Internal Audit Department).
- d. Open Tender Procedure.

- Measurement of outcome

Measurable Results or Outcomes:

- a. Company's regulation already socialized to all employees in year 2015.
- b. Budget monitoring already implemented.
- c. Internal Audit every 6 months.
- d. Implemented Open Tender Procedure.