

**ENVIRONMENT AND
SOCIAL GOVERNANCE**

ESG COMMITTEE CHARTER PROCESS

**ESG TRENDS AND
IMPACT**

WHAT Holistic integration of environment and social factors into business

WHY Strategy minimize risk whilst building enduring investor & stakeholder support

HOW Explicit recognition of ESG trend & their incorporation into various departmental resourced activities using HOLISTIC KISS principles:

3 core committee members & others as required with DELPHI process for realistic local stakeholder engagements promoting relevant UN Sustainable Development Goals

1. To ensure STAR vitality & prosperity by prioritising ESG trends, Impacts Risks. At least annually in coordination with Board of Directors, ESG committee will evaluate key ESG trends from representative group of stakeholders including input from customers, community, certifier, international specialists and so on

2. Then review/update strategic STAR ESG outlook and formalize annual ESG operations program based on practicalities, priorities and material risk - currently assuming "Umbrella Coordinating Role" of the Sustainability Department

3. Holistically integrate ESR STAR program into logical departments. Examples:

- Traceability with Sustainability, Production, Management Information System and (GIS)
- HCV/HC stewardship - monitoring with Plantation Division, the appropriate estate, community plus university technical support
- CSR Humas – Licensing with Sustainability-Health, Safety and Finance support, along with formal/informal local stakeholder liaison

4. Build the ESG projects into the STAR Annual Budget- coordinated by Finance and Sustainability

5. Operational implementation planning, management and control –especially ESG images and data base for structured progress reporting metrics

6. ESG accountability Reporting as part of Sustainability Report with GRI international standards



**INTERNATIONAL &
INDONESIA**

CPO export
Business relation
Marketing & Sales
Image
Operation:
Estate Transport
Mills
Stakeholders
Value Adding
Chains
Traceability
Certification

**SOCIAL /
ENVIRONMENTAL**

Inclusiveness
Smallholder &
Community CSR also
Strengthening
Climate response
Fire & Hydrological
(riparian) adverse
impact

Landscapes:
HCV/HCS & Carbon
accountability-all
incorporating :
FPIC
NDPE
RRR