

FOR IMMEDIATE RELEASE**Sinar Mas Agribusiness and Food Encourages Partners to Implement Traceability & Responsible Employment for Sustainable Palm Oil**

Jakarta, December 7, 2017 – Sinar Mas Agribusiness and Food, a subsidiary of Golden Agri-Resources (GAR), today hosted SMART SEED III (Social and Environmental Excellence Development) at the Pullman Hotel in Jakarta. The third capacity-building workshop for its independent suppliers underscored the economic and social benefits of traceability and fair labour practices, and explored best practices in implementation and overcoming emerging challenges.

Speakers from leading agribusiness companies, industry associations, government bodies and multilateral institutions such as IDH, Agriscina, SNV, Neste, Ministry of Manpower of the Republic of Indonesia, KSPSI ILO, GAPKI, Cargil, and representative from Sinar Mas Agribusiness and Food, shared their expertise for the benefit of 200 participants during panel discussions. The workshop also prepared suppliers to participate in Sinar Mas Agribusiness and Food's Traceability to Plantation (TTP) programme, and delivered training to improve labour practices in the industry.

In his keynote speech, Director of Sinar Mas Agribusiness and Food, Dr. Ing. Gianto Widjaja, said, "We hope that this event will not only initiate discourse, but also become an opportunity for all parties to establish and improve cooperation, share their experience and success stories in the application of sustainable palm oil principles, and together look for solutions to the problems faced by the palm oil sector. As business people, we also need suggestions, guidance and recommendations from our stakeholders to make the palm oil sector better, more mature, and responsible in various aspects of environmental management – and make a real contribution to improving the welfare of local communities and the Indonesian economy as a whole."

Agus Purnomo, Managing Director of Sustainability and Strategic Stakeholder Engagement Golden Agri-Resources, said "Traceability takes intense effort and time, but we have demystified the process and given our suppliers a practical roadmap. We will help them address the challenges that emerge as a result of undergoing this process, and support them in adopting sustainable practices." GAR is on track to achieve 100 percent traceability to plantation for independent suppliers by end of 2020.

Dr. Widjaja also reaffirmed the company's commitment to strengthen workers' rights, a key component of the GAR Social and Environmental Policy (GSEP) launched in 2015. He encouraged suppliers to do the same by avoiding labour exploitation, creating healthy work environments and building harmonic industrial relations with workers.

Ibu Sumondang, Head of Sub Directorate, Ministry of Manpower and Transmigration Republic of Indonesia, echoed this sentiment. She said "Championing workers' rights strengthens the relationship between a company and its employees, and ultimately has a positive impact on palm oil products sold at home and abroad. Because of the significant social and environmental progress made by the country's largest plantation companies, palm oil has become one of Indonesia's superior export products." At the end of her speech, Ibu Sumondang emphasised that the government has actively worked to improve the business environment, and in return, expects companies to fulfil their obligations and safeguard employee rights in accordance with labour law.

In addition to suppliers, the workshop was attended by Neste and Cargil, our key customers, as well as Indonesian and international multilateral and non-governmental organisations (NGOs) such

as the World Wildlife Fund (WWF), Aidenvironment, PKPA, Koltiva, Daemeter, Geotraceability, TFT, SPSI, CNV, SNV, and IDH.

SMART SEED workshops are periodically held to continuously improve social and environmental practices in palm oil production through supplier engagement. Previous iterations have helped independent smallholders learn about and obtain Indonesian Sustainable Palm Oil certification (ISPO), as well as gain access to Innovative Financing from the Government of Indonesia and KADIN. This engagement is supported by regular site visits to suppliers to address issues individually, specialised trainings and a dedicated supplier support helpline.

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About Sinar Mas Agribusiness and Food

Sinar Mas Agribusiness and Food operates under Golden-Agri Resources (GAR) is one of the leading palm oil plantation companies with a planted area of more than 480,000 hectares (including smallholders) as of June 30, 2017. The company has an integrated operation producing food made from raw vegetable oils.

Sinar Mas Agribusiness and Food is focused on sustainable palm oil production. In Indonesia, its primary activities include cultivating and harvesting of oil palm trees; processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; merchandising and refining CPO into value-added products such as cooking oil, margarine, shortening and biodiesel; as well as trading of palm oil products worldwide. It also has operations in China and India including a deep-sea port, oilseeds crushing plants, production capabilities for refined edible oil products as well as other food products such as noodles.

Founded in 1996, GAR was listed on the Singapore Exchange in 1999 with a market capitalisation of US\$3.4 billion as at 30 June 2017. Flambo International Limited, an investment company, is currently GAR's largest shareholder, with a 50.35 percent stake. GAR has several subsidiaries, including PT SMART Tbk which was listed on the Indonesia Stock Exchange in 1992.

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