

Golden Agri-Resources Sustainability Report 2016 showcases production-protection partnerships as key to successful conservation

30 June 2017

Golden Agri-Resources' (GAR) Sustainability Report 2016 highlights the company's progress in implementing innovative approaches to forest conservation. Elaborating on the theme of "Realising Sustainable Policies in Practice" the report details GAR's consultative and inclusive approach towards conservation. This involves production-protection partnerships with local communities living adjacent to forests earmarked for conservation.

"Having identified an area equivalent to the size of Singapore for conservation across our concessions, we are now working with communities and the government to make forest conservation a practical reality, while taking into account their needs and aspirations," said GAR Chairman and CEO, Franky Oesman Widjaja.

As of end 2016, GAR has secured agreement to protect over 7,000 hectares of High Carbon Stock (HCS) forest with 10 villages and is rolling out the approach to all its concessions.

Key to the approach is offering local communities Alternative Livelihoods, allowing them to continue to earn an income without disturbing sensitive eco-systems such as peat lands. GAR is currently implementing organic farming projects with local communities using spare communal land. These projects enable the community to boost their income, increase food self-sufficiency and learn farming methods without the use of chemicals and crucially without the use of fire to clear land.

GAR also continued to deepen its engagement with its supply chain through its Traceability to Plantation (TTP) exercise. The supply chain mapping has allowed GAR to build closer links with its suppliers, enabling GAR to spread responsible palm oil practices. As of end 2016, 15 GAR mills have achieved full TTP and overall GAR mills have achieved 88 percent TTP. GAR expects full TTP for its own mills by end 2017 and full TTP for its third-party suppliers by end 2020. To support its suppliers GAR organises special workshops and training annually and has set up a dedicated Supplier Support Helpline. It is also systematically conducting site visits and documenting issues that need to be addressed to help suppliers become more sustainable.

GAR's investment in these time and resource heavy initiatives underlines its commitment towards improving its own performance as well as that of the industry. The company believes that continued improvement in the sector can only be achieved through partnership and the combined efforts of all stakeholders in the industry.

The SR2016 is based on Global Reporting Initiative (GRI) Standards Reporting Guidelines. The full report can be viewed on the [GAR website](#). GAR has been publishing its Sustainability Report since 2011.

About Golden Agri-Resources Ltd (GAR)

GAR is one of the leading palm oil plantation companies with a total planted area of over 488,000 hectares (including smallholders), located in Indonesia. It has integrated operations focused on the production of palm-based edible oil and fat.

Founded in 1996 GAR was listed on the Singapore Exchange in 1999 with a market capitalisation of US\$3.5 billion as at 27 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.



GAR 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; refining CPO into value-added products such as cooking oil, margarine and shortening; as well as merchandising palm products throughout the world. 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.

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