

Update: SMART and Golden Agri-Resources meet with RSPO Grievance Panel

Jakarta, 30 September 2010 – The Roundtable on Sustainable Palm Oil (“RSPO”) Grievance Panel had reviewed allegations of non-compliance with RSPO’s regulations with regard to PT Sinar Mas Agro Resources and Technology Tbk (“SMART”). SMART, a subsidiary of Golden Agri-Resources Ltd (“GAR”), is a member of the RSPO.

In separate letters dated 21 September 2010, addressed to SMART as well as GAR, the RSPO Grievance Panel addressed alleged breaches of the RSPO rules, including the Code of Conduct, and recommended a course of action for resolution.

Yesterday, 29 September 2010, representatives of SMART and GAR met with members of the RSPO Grievance Panel and Secretariat to discuss the contents of the letters. The meeting was held to clarify the requirements by the Grievance Panel and was seen by both parties to be constructive and positive. The parties agreed to work together to develop concrete action points for all the issues raised by the Grievance Panel within the four-week timeframe specified in the letters.

“We will work with the RSPO to ensure that the concerns raised in the letters are addressed, and ensure full compliance with the RSPO Principles and Criteria”, says Daud Dharsono, President Director of SMART.

An immediate result of the meeting was the clarification that GAR intends to seek full ordinary membership of the RSPO, effectively committing all its subsidiaries to the RSPO Code of Conduct and certification processes. The RSPO will be considering this application in the light of progress on the issues raised in the letters.

“We are hopeful of the outcome of this process, which has come off to a positive start, ”says Johan Verburg of Oxfam, one of the RSPO’s Grievance Panel members. “The commitment of one of the largest palm oil producers, Golden Agri Resources and its subsidiaries to the RSPO is an important step towards the increased production of sustainable palm oil”.

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About PT SMART Tbk (“SMART”)

SMART is one of the largest, publicly-listed, integrated palm-based consumer companies in Indonesia which is committed to sustainable palm oil production.

Founded in 1962, SMART’s palm plantations have a total coverage area of approximately 135,500 hectares (including small holders). SMART also operates 15 mills, four kernel crushing plants and three refineries. SMART listed its shares on the Indonesia Stock Exchange in 1992.

SMART’s primary activities are cultivating and harvesting of palm trees, processing of fresh fruit bunches into crude palm oil (“CPO”) and palm kernel, and refining CPO into value-added products such as cooking oil, margarine and shortening.

Besides bulk and industrial oil, SMART’s refined products are also marketed under several brands such as Filma and Kunci Mas. Today, these brands have been recognised for their high quality and command significant market share in their respective segmentation in Indonesia.

SMART is a subsidiary of Golden Agri-Resources Ltd (“GAR”), one of the largest palm-based companies in the world which is listed on the Singapore Exchange. SMART also manages all oil palm plantations of GAR which has a total planted area of 433,200 hectares (including small holders) in Indonesia, as at 30 June 2010.

This relationship benefits SMART with its economies of scale in plantation management, information technology, research and development, sourcing of raw material, and access to a wide domestic and international marketing network.