

Indonesia Palm Oil Pledge

Purpose: We, the signatories of this pledge recognize that while the palm oil industry has contributed significantly to Indonesia's economic development, we can work together with multi-stakeholders to find solutions for sustainable palm oil that is deforestation free, respects human and community rights and delivers shareholder value.

Scope: All provisions in this pledge apply to:

- All our operations worldwide, including those of subsidiaries, any refinery, mill or plantation owned, managed, or invested in;
- All palm oil and products that we produce, trade or process are in line with this pledge; and
- All third-party suppliers from whom we purchase or with whom we have a trading relationship.

Commitment: Unless otherwise stated below, Golden Agri Resources (GAR), Wilmar, Cargill and Asian Agri, commit that:

- We endorse the internationally recognized certification systems and principles and criteria (Reference companies' respective conservation policies¹ and datelines);
- We will work to ensure that all our suppliers, including independent third parties, will be compliant with this pledge;
- We will be transparent and accountable, be open to independent monitoring and verification, and agree to publish periodic progress reports; and
- We will collaborate regularly with communities, NGOs, local and national governments, industry partners, and financial institutions to ensure effective implementation of our respective forest conservation policies.

Pledge: To advance Indonesian sustainable palm oil, we pledge to:

1. Improve Environmental Stewardship

Adopt and promote sustainable production practices

- Agree on an acceptable scientific method of classifying and identifying high carbon stock (HCS) forest and define an appropriate threshold that protects HCS forest, biodiversity, and community

¹ http://www.goldenagri.com.sg/pdfs/sustain_policies/Forest_Conservation_Policy_10092014.pdf

<http://www.wilmar-international.com/wp-content/uploads/2012/11/No-Deforestation-No-Peat-No-Exploitation-Policy.pdf>

https://www.cargill.com/wcm/groups/public/@ccom/documents/document/palm_oil_policy_statement.pdf

<http://www.asianagri.com/index.php?option=content/03&head=head/03&view=sub/07>

and human rights, while providing social and economic opportunities. While this method is being developed, we agree not to develop new lands in HCS areas as defined per the study².

- Identify suitable low carbon land for expansion through comprehensive spatial planning.
- Agree to no new development on any peatlands, as defined by soil composition and not depth.

Adopt and promote sustainable supply chain management and processing

- Work with both producers and consumers of palm oil to ensure traceability of supply origin.

2. Work with Kadin and other relevant stakeholders to engage the Government of Indonesia to encourage development of policies, and legal and regulatory frameworks that promote the implementation of this pledge

- Collaborate with the Government of Indonesia to codify all elements of this pledge within and enforceable by Indonesian law.
- Support the continued development and implementation of the Indonesia Sustainable Palm Oil (ISPO) standard.
- Support national and local regulatory reforms that improve spatial planning, encourage land swaps, incentivize forest conservation, and promote the utilization of low-carbon lands.
- Support the refinement and roll-out of the One Map initiative by the UKP4.

3. Expand Social Benefits

Improve smallholder productivity and increase community participation in palm oil production and processing

- Provide technical assistance and extension services to plasma smallholder farmers within our supply chain to improve yields and quality.
- Improve extension services to assist smallholders to increase yields, improve quality and ensure plantation expansion only into legal low-carbon lands.

Increase community participation in palm oil production and processing

- Facilitate the inclusion of smallholders into the supply chain.
- Commit to ensuring that the rights of all people working in any operation covered under the full scope of this pledge are respected according to local, national, and ratified international laws, or international best practices where legal frameworks are not yet in place.
- Commit to create jobs and employ local community members.

Advocate for and implement policies that empower communities

- Free, Prior and Informed Consent of indigenous people and local communities.

² http://www.goldenagri.com.sg/pdfs/misc/High_Carbon_Stock_Forest_Study_Report.pdf

- Responsible handling of complaints.
- Responsible resolution of conflicts.
- Open and constructive engagement with local, national, and international stakeholders.
- Empowering community development programs.
- Respecting human rights.
- Recognizing, respecting and strengthening the rights of all workers.

4. Improve the Competitiveness of Indonesian Palm Oil

- Commit to engaging and encouraging other key industry players to align with this pledge to make the industry more sustainable.
- Support a coordinated awareness campaign that builds consumer support for sustainably produced palm oil.
- Enhance the image of Indonesian palm oil by delinking it from deforestation and social conflict, and complying with prevailing international certification systems and accepted principles and criteria.

Signed, this 24th day of September, 2014, by:

Mr. Franky Oesman Widjaja
Chairman and CEO
Golden Agri Resources

Mr. Teo Kim Yong
COO
Wilmar International Limited

Mr. David Mac Lennan
CEO
Cargill

Mr. Joseph Oetomo
Chairman
Asian Agri

Ms. Shinta Kamdani
Vice Chairwoman
Indonesia Chamber of Commerce
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