

# PRESS RELEASE

# Asian Agri improves the Welfare of National Oil Palm Farmers through One to One Commitment Partnership

## Jakarta, 5 June 2018 -

Asian Agri has achieved 92 per cent of its <u>One to One Commitment Partnership</u>, which aims to partner with smallholder farmers responsible for 100,000 hectares of land, and is expecting to complete 100 per cent by the end of 2018.

"Currently the partnership between Asian Agri and national oil palm farmers has reached more than 92,000 hectares of oil palm plantations and will continue to grow," said Asian Agri's Corporate Affairs Director, M. Fadhil Hasan.

The One to One Commitment Partnership will see Asian Agri match the 100,000 hectares of its own plantation with an equal amount of land owned by smallholder farmers.

Asian Agri provides partner smallholders with modern equipment, access to better quality seeds, and training on sustainability, helping the farmers to increase their yields while reducing their impact on the environment.

"Through the One to One Commitment Partnership program, the relationship between companies and farmers becomes more than just sellers and buyers. We focus on improving the welfare of all partnered farmers through the assistance and sustainable practices implemented by the farmers," said Fadhil.

Presented to the media in Jakarta, the partnership program with farmers includes training, field assistance, and the provision of modern equipment and resources needed by partner farmers to improve their sustainable palm oil production. Asian Agri also helps smallholder farmers to earn alternative sources of income during the replanting process, such as providing training and equipment to rear livestock.

Asian Agri's Deputy Head of Partnerships, Rafmen, revealed that the number of Asian Agri partnerships with farmers will continue to grow in line with the success of the current program.

"We are aiming to partner with more farmers and reach 100,000 hectares with the main objective of supporting the sustainability of the palm oil industry while also improving the welfare of farmers," said Rafmen.

Asian Agri's partnership with smallholder farmers who are part of the government Plasma scheme saw them all obtain <u>Roundtable Sustainable Palm Oil (RSPO) certification</u> in 2017. Asian Agri also assisted Amanah Association to become the first Indonesian independent smallholder association to achieve Indonesian Sustainable Palm Oil (ISPO) certification.

### About Asian Agri:

Asian Agri is one of Indonesia's largest palm oil producers since 1979. Today, the company manages 100,000 hectares of land and employs over 25,000 people. A pioneer of the Indonesian government's <u>Trans-National Government</u> <u>Migration (PIR-Trans) program</u>, Asian Agri works with 30,000 plasma smallholders in Riau and Jambi who operate 60,000 hectares of palm oil plantations, as well as independent smallholders, bringing about positive impact on their quality of life and economic development.

Implementing a strict "no burn" policy and best practices in <u>sustainable plantation management</u>, Asian Agri has helped its smallholder partners improve productivity, yield and supply chain traceability, while assisting them obtain certifications. The company's mills are technologically advanced and energy self-sufficient, minimizing greenhouse gas emissions.

Asian Agri is a member of the <u>Roundtable on Sustainable Palm Oil (RSPO)</u>. More than 86% of both owned plantations in North Sumatra, Riau & Jambi provinces and 100% of scheme smallholder plantations in Riau & Jambi provinces have been RSPO certified. All plantations, including those owned by smallholders, have been certified by <u>ISCC (International Sustainability & Carbon Certification</u>). More than 91% of plantations and mills owned by Asian Agri have been ISPO (Indonesian Sustainable Palm Oil) certified.

The company's operations are ISO 14001 certified, while its Learning Institute and nursery research center in Riau province, Indonesia are both ISO 9001 certified. Asian Agri's R&D Center in North Sumatra was also given a certification by the International Plant-Analytical Exchange at the WEPAL lab at Wageningen University in The Netherlands, for its high standards.

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