



JOINT STATEMENT

Asian Agri has acknowledged that FFB traceability is the first step towards building a fully sustainable supply chain in its palm oil business. The company has demonstrated its strong commitment to advancing its sustainability by establishing a traceability scheme which makes 100% FFB traceability to its plantations.

In order to demonstrate the best practice in traceability and align the various points of view behind a common objective, Asian Agri engaged Meo Carbon Solutions and SNV to provide a review on the existing system and assistance to generate accurate and up-to-date traceability information in North Sumatra and Riau.

Meo and SNV have analyzed samples of the entire upstream supply chain within North Sumatra and Riau Provinces covering approximately 20,000 smallholders. The analysis focused specifically on the reduction of manual efforts, efficiency increase and robustness of systems and processes as well as the use of latest technology, remote sensing and online monitoring tools. Beside this, the implementation of these measures will also provide clear benefits for the participating smallholders as the application of innovative technology will enable better monitoring, plantation management and finally enable better access to finance.

Through this collaborative effort, it is expected that Asian Agri will continue to source its FFBs sustainably and make it an integral part of its sustainable supply chain management. By implementing the proposed measures Asian Agri will reach a new level of compliance with sustainability and traceability requirements and at the same time improve smallholder livelihoods. This will also take Asian Agri to the next level of leadership in driving traceability initiatives further towards palm oil industry's scaled impact.

April 2019,

Asian Agri

A handwritten signature in black ink, appearing to read "Bernard A. Riedo".

Bernard A. Riedo
Director
Sustainability and Stakeholder Relations

Meo Carbon Solutions

A handwritten signature in blue ink, appearing to read "Andreas Feige".

Andreas Feige
Managing Director

SNV

A handwritten signature in blue ink, appearing to read "Hans Harmen Smit".

Hans Harmen Smit
Project Director