



PRESS RELEASE

ASIAN AGRI'S FIRE-FREE VILLAGE Developing Partnership between Community, Government and Company for Fire Prevention

Jakarta, 25 May 2016 - The Indonesia government has reiterated its full support for the implementation of sustainable practices in the palm oil plantations when the Office of the Coordinating Minister for Economic Affairs signs a Memorandum of Understanding (MoU) with Asian Agri, today in Jakarta.

Deputy of Food and Agriculture at the Ministers Office, Ir. Musdalifah Mahmud, MT and Asian Agri Director, Freddy Widjaya, agreed on a commitment to participate in a pilot project for forest, plantation, and land fire prevention, witnessed by the Coordinating Minister for Economic Affairs, Darmin Nasution, as well as top executives of many companies participating in the fire-free village program.

The MoU is the first step of a more comprehensive collaboration, utilizing potentials, expertise and facilities owned by each respective party in institutional development program through the Pilot Project for Forest, Plantation and Land Fire Prevention.

"There are 731 villages that need monitoring of fire risks. If the fire can be prevented, this country will reduce the carbon emission," said Coordinating Minister for Economic Affairs, Darmin Nasution

To prevent the land and plantation fire, Asian Agri has taken the formal and informal approaches to community around Asian Agri's oil palm plantations and its partner smallholders to raise the awareness of fire and haze impacts, and provide the community with a fire management system focusing on prevention.

Freddy Widjaya, Director of Asian Agri, explained that through Fire-Free Village Program or FFVP, since the beginning of 2016 Asian Agri has conducted explanation program to the community to raise people's awareness of the negative impacts of fire and haze to them. The company also has assisted the community in developing a better system of fire management focusing on prevention.

"This program empowers and gives incentives to villages that implement zero burning. Asian Agri has collaborated with eight villages in Riau and 2 villages in Jambi in 2016," added Freddy.

Asian Agri Sustainability Manager, Zulbahri said, "We prioritize forest and land fire prevention. Therefore, we have established a program that encourages each village to commit to zero burning or no-burn practices in their planting activities, while improving their ability to detect and handle reports of a fire."

Zulbahri mentioned the importance of increasing peoples awareness and understanding on the dangers of fires and haze. The crew leaders were given a training to become fire prevention counselors and fire prevention specialist, supported by Coordination & Promotion Agency (Bakorluh) in Riau Province. This Fire-Free Village program rewards 100 million rupiah for each fire-free village and 50 million rupiah for villages with less than one hectare of burning area.

"This incentive is expected to support local communities to build and repair the public infrastructure, facilities and firefighting equipment, as well as to motivate villagers to adopt zero burning practices in their village."

This program is Asian Agri's real commitment to collaborate with stakeholders, including village leaders, law enforcer and local communities to prevent fires and haze. "We encourage all parties to monitor and report the potential flammable area by conducting joint patrols between Asian Agri, fire-free village communities, local government and local security, " said Zulbahri.

About Asian Agri:

Asian Agri is one of the leading private companies in Indonesia producing crude palm oil (CPO) since 1979 and employs around 25,000 people today. Since 1987, Asian Agri has been a pioneer of the Indonesian government's Trans-National Government Migration (PIR-Trans) program. Today, the company manages 100,000 Ha of land and partners 29,000 smallholder families in Riau and Jambi who operate 60,000 Ha of palm oil plantation.

Asian Agri's success in becoming one of the leading CPO companies has been acknowledged internationally with the ISO 14001 certification for all of its operations. Its Learning Institute in Pelalawan, Riau, as well as its nursery research center in Kampar, Riau are ISO 9001 certified. In addition, Asian Agri's R&D Center in Tebing Tinggi has also obtained certification by the International Plant-Analytical Exchange at the WEPAL lab at Wageningen University in The Netherlands, for its high standards.

More than 72% of both owned plantations in North Sumatra, Riau & Jambi provinces & scheme smallholder plantations in Riau & Jambi provinces have been RSPO certified.

All plantations have also been ISCC-certified (International Sustainability & Carbon Certification), including plantation owned by smallholders

Out of 13 mills have received certification from ISPO (Indonesian Sustainable Palm Oil where as the remaining mills have gone through stringent ISPO audit process. It is targeted to have both RSPO & ISPO certification completed by 2015

For further information, please contact:

Elly Mahesa Jenar

Corporate Communications Manager

Email: Elly_Mahesa@asianagri.com

DID: +62 230 1119

Hp: +62 811 8776729