

SMART continues its cooperation with the RSPO

Jakarta, 22 September 2010 – PT SMART Tbk (SMART) is committed to the principles and criteria set out by the Roundtable on Sustainable Palm Oil (RSPO) and are in touch with the RSPO to address its concerns.

Following the release of the Independent Verification Exercise (IVEX) report which was published in full on 10 August 2010, SMART reviewed the findings, particularly in the areas where there were infringement to the principles and criteria of the RSPO and where improvements had to be made. SMART continues to focus on the ongoing improvement of its sustainability practices as a priority.

“We take the feedback of our stakeholders very seriously and this applies to the concerns of the RSPO, whom we are in touch with,” said Daud Dharsono, President Director of SMART.

SMART is committed to sustainable palm oil production and will work towards the requirements of the RSPO.

- With regard to RSPO’s requirement to show “*A sufficiently challenging and time-bound plan for the certification of all SMART’s production units*”:

SMART will share a detailed and time-bound plan for RSPO certification of all of SMART’s production units with all its stakeholders.

- With regard to RSPO’s requirement “*Assurance that all of SMART’s production units are currently applying the RSPO’s New Plantings Procedure*”:

SMART will continue to monitor the implementation of RSPO’s New Plantings Procedure for all of SMART’s production units.

- With regard to RSPO’s requirement “*Agreement to develop an acceptable package of measures related to the land cleared without HCV assessment*” and “*Evidence that the Standard Operating Procedures (specifically those on compliance with SEIA requirements, HCV assessments, peat conservation, community engagement about social impacts) have been adapted to address all failings identified in the IVEX report*”:

In the case of land permits, moving forward, SMART will ensure that land permits are obtained before commencing land preparation.

In the case of High Conservation Value (HCV) land, SMART has identified about 21,000 ha or 11.5% of the 11 concessions covered in the IVEX Report that contains HCV land and has conserved this. An acceptable package of measures related to land cleared without HCV assessment is presently being developed.

In the case of peat conservation, where possible, SMART has since taken the necessary remedial actions including reinstating the land. Moving forward, SMART will be working with stakeholders on the overall management of peat including those areas that have been developed.

In the case of community engagement and social impacts, SMART believes in treating local landowners and communities fairly and will be commissioning a separate research to study its social impact on the community.

SMART will further strengthen its Standard Operating Procedures (SOPs) continually. On 1 July 2010, SMART announced the appointment of PT Bumi Hijau Cemerlang, who will audit the implementation of these commitments with specific terms of reference relating to operational activities. This is to ensure that the SOPs are strictly enforced on the ground.

On 6 September 2010, SMART on behalf of its parent, Golden Agri-Resources (GAR) wrote to the RSPO to seek advice on membership application for GAR itself. SMART and PT Ivo Mas Tunggal are already members of the RSPO and will cooperate fully to achieve certification.

Added Mr Dharsono: “We are eager to work closely with all stakeholders including the RSPO in finding solutions towards sustainable palm oil, for the growth of the Indonesian economy, the creation of jobs and the alleviation of poverty. Education and raising the standards of living are the key solutions to environmental problems. SMART has a vital role to play in ensuring that these objectives are met.”

Palm oil is a strategic product and helps to alleviate poverty in Indonesia. The industry provides direct and indirect employment for approximately 4.5 million persons in the country. In 2009, palm oil accounted for 11% of Indonesia’s non oil and gas exports. In addition, the product is a vital component in the food chain, allowing the world to meet its growing demand for food.

SMART’s parent company GAR provides employment for almost 140,000 people and each plantation worker earns about US\$8 per day in 2010. This is higher than the minimum daily wage of US\$5 in Indonesia. In addition, GAR provides housing, healthcare and educational facilities to its employees. The company has built 129 schools for 21,800 students in the estates and provided 2,455 university scholarships to the community through the Eka Tjipta Foundation. Free education is provided from kindergarten up to high school and education for higher school levels is heavily subsidized in the estates. Apart from our employees, many more people depend indirectly on our plantations for their livelihood. These efforts offer a better hope for the future by raising the standards of living of the local communities.

For further information please contact:

For Indonesia:

Fajar Reksoprodjo

Corporate Affairs

Tel : (62 – 21) 318 1388

Fax : (62 – 21) 318 1390

Cell : (62 – 881) 123 9513

Email : fajar-reksoprodjo@smart-tbk.com