

## **SMART'S RESPONSE TO BURGER KING'S DECISION**

1 September 2010

We are disappointed with this decision and will continue to engage Burger King to help them better understand our sustainability commitments. We hope to welcome them back as customers soon. We are confident that Burger King's decision does not represent the view of the majority of our customers. We are confident in the way with which we have acted in safeguarding the environment, but are also committed in our role in helping to alleviate poverty in Indonesia. GAR provides employment for almost 140,000 people. In 2010, the average plantation worker earns about US\$8 per day or US\$2,800 per annum. We provide infrastructure such as roads and healthcare facilities for the people in our plantations. We have built 129 schools for 21,800 students and provided 2,455 university scholarships to the community.

We value all our customers and are certain that those who have read and appreciated the findings of the full independent verification exercise (IVEX) report would conclude that SMART is a responsible company operating within strict Standard Operating Procedures. We stand firm in our belief that the IVEX report clearly demonstrates that the claims made by Greenpeace were exaggerated or wrong. SMART has sustainable practices in place. We have always emphasised that the IVEX report be shared in an open and transparent manner and that is exactly what we have done.

We have made mistakes, but these are not to the extent that it has been made out to be. This must be put into context. We have also made clear that where mistakes were made, we have taken the necessary action to ensure that this is not repeated.

We will co-operate fully with our customers who are assessing their supply chains. The parent company of SMART, Golden Agri-Resources (GAR) aims to obtain RSPO certification for all of its existing palm oil operating units by 2015. In line with this commitment, GAR, the holding company of SMART is currently seeking plans to become an RSPO member. Presently, SMART and PT Ivo Mas Tunggal are members of the RSPO and are in the process of RSPO certification.