



16 November 2015

Final Update on Reengagement by TFT on GAR's Upstream Plantation Operations

Following the suspension of TFT's work with GAR on its upstream operations on May 19th 2015, the two organisations agreed on a series of time bound conditions which would see a return to full collaboration. Regular progress updates have been posted on the GAR Sustainability Dashboard (http://goldenagri.com.sg/sustainable_dashboard.php).

This document represents the final public summary of the progress that GAR and TFT have made towards the completion of the criteria. GAR's progress and the launch of the updated and enhanced GAR Social and Environmental Policy (GSEP) has led to TFT's reengagement of GAR's upstream arm. As of 30th October 2015, TFT has resumed cooperation with PT SMART Tbk.

GAR and TFT will now work together to ensure the implementation and success of the GSEP which will help to tackle the complex causes of environmental issues including fire and haze, and social issues. In line with their commitment to transparency, GAR will continue to post updates on their progress in implementing the GSEP on the GAR Sustainability Dashboard.

No	Strategic Conditions	GAR's Progress
1	New Sustainability/Forest Conservation Policy (FCP) implementation team in place reporting at the highest level, with a re-energised commitment to working with TFT in a spirit of sharing and collaboration.	GAR has effectively strengthened its Social and Environmental team both at Headquarters level and with planning and recruitment progressing well in the field.
2	GAR's Forest Conservation Policy (FCP) has been reviewed and enhanced to adopt a leading edge industry position (to be published by the end of July 2015).	GAR built upon the previous FCP with a new enhanced Social and Environmental Policy which is now operational. The policy is available here http://goldenagri.com.sg/pdfs/misc/GSEP - GAR Social and Environmental Policy.pdf
3	All development/planting must be in line with this new and enhanced FCP.	GAR will ensure all development / planting is in line with GAR's new Social and Environmental Policy.
4	Engage key stakeholders to discuss the establishment of a conservation and restoration initiative to address legacy issues.	GAR is exploring options for a funding mechanism to address legacy issues. Pending details on its scope, structure and projects, GAR is focused on cross-industry initiatives to support such conservation and restoration initiatives. Discussions have been held with TFT and other stakeholders and are continuing.
5	Continue KADIN/IPOP communications/engagement (along with other related institutions) to support advocacy for a pro-conservation regulatory environment.	GAR is engaged in communication with various stakeholders to support advocacy for a pro-conservation regulatory environment.
6	Work with TFT to ensure all third party suppliers are brought into line with the requirements of the enhanced FCP and that a process is in place to address non-compliant suppliers which is strongly adhered to.	GAR continues to work closely with TFT to ensure full traceability to mills by the end of December 2015 and progress to date is available on GAR's online dashboard. A grievance mechanism, as well as up to date information on GAR's engagement with non-compliant suppliers are also available on the dashboard.
7	Take part in a pilot assessment for TFT's Grassroots Initiative, thereby supporting the building of capacity in Indonesian civil society to monitor company's impacts on the physical and social environment.	GAR has confirmed it will support TFT's Grassroots Initiative.

No	Operational Conditions	GAR's Progress
1	Conservation Maps are reviewed for all PTs to agree areas for active conservation.	Indicative HCS areas have been finalized, and the final conservation maps are pending inputs from participatory mapping, HCV (High Conservation Value) assessment, and the final phase of the HCS (High Carbon Stock) decision tree in consultation with other stakeholders. Conservation maps will be completed for seven of the 18 PTs by the end of December 2015. One of the seven maps will be final, and six of the seven will be indicative.
2	Progress to close the gaps from the TFT Risk Assessments and Due Diligence work plans and Corrective Action Requests (CARs).	GAR's goal is to close out 79% of gaps from 12 PTs by the end of December 2015. As per a desk review TFT conducted in July 2015 and a field verification in August to September 2015, GAR had closed out 67% of the gaps (versus 62% in August 2015) and PT. CNG, BNM, and AKPL have all reached the December target. From October to December, TFT will work closely in the field with GAR and SMART staff to provide intensive support on technical aspects including on HCS, HCV and conflict management to build the capacity of field teams and to facilitate the process of closing out the gaps identified during the risk assessments and due diligence.
3	Restoration for HCS breaches and riparian zones.	Phase 1 of work by advisors MEC, a social and biophysical baseline study, has been completed and Phase 2 will commence by early December 2015.
4	Forest Peoples Programme (FPP)/ Roundtable on Sustainable Palm Oil (RSPO) issues are being addressed.	GAR is in on-going discussions with RSPO and FPP. A Stop Work Order for plasma planting has been lifted by the RSPO to enable GAR to fulfil its plasma commitment to the community. Regular updates on progress will be found on GAR DB.
5	No breaches in conservation areas by GAR based on indicative conservation maps.	GAR has committed to uphold its new Social and Environmental Policy, including no clearance in conservation areas by GAR.