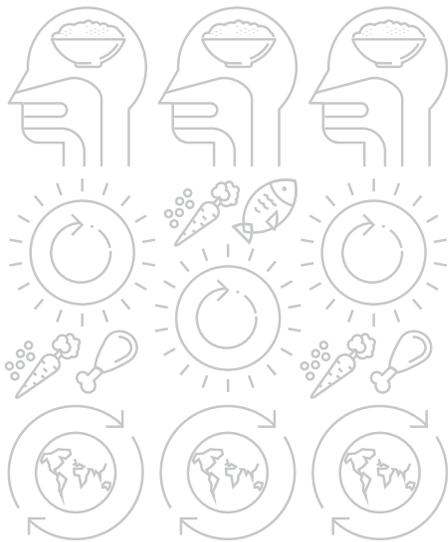


SAFE, NUTRITIOUS AND TRACEABLE PRODUCTS



Filling of cooking oil into packaging

We comply with international and local food safety standards and certifications.



86%

of refineries' purchases

came from 54 suppliers.
All of them met the required food safety standards of IndoAgri.

KEY INDICATORS



100%

of palm oil

derived cooking fats and edible oil sales volume is within the limits relating to saturated fat, trans-fat and sodium as stipulated by the national food standard of Indonesia and export markets



100%

of packaging

comprises approved food-grade materials and complies with Indonesia's policy on Extended Producer Responsibility

PROGRESS HEADLINE

- All products are safe and go beyond nutritional compliance requirements; Tanjung Priok refinery achieved Food Safety Management System certification in 2015
- All our refineries are certified to the highest level of halal certification
- Customer satisfaction award: once again, Bimoli wins multiple accolades

SAFE, NUTRITIOUS AND TRACEABLE PRODUCTS

WHY IS THIS IMPORTANT?

Products that are safe for human consumption: that's what our customers and consumers expect. They trust us to produce high quality foods and ingredients that are nutritious and taste good. We cannot overstate the importance of food safety. Our commitment to responsible sourcing also contributes to safety and quality – we expect suppliers to meet our high standards and help us provide quality assurance to our customers.

- See page 44 for more on our products
- See page 38 for more on responsible sourcing

HOW WE MANAGE THIS

We comply with international and local food safety standards and certifications, notably FSSC 22000 and a Halal Certification system recognised by the World Halal Council. We comply with Indonesian regulations relating to safety, consumer protection, labelling, advertising quality and nutrition. We work with our large industrial customers to meet their requirements. For example, IndoAgri's annual responsible sourcing audit checks 10 parameters, one of which covers food safety. All raw materials supplied to us can be traced back to their source, and batch numbers are found on all product packaging.

All our refineries are halal certified by LPPOM MUI, the Research Institute for Food, Drugs and Cosmetics of the Indonesian Ulemas Council. Our R&D, marketing and sales teams use independent market testing to meet quality requirements.

HOW CAN WE GUARANTEE FOOD SAFETY?

Each year we audit key suppliers of raw materials, packaging and ingredients (see page 42). This may be on a plantation or at a factory site. We check management and performance relating to sanitation, pest control and general facility conditions. Our teams of auditors are experienced in our operational procedures, ensuring a high standard of manufacturing.

In 2015, the Tanjung Priok refinery – our largest – was audited for compliance to the Food Safety Management Standard (FSMS) for FSSC 22000. We are delighted to report that it passed the audit with no non-compliances or advisories.

In the refining process we maintain quality by keeping the product free from contaminants. The raw material is subject to stringent process controls. We regularly provide

A STAKEHOLDER VOICE

"We were a little apprehensive of the challenge to achieve FSSC 22000 certification. We had to undo how things were done. It's hard to break old habits. But in November 2014 we did it." Kurniawan Dwi Ananta, QC operator



With FSSC 22000, Kurniawan and his team are now far more confident in food safety management at work, and also at home! Along with senior management each team member is committed to high quality products that are hygienic, safe and Halal. Our Quality Control teams are required to go through the relevant food safety training, this will ensure each employee stay abreast with the risks relating to food safety management.

decontamination reports for customers as their expectations continue to focus on such product risks.

Our food products are packaged using approved food-grade materials that also help limit damage in transit. And whilst we do not use any recycled packaging nor operate any take back of packaging, all IndoAgri's finished food products passed the tests required by the Indonesian National food safety standards. Packaging materials comply with Indonesia's policy on Extended Producer Responsibility and our parent, PT ISM, is a member of the Coalition for Sustainable Packaging.

PALM OIL AND NUTRITION

The human body needs the right vitamins and nutrients to grow to its full potential. Palm oil, the crop on which this Report focuses, contains carotenoid and tocopherol, a rich

source of vitamin E. The processing we carry out does not limit the benefits offered by palm oil.

When it comes to fortifying products with vitamins, we go beyond compliance. All our table margarine products are fortified with eight vitamins. Vitamins A and D are mandated by the Indonesian National Standard¹⁰, but we have added vitamins E, B1, B2, B3, B9 and B12 to fortify the diet of Indonesian consumers. The reason for this is that a staple for many of our consumers is processed foods made from flour and rice. Such food is low in vitamin B. By doing this, we promote a healthy and nutritious food product especially for children.

We export cooking oils to the Philippines which are enriched with vitamin A, in accordance with the Philippines' national regulations.

VITAMINS: WHAT DO THEY DO?

- Vitamin A maintains the immune system and eyesight; it supports the development of the fetus during pregnancy, as well as healthy skin.
- Vitamin E is a fat-soluble antioxidant that removes free radicals (that can disrupt living cells) from the body; it also regulates enzymes essential for gene expression and a healthy nervous system.
- CPO has the highest amount of Vitamin E among all the vegetable oils. Many fruits and vegetables contain Vitamin E.

Our products are a source of fat, one of the three basic macronutrients the human body needs for healthy growth and supple skin. It is a rich source of energy and essential fatty acids. Palm oil is composed mainly of triglycerides of fatty acid in both saturated and unsaturated forms, and is free of cholesterol and trans-fat.

CUSTOMER SATISFACTION

In 2015, the Bimoli brand received a Platinum Indonesia Best Brand award for the 13th consecutive year from SWA magazine & MARS and the Indonesia Customer Satisfaction Award for the 16th consecutive year from SWA magazine & Frontier consulting under cooking oil category. In 2015, Bimoli was again recognised in Millward Brown's top 50 Most Valuable Brands. We routinely engage with industrial bodies, consumers and distributors. We are recognised for quality, price and confidence in the brand.

TRACEABLE AND LABELLED

We can trace our products from the finished item right back to the source.

KEY FACTS:

Safe. 26% of the volume of products manufactured on our sites – is certified to the Food Safety Management Standard (FSMS) audit for FSSC 22000.

Low. 100% of total sales volume of our palm oil derived cooking fats and edible oil products is within the limits relating to saturated fat, trans-fat and sodium as stipulated by the national food standard of Indonesia and our export countries.

High. 100% of the total sales volume of our palm oil derived cooking fat and edible oil products contain increased nutritious ingredients such as vitamins.

Information on the ingredients and nutritional values of each of our branded products is provided on the food label printed on the packaging. The labels also remind consumers to dispose the used packaging appropriately. All of our products are subject to such information requirements.

All our refineries are halal-certified by an Ulemas Council-accredited certification body and recognised internationally by the World Halal Council. We achieve the highest certification grade with no advisories arising.

We recognise that food processing companies should understand that the burden of non-communicable diseases (NCDs) has increased and that unhealthy diets and a lack of physical activity are considered to be among the leading causes of the major NCDs. Our marketing practices comply with Indonesia regulations; the risk of our marketing being misunderstood by vulnerable groups such as expectant and new mothers is negligible.

- For more information on traceability, please refer to page 40