Sustainability in P.T. Great Giant Pineapple

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1. Introduction and Company Profile

The Location of The Company

P.T. Great Giant Pineapple is located in Lampung Province, Lampung Tengah Regency, was established in 1979, cultivating cassava plant and in 1980 started planting pineapple. In 1984, the company exported canned pineapple.
1. Introduction and Company Profile

Company Highlights

• Employs about 19,000 people
• Experienced management team
• Diversified customer base spread across more than 50 countries
• Global distribution network
• Robust growth in production volume and export sales
# 1. Introduction and Company Profile

GGP, an integrated operation in 32,000 Ha of land (divided in 2 locations: 20,000 Ha and 12,000 Ha). Third largest canned pineapple producer in the world (> 16% global market share) and continue growing.

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>1. Pineapple plantation</strong></td>
<td>Divided into 3 Plantation Groups include office and housing for each Plantation Group</td>
</tr>
<tr>
<td><strong>3. Tapioca Factory</strong></td>
<td>Produce native tapioca starch from cassava root</td>
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<tr>
<td><strong>4. Cattle Fattening</strong></td>
<td>Utilize pineapple waste pulp as cattle feed</td>
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<tr>
<td><strong>5. Bromelain Enzyme Factory</strong></td>
<td>Produce bromelain enzyme from pineapple stem</td>
</tr>
<tr>
<td><strong>6. Liquid Organic Bio-fertilizer (LOB) Plant</strong></td>
<td>Produce LOB for pineapple plantation as part of company Soil Sustainability Program</td>
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<tr>
<td><strong>7. Composting Plant</strong></td>
<td>Use cow dung produced from cattle fattening to produce organic fertilizer (compost) for pineapple plantation</td>
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<tr>
<td><strong>8. Biogas Plant</strong></td>
<td>Produce biogas from Pineapple &amp; Tapioca Liquid Waste Water</td>
</tr>
<tr>
<td><strong>9. Co-gen Plant</strong></td>
<td>Heat and power generation plant</td>
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1. Introduction and Company Profile

PT GGP in The Picture

- Cattle Fattening
- Biogas Plant
- Co-gen Plant
- Pineapple Plantation
- Pineapple Factory
Pineapple Factory

- Factory: 10 Ha
- Located in the middle of our plantation

- Facilities:
  1. Canned Pineapple
  2. Pineapple Juice Concentrate
  3. Clarified Pineapple Concentrate
  4. Deionized Clarified Pineapple Concentrate
1. Introduction and Company Profile

Pineapple Factory Historical

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>1980</td>
<td>GGPC incorporated to engage in commercial planting of pineapples with 6,075 ha of land</td>
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<tr>
<td>1984</td>
<td>Established cannery with 4 production lines for processing pineapples</td>
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<tr>
<td></td>
<td>Increased plantation size to 14,175 ha</td>
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<td>1986</td>
<td>Expand the processing lines to 9 and operate an evaporator for Pineapple juice concentrate with capacity 5,000 liter/hour</td>
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<tr>
<td>1992</td>
<td>Continued expansion of 8,100 ha of land, increased the number of processing lines to 18 and install evaporator capacity 50,000 liter/hour</td>
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<tr>
<td>1997</td>
<td>Expansion of 10,125 ha, bringing total acres to 32,000 ha</td>
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<tr>
<td></td>
<td>Install new evaporator with 35,000 liter/hour</td>
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<td></td>
<td>Processing facility is now operating with 23 lines</td>
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Awards, Certifications, and Achievement

Integrated System had been implemented to conduct all operations and activities to the best management of quality, SHE, and social accountability:

ISO 9001: 2008 Certification by SGS Indonesia
ISO 22000/HACCP Certification by SGS Indonesia
ISO 14001:2004 Certification by SGS Indonesia
OHSAS 18001/SMK3 Certification by Sucofindo Indonesia

SA 8000 Certification by BVQI
International Food Standard (IFS) Certificate
Certified by SGS Thailand
British Retail Consortium (BRC) Certificate
Certified by SGS Thailand
1. Introduction and Company Profile

Awards, Certifications, and Achievement

- Quality Grade conforms to AIJN Standards
- Quality Grade conforms to US FDA Standards
- Asian Management Award
- Successfully Pass on Customs-Trade Partnership Against Terrorism (CTPAT)
- Audit by US Customs
- Kosher Certificate
- Halal Certificate
- Certification by SGF (Association for the protection of the fruit juice industry)
- Best Employer Award
- Kehati Award (2004)
1. Introduction and Company Profile

Great Giant Pineapple
2. Fundamental of Sustainability in Great Giant Pineapple
2. Fundamental of Sustainability in Great Giant Pineapple

1. Challenges for Company

a. World demand or requirement on sustainability
b. Customer requirement on green products
c. Climate change, company should have a role to prevent or reduce the factors that promote climate change
d. Deterioration of natural resources (soil, water, organic matter, etc)
e. Development of government regulations or requirements on sustainability and environmental aspect by customers, communities and NGOs
f. Development or changes of social aspects or communities around the company
g. Efficiencies. In some cases, sustainability can help to achieve efficiencies

Sustainability, the understanding

Sustainability is the potential for long term maintenance of well being, which in turn depends on the maintenance of the natural worlds or environmental and natural resources

Sustainable development is a pattern of resource use that aims to meet corporate needs while preserving the environment so that these needs can be met not only in the present, but also for future generations.

Sustainability reflects the balance consideration of people, planet, and corporate performance
2. Fundamental of Sustainability in Great Giant Pineapple

Our triple bottom line approach

GGP’s pursuit of sustainability is to balance and continuously improve the three elements of our performance.

A triple bottom line focus on people, planet and profit

Goal = Excellence in all three performance dimensions
2. Fundamental of Sustainability in Great Giant Pineapple

**Company Sustainability Targets**

**Great Giant Going Green**

30 – 40 – 50

**OBJECTIVES**

1. High Yield, Reduce waste and emission
2. Comply with Environmental regulations and customer requirements
3. Participate to global warming prevention by reducing Green House Gas Emission

**STRATEGY / APPROACH**

1. Sustainable Agriculture & Soil amendment
2. Water and energy management
3. Regulations and requirements evaluation
4. Corporate Social Responsibilities

**Great Giant Going Green**

30 – 40 – 50 :

- 30 : Reduce fossil fuel consumption by 30% and replace with renewable energy
- 40 : Reduce pesticide and chemical fertilizer by 40%
- 50 : Increase pineapple yield by 50%
2. Fundamental of Sustainability in Great Giant Pineapple

Stakeholder Perspective

- Government
- Suppliers
- Financial Institutions

 Owners

 Organization

 Employees

 Competitors
- Customers
- Community/Interest Groups/Media
Overview of Sustainability Agriculture

Sustainable Agriculture can be done by changing agriculture practice used in *traditional agriculture* and *green revolution* to *modern agriculture*

1. *Traditional Agriculture*:
   - Soil is as plant growth media only.
   - Giving all the plant needed (inorganic fertilizers, pesticides, water)

2. *Green Revolution*
   - Application of new technology (high yielding varieties, expansion of irrigation infrastructure, modernization of management techniques, distribution of hybridized seed, optimizing of synthetic fertilizer using and pesticides) to increase carbohydrate food product (rice, wheat, sorghum, corn etc).

*Negative impact of Green Revolution*
- Reduced biodiversity
- Increased vulnerability to pests
- Soil erosion
- Reduced soil fertility.
- Soil & water contamination.
- Emerged more resistant new strain pest.
- Emerged health problem
Overview of Sustainability Agriculture

3. Modern Agriculture

- The practice of farming using principles of ecology
- To increase biological, physic and chemistry quality of soil with biological approaches i.e. bio-fertilizer and organic fertilizer application (organic soil amendments)
- Soil not only as growth media for plant, but also as producer of nutrient, supply available nutrient, pest controller, nutrient conservation, soil conditioner, and nutrient storage.
- Biological or organic pest control, integrated pest management
- Low input, high yield

What Must be Done?  

Environmental Effect

- Plant cultivars selection
- To reduce input material such as inorganic fertilizers, pesticide, water, can reduce: hazard substances contamination in environment, reserve water loss & biodiversity loss.
- Using cow dung, urine, biomass waste as raw material for organic fertilizers & bio-fertilizers production that can reduce environmental damage.
- To determine operational, monitoring, and improvement system.
- These effort to aim zero emission & clean production.
3. GGP SUSTAINABILITY INITIATIVES
3. GGP Sustainability Initiatives

A. Energy & Environmental Sustainability Programs

• Utilization of waste treatment to capture biogas as source of renewable energy
• CDM project as a part of company role to reduce green house gas emission
• Energy audit to control energy consumption
• Controlling and evaluating of corporate practice to meet or comply with environmental legislation and requirements
• Chemical & hazardous waste management
• ISO 14001 implementation, PROPER, AMDAL, ISO 50001
• Carbon footprint

B. Sustainable Agriculture / Soil Sustainability Programs

• Bio-liquid Fertilizer
• Vermicompost
• Humic Acid
• Soil conservation
• Bamboo germ plasm collection

C. Water Sustainability Programs

• Reservoir development for water storage to replace some of deep wells (utilization of surface water)
• Water management: study of water quality and audit of water consumption (3R: reduce, reuse, recycle)
• Water conservation to improve water reserve and water biota
D. SOCIAL & ECONOMIC SUSTAINABILITY

Programs of community development and community relationship as CSR Programs

- Community health care: free medical assistant, healthy information to community, fogging
- Education: scholarship for student
- Donation / grant (for disaster victims, etc)
- Community development partnership: skill training for rural community (sewing skill, fish cultivation, furniture skill, etc), partnership for: papaya, pallet, sewing, cassava, releasing high yield cassava clone UJ5 for cassava farmers (UJ5 is cassava clone selection by GGP R & D)
- Public infrastructure participation: public road, public infrastructure (road and building maintenance, deep well for community water consumption)
- Community (religious leader, community leader, etc), and NGO relationship: periodically conducting formal and informal meeting
- External green activity: 2000 trees planting
- Management system implementation for social accountability SA 8000

- **Tapioca Waste Water**
- **Pineapple Waste Water**
- **Cow Dung**
- **Cassava Peel & Fiber / Onggok**