

Jakarta, March 18th, 2020

Dear Ms. Ginger Cassady,

Thank you for your letter of 10 March 2020.

GAR has been committed to environmental conservation and sustainable production since 1997, when we, the first in our industry, implemented a “zero burning” policy. More than 20 years onwards, the scope of our sustainability policies has expanded significantly to include the protection of human and labour rights and the application of our policy to our third party palm oil suppliers. Our policies are backed up by a well-resourced sustainability team of more than 300 professionals.

I would like to highlight a few more points.

GAR is an independently managed and operated company, headquartered in Singapore. We are publicly listed and you will find company information such as land bank and producer or trade products in our annual report (<https://goldenagri.com.sg/investors/financial-information/annual-reports/>).

In our production and sourcing of palm oil, GAR is guided by the GAR Social and Environmental Policy (https://goldenagri.com.sg/wp-content/uploads/2016/09/GAR_Social_and_Environmental_Policy-2.pdf) that includes the conservation of forests and peatlands and the protection of human and labour rights. It applies to all upstream and downstream palm oil operations that we own, manage or invest in, regardless of the stake. We report on the implementation of our policy in our sustainable report that is available on our website here (<https://goldenagri.com.sg/sustainability/sustainability-report/>).

With regards to supply chain sustainability, GAR has invested in a robust sustainable palm oil sourcing capability, which key features are as follows:

- An internal team conducts supplier due diligence, monitoring, and engagement for continuous performance improvement (https://goldenagri.com.sg/wp-content/uploads/2019/03/Working-Everyday-to-Delink-Deforestation-from-the-Supply-Chain_20190307-Final_v2.pdf).
- We require suppliers to declare Traceability-To-Plantation data and we have achieved 78% TTP to-date with the aim to reach 100% by the end of this year; we have engaged with traceability experts at Koltiva to provide suppliers with technical assistance, where needed (<https://goldenagri.com.sg/creating-responsible-palm-oil-warriors-with-ksatria-sawit/>).
- A collaboration with AidEnvironment (<http://www.aidenvironment.org/expertise/aidenvironment-asia/>) brings additional supplier monitoring capability through both satellite monitoring and in-field verification.
- NGO grievances against our suppliers are logged, handled and tracked on our Grievance List (<https://goldenagri.com.sg/sustainability-dashboard/grievance-data>).
- GAR also partners with its peers in monitoring platforms, such as WRI’s RADD (<https://www.wri.org/news/2019/10/release-palm-oil-industry-jointly-develop-radar-monitoring-technology-detect>), and in jurisdictional green growth initiatives, such as in Riau and Aceh (<https://kabupatenlestari.org/en/>).

- Suppliers, who do not meet our expectations, will be suspended; we publish the active third party supplier list, updated quarterly, on our dashboard (<https://goldenagri.com.sg/sustainability-dashboard/supply-chain-map>).

Please advise us when the mentioned report has been published. We can then comment on it in due course.

With regards,



Agus Purnomo
Managing Director, Sustainability and Strategic Stakeholder Engagement
Golden Agri-Resources

About Golden Agri-Resources

Golden Agri-Resources is an integrated palm oil plantation company listed on the Singapore Stock Exchange since 1999. In 2016, we had a total revenue of more than 7 billion US dollar. GAR manages 169 oil palm estates in over 488 thousand hectares of plantation area across Indonesia. We are a significant job creator providing jobs for over 170 thousand people, including 68,600 small farmers.

In Europe, GAR has also invested in jobs and industrial capacity. Victory Tropical Oil BV serves as our European oil trading arm employing two dozen people in Italy, the Netherlands and Spain. OLIQEM represents our speciality chemical division retaining half a dozen people in Germany. Finally, we have invested in a multi-million € bio-energy facility in Italy and in a €300 million speciality chemical plant with Spanish energy company CEPSA.