

12 October 2021

Ginger Cassidy  
 Executive Director  
 Rainforest Action Network  
 425 Bush Street, Suite 300  
 San Francisco, CA 94108

**Re: Notification of Publication of Indicative Forest Footprint Evaluation for North and East Kalimantan**

Dear Ms Cassidy,

Thank you for the opportunity to respond to the draft of RAN report before its publication.

1.RAN’s selection of the 2009 to 2019 period for its forest loss analysis risks diminishing recent progress, and could present a skewed picture of deforestation levels today. The period selected captures the [peak of deforestation from 2009 to 2012 in palm oil](#), therefore the total forest loss number for 2009 to 2019 will mask the year-on-year decline in deforestation from 2013 onwards.

Many studies, including from the [World Resources Institute](#) and the [Tropical Forest Alliance](#), have reported on this continuously declining deforestation trend in palm oil and have acknowledged the role of government policies and corporate commitments to forest conservation. [GAR, for example, is conserving 78,000 Ha of forest areas, while also supporting our suppliers to conserve more than 100,000 Ha in our own supply chain.](#)

The industry’s commitments and achievements should be supported and welcomed. GAR would like to understand what purpose RAN hopes to serve by revisiting these well document and acknowledged legacy issues in the palm oil industry. How does RAN believe looking past recent progress to historic deforestation supports continued progress today?

2. GAR is not a subsidiary of any other company; it is an independently managed, SGX listed enterprise with subsidiaries in- and outside Indonesia. While we recognise a common shareholder with some companies mentioned in the report, there is no shared management relationship between GAR and Asia Pulp and Paper, Sinar Mas forestry businesses.

Our sustainability commitment as outlined in the GAR Social and Environmental Policy applies to GAR’s own operations, supply chain, and investments only. The policy is to ensure that GAR upstream and downstream palm oil operations are deforestation free, traceable, as well as bring benefits to the people and communities where GAR operates.

3.GAR confirms that the following companies mentioned in the report, are GAR subsidiaries.

No	Parent company	Company name	Location
1	GAR	Tapian Nadenggan	Kutai Timur/East Kalimantan
2	GAR	Harapan Rimba Raya	Kutai Barat/East Kalimantan
3	GAR	Kruing Lestari Jaya	Kutai Barat/East Kalimantan

GAR acquired PT Harapan Rimba Raya and PT Kruing Lestari Jaya in late 2020. Both companies converted forests to oil palm plantations before the acquisition took place. We are now preparing for the two companies to comply with the GAR Social and Environmental Policy and RSPO certification.

GAR confirms that the following companies mentioned in the report no longer exist. They merged into GAR subsidiaries in 2004 and 2005:

No	Company Name	Location	Status/ Year of merger
1	Bulungan Sarana Utama	Kutai Timur/East Kalimantan	In 2005, PT BSU was merged with PT Tapian Nadenggan, a subsidiary of GAR. See our <a href="#">2005 Annual Report</a> .
2	Matra Sawit Sarana Sejahtera	Kutai Timur/East Kalimantan	In 2004, PT Matra Sawit Sarana Sejahtera was merged with PT Kresna Duta Agroindo, a subsidiary of GAR. See our <a href="#">2004 Annual Report</a> .

GAR confirms that the following companies mentioned in the report no longer exist due to their liquidation in 2018 and 2019.

No	Company Name	Location	Status/ Year of liquidation
1	Sangata Andalan Utama	Kutai Timur, East Kalimantan	The liquidation has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia based on Letter of Liquidation Notification of Legal Entity No. AHU-AH.01.03-00002 dated January 7, 2019.
2	Nunukan Sarana Jaya	Kutai Kartanagara/East Kalimantan	The liquidation has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia based on Letter of Liquidation Notification of Legal Entity No. AHU-UM.01.01-00309 dated December 13, 2018.
3	Sangata Andalan Utama	Kutai Kartanagara/East Kalimantan	Same as no. 1. The liquidation has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia based on Letter of Liquidation Notification of Legal Entity No. AHU-AH.01.03-00002 dated January 7, 2019.

For the three companies, GAR found that the land conditions were unsuitable for oil palm plantation. Hence, we never commenced any development and we liquidated the companies.

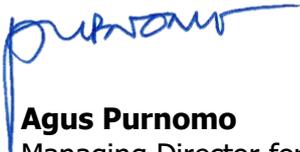
The rest of the companies mentioned in the report are not related to GAR.

**4. GAR treats any allegation of being responsible for forest loss seriously.** GAR operates a transparent and accountable system where stakeholders can inform us of issues within our supply chain using our [grievance procedure](#). Please provide us with the details of the alleged

forest loss, critically GPS coordinates, satellite imagery or photos, and dates, then we can conduct a grievance investigation.

Looking forward to hearing from you.

Best regards,



**Agus Purnomo**

Managing Director for Sustainability and Strategic Stakeholder Engagement  
Golden Agri-Resources, Ltd.