

Corporate Governance Report

Golden Agri-Resources Ltd (the "Company" or "GAR" and together with its subsidiaries the "Group") is committed to observing high standards of corporate governance, to promote corporate transparency and to enhance shareholder value.

The Monetary Authority of Singapore issued a revised Code of Corporate Governance on 6 August 2018 effective for financial years beginning on or after 1 January 2019 (the "Code").

Rule 710 of the listing manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires an issuer to describe its corporate governance practices with specific reference to the principles and provisions of the Code. Issuers must comply with the principles of the Code. Where practices vary, adequate reasons should be given and how adopted practices are consistent with the intent of the principle.

This report describes the Company's corporate governance practices and structures in place during the financial year ended 31 December 2019 ("FY2019"), which are substantially in compliance, with explanations given for deviations from practices of the Code.

For easy reference, the principles of the Code are set out in italics in this report.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

1.1 The Board's Role

The Board of Directors of the Company ("Board") heads the Company to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders.

The Board has the responsibility to fulfil its role which includes the following:

- (a) provide entrepreneurial leadership, and set strategic objectives, which include appropriate focus on value creation, innovation and sustainability;
- (b) ensure that the necessary resources are in place for the Company to meet its strategic objectives;
- (c) establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Company performance;
- (d) constructively challenge Management and review its performance;
- (e) instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and
- (f) ensure transparency and accountability to key stakeholder groups.

1.2 Scope of Director Duties, Code of Conduct, and Policy on Directors' Conflicts of Interest

All Directors of the Company ("Directors") are expected to be cognizant of their statutory duties, and to discharge them objectively in the interest of the Company. To establish appropriate tone-at-the-top behaviour, there is in place a code of conduct known as the GAR Code of Conduct ("GAR Code") which spells out the standards expected of all employees of GAR and the Group to follow, and the behaviors expected of its officers and employees.

Directors are regarded as Executive, Non-executive and Independent according to their differing roles, although all Directors have the same statutory duties. In FY2019, all Directors were reminded, and took note, of the different roles they have in the Company.

Directors are required to refrain from discussion and decision-making, and to abstain from voting on any agenda item in which they have conflict of interest. To assist Directors, the Board has adopted a comprehensive Policy on Directors' Conflicts of Interest setting out guiding principles for Directors when faced with an actual or potential conflict of interest situation.

1.3 Training and Development of Directors

The Company takes note to provide Directors with opportunities to develop and maintain their skills and knowledge at the Company's expense. In this regard, the Board has approved a framework for Directors' training where the Company facilitates with Director's training arrangements. An annual budget exists to fund any Director's participation / attendance at seminars and training programmes that are relevant to his duties as a Director.

The Director's training framework / programme applied a 3-step approach to training as follows:

- (1) Externally conducted courses on audit / financial reporting matters, audit committee's role, corporate governance / regulatory changes and other relevant topics subject to course availability;
- (2) Quarterly management updates on operations and industry-specific trends and development; and
- (3) Quarterly continuing education on regulatory changes and updates, including extraction of case studies on corporate governance, and external auditors' briefings on changes to accounting standards and issues.

Having attended external courses / seminars, Directors are requested, in turn, to share their key takeaways with fellow Directors at the next Board meeting.

1.4 Training and Orientation for New Directors

As a standard procedure, newly appointed Directors are provided with a formal appointment letter setting out the terms of appointment, general duties and obligations of a Director pursuant to the relevant legislations and regulations. They are also given the relevant governing documents of the Company, meetings schedule and contact particulars of senior Management. From FY2019, those without prior experience as a director of a Singapore listed company, are required to attend SGX-ST prescribed training on the roles and responsibilities as a director of a listed company in Singapore.

Non-executive Directors who are newly appointed may not be familiar with the Group's business. Upon recommendation, they may be provided with orientation through overseas trips to familiarise them with the Group's operations, including briefing(s) by Management on the Group's business as well as governance practices.

CORPORATE GOVERNANCE REPORT

1.5 FY2019 External Training for Directors

External courses/seminars attended by certain Director(s) in 2019 include the following:

- (1) Audit Committee Seminar 2019: The Audit Committee in the New Normal (January 2019);
- (2) Listed Entity Director Essentials (March 2019);
- (3) Auditing and Disrupting Technologies Impact on Internal Audit (April 2019);
- (4) Audit Committee Essentials (May 2019);
- (5) Singapore Governance and Transparency Forum (August 2019); and
- (6) SIAS-Global Corporate Governance Conference – Technology – The New Face of Corporate Governance? (September 2019).

A recently appointed Non-executive Independent Director underwent a listed director course in March 2019, and visited the Group's facilities in Marunda and Sentul, Indonesia in October 2019.

1.6 Matters Requiring Board Approval

The Company's Internal Guidelines specify matters requiring Board approval, which include the following corporate events and actions:

- approval of results announcements
- approval of the annual report and financial statements
- dividend declaration/proposal
- convening of members' meetings
- shares issuance
- material acquisitions and disposal of assets
- annual budgets
- interested person transactions
- corporate governance

1.7 Committees Established by the Board

Committees established by the Board ("Board Committees") comprise the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC") with written terms of reference which clearly set out the authority and duties of each committee.

While the Board Committees have been delegated power to make decisions within the authority delegated to the respective committees, the ultimate responsibility for the decisions and actions rests with the Board as a whole.

Pages 27 to 42 of this report sets out further information on these Board Committees.

1.8 Composition of the Board and Board Committees

At present, a total of 8 Directors sit on the Board. Their position(s) in the Company, membership (if any) on the Board Committees and directorship role are shown below:

| Name | Position(s) | Executive/Independent Director |
|------------------------------------|--|-------------------------------------|
| Franky Oesman Widjaja | Chairman and CEO Member of NC and RC | Executive Director |
| Muktar Widjaja | President | Executive Director |
| Rafael Buhay Concepcion, Jr. | CFO | Executive Director |
| Lew Syn Pau | Lead Independent Director Chairman of AC Member of NC and RC | Non-executive, Independent Director |
| Foo Meng Kee | Chairman of NC and RC Member of AC | Non-executive, Independent Director |
| Christian G H Gautier De Charnacé | Member of AC | Non-executive, Independent Director |
| Kaneyalall Hawabhay ¹ | – | Non-executive, Independent Director |
| Khemraj Sharma Sewraz ² | – | Non-executive, Independent Director |

Please refer to pages 10 to 13 of this Annual Report for key information, including qualifications, on the Directors.

Notes:

1. Ceased as member of AC at conclusion of AM on 24 April 2019.
2. Appointed as Non-executive Independent Director on 15 November 2019.

Abbreviation:

CEO: Chief Executive Officer

CFO: Chief Financial Officer

1.9 Key Features of Board Processes

The Board and the respective Board Committees meet regularly on scheduled dates throughout the year to consider pre-set agenda items. To assist Directors in planning their attendance, Meeting dates together with agenda items for each new calendar year are notified to all Directors, before the start of that calendar year.

In addition to regularly scheduled meetings, ad-hoc meetings may be convened for specific purpose, if requested or if warranted by circumstances deemed appropriate by the Board. Participation by Directors at Meetings by teleconference or similar communication equipment is permitted under the Company's Constitution ("Constitution").

In between regularly scheduled meetings, matters that require the Board and/or Board Committees' approval are circulated to all Directors and/or respective Board Committee members, as the case may be, for their consideration by way of circular resolutions, as provided in the Constitution and the terms of reference of the respective Board Committees.

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1.10 Number of Meetings Held in 2019 and Attendance Record

In 2019, the Board met 6 times, with the year-end meeting focusing on annual budget and strategic issues; the Board Committees met a total of 10 times; and 1 shareholders' meeting being the Annual Meeting ("AM"), was held. The number of Board and Board Committee Meetings held and the attendance of Directors and Board Committee Members respectively, is disclosed below:

| Number of Meetings Attended by Members | | | | | | |
|--|----------------|-------------|-------------|-------------|----------|------------------------------|
| Name | Board Meetings | AC Meetings | NC Meetings | RC Meetings | AM | Total Attendance at Meetings |
| Executive Directors | | | | | | |
| Franky Oesman Widjaja | 6/6 | – | 3/3 | 2/2 | 1/1 | 12/12 |
| Muktar Widjaja | 5/6 | – | – | – | 1/1 | 6/7 |
| Rafael Buhay Concepcion, Jr. | 6/6 | – | – | – | 1/1 | 7/7 |
| Non-Executive Independent Directors | | | | | | |
| Lew Syn Pau | 6/6 | 5/5 | 3/3 | 2/2 | 1/1 | 17/17 |
| Foo Meng Kee | 6/6 | 5/5 | 3/3 | 2/2 | 1/1 | 17/17 |
| Christian G H Gautier De Charnacé | 6/6 | 5/5 | – | – | 1/1 | 12/12 |
| Kaneyalall Hawabhay ¹ | 6/6 | 2/2 | – | – | 1/1 | 9/9 |
| Khemraj Sharma Sewraz ² | 1/1 | – | – | – | – | 1/1 |
| William Chung Nien Chin ³ | 5/5 | – | – | – | – | 5/6 |
| Number of Meetings Held | 6 | 5 | 3 | 2 | 1 | 17 |

Notes:

1. Ceased as member of AC at conclusion of AM on 24 April 2019.
2. Appointed as Non-executive Independent Director on 15 November 2019.
3. Resigned as Non-executive Independent Director on 15 November 2019.

1.11 Complete, Adequate and Timely Information

To enable Directors to make informed decisions and discharge their duties and responsibilities, Management recognises its role to provide the Board with complete, adequate and timely information prior to Meetings and on an on-going basis.

It is a standard procedure that Directors review the Meeting Papers prior to a Meeting. Papers for each Board, Board Committee and Shareholders Meeting are uploaded to a digital Board portal before a Meeting, for Directors to access from their tablets.

Management, the Company's auditors and other professionals who can provide additional insights into the matters to be discussed at Board and Board Committee Meetings are invited to be present at these meetings, where necessary.

Management provides the Board with financial statements and management reports of the Group on a quarterly basis. Explanations are given by Management for material variance (if any) between any projections in the budget and actual results.

Separate and independent access to the Company's Management is available to all Non-executive Independent Directors if they have queries in addition to that provided.

1.12 Company Secretary

The Directors may separately and independently contact the company secretary or the Singapore company secretariat who attends and prepares minutes for all Board meetings. The company secretary's role is defined which includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with.

The appointment and removal of the company secretary are matters requiring Board approval.

1.13 External Advice

Where Directors, either individually or as a group, in furtherance of their duties, require external advice, the company secretary or the Singapore company secretariat can assist them to do so, at the Company's expense.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background on its composition to make decisions in the best interests of the company.

2.1 Director Independence

There is a strong and independent element on the Board with more than half of the Board comprising Independent Directors (5 out of 8) as reflected under item 1.8 above. This is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures discussion and review of key issues and strategies in a critical yet constructive manner.

When determining a Director's independence, the NC and Board considers the following circumstances:

- (1) Listing Manual;
- (2) The Code; and
- (3) Any other circumstance or relationship which might impact a Director's independence, or the perception of his independence.

The 5 Independent Directors have nil relationship with the Company, its related companies, its substantial shareholders, or their officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Group, and they are able to exercise objective judgement on corporate affairs independently from Management and its substantial shareholders.

Each year, the Board examines its size, composition, skills and core competencies of its members to ensure an appropriate balance and diversity of skills, experience and knowledge. The Board comprises Directors from different industries and background, with business and management experience, knowledge and expertise who, collectively as a group provides the core competencies for the leadership of the Company. The Company has no alternate Directors on its Board.

Taking into account the scope and nature of operations of the Group, the Board considers that the current composition mix and size is appropriate to facilitate effective decision making at meetings of the Board and Board Committees.

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2.2 Non-executive Directors

A key duty of the Board is to set objectives and goals for Management, monitor the results, and assess and remunerate Management on its performance. Executive Directors who are part of Management may face conflicts of interest in these areas. To avoid undue influence of Management over the Board and ensure that appropriate checks and balances are in place, Non-executive Directors comprise more than half of the Board (5 out of 8).

If deemed necessary by the Lead Independent Director, the Non-executive Independent Directors are invited to hold discussions amongst themselves without the presence of other Executive Directors and Management.

2.3 Lead Independent Director ("LID")

The AC Chairman acts as a LID. A LID has the following additional role:

- (1) LID is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate;
- (2) Plays an additional facilitative role within the Board;
- (3) Where necessary, he may also facilitate communication between the Board and shareholders or other stakeholders of the Company; and
- (4) Providing a channel to Non-executive Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary.

The LID may be contacted through office phone number +65 6590 0805.

2.4 Board Diversity Policy

In support of the principles of good corporate governance, the Board has adopted a Board Diversity Policy relating to Directors appointment and Board composition. By practicing diversity at Board level, the Directors believe that such differences may, collectively, enhance the attainment of corporate strategic objectives and to reach greater heights of achievement. However, it is noted that differences should be appropriately balanced so that the Board can function as a whole, and effectively within its leadership role in the Company. All Board appointments are based on merit of candidates.

During FY2019, the NC reviewed a matrix of the composition and skills of the existing Board, and submitted its recommendation to the Board to seek improvement for gender diversity at the Board level.

The NC will review the Company's progress on its recommendation.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

3.1 Chairman and Chief Executive Officer

Our Chairman and CEO is Mr. Franky Oesman Widjaja. We believe that the Independent Directors have demonstrated a high commitment in their roles as Independent Directors and have ensured that there is a good balance of power and authority within the Board.

The overall role of the Chairman is to lead and ensure the effectiveness of the Board. This includes:

- (a) promoting a culture of openness and debate at the Board;
- (b) facilitating the effective contribution of all Directors; and
- (c) promoting high standards of corporate governance.

The Board notes that the Chairman plays an instrumental role in developing the business of the Group and provides the Group with strong leadership and vision.

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- 3.2** To address the issue of the Chairman and CEO positions being held by the same person, the LID position and role were created, as set out in item 2.3 above, where, in addition to holding the position of AC Chairman, he is also a member of the NC and RC. Further, all Board Meetings are chaired in Mauritius by a Non-executive Independent Mauritius Director; and all Board Committees are chaired by a Non-executive Independent Director.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

4.1 Nominating Committee Composition and Role

The NC comprises the following 3 Directors, 2 of whom, including the NC Chairman, are Non-executive Independent Directors:

| | |
|-----------------------|---------------|
| Foo Meng Kee | (NC Chairman) |
| Lew Syn Pau | |
| Franky Oesman Widjaja | |

The NC's terms of reference sets out its roles and responsibilities. The NC is primarily responsible for:

- (a) identifying and nominating for the approval of the Board, all Board appointments including candidates to fill Board vacancies as and when they arise; and
- (b) reviewing the independence element on the Board annually.

The NC is also responsible for making recommendations to the Board:

- (a) as regards the re-appointment, re-election and re-nomination of any Director, and succession planning;
- (b) concerning performance criteria and related evaluation processes;
- (c) regarding training and development programmes for Directors;
- (d) concerning any matters relating to the continuation in office of any Director at any time; and
- (e) concerning Board diversity.

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4.2 Selection, Appointment and Re-appointment of Directors

All new Board appointments are considered, reviewed and recommended by the NC first, before being brought up to the Board for approval. Potential candidates to fill casual vacancies are sourced with recommendations from Directors, Management or external consultants. Upon the NC's recommendation, the Board approves the new appointment. In the event that the membership of the NC falls below the minimum number of 3 members, the NC shall be dissolved, and any new nominations are channeled directly to the Board for approval after which the NC is reconstituted with the requisite number of members.

When evaluating a shortlisted candidate's suitability for appointment, the NC will carry out interview(s) with the candidate to consider, inter alia, the candidate's competencies, commitment, independence, ability and potential to contribute to the Board's effectiveness.

The NC refers to a comprehensive checklist to ensure that basic standard criteria as well as the Board Diversity Policy are considered during this process of appointment or re-appointment.

4.3 FY2019 Director Movements

In order to refresh the AC and keep its size to 3 members, Mr. Kaneyalall Hawabhay ceased as a member of the AC at the conclusion of the AM in April 2019.

In November 2019, Mr. William Chung Nien Chin resigned as a Director, and Mr. Khemraj Sharma Sewraz was appointed as a Non-executive Independent Director. The Board had approved the new appointment upon recommendation of the NC after due consideration being given to the relevant facts, including the depth of experience, qualifications, independence, level of commitment and contribution of Mr. Khemraj Sharma Sewraz in the role. Mr Khemraj Sharma Sewraz was introduced by a fellow Independent Director for possible directorship in the Company.

4.4 Director Independence Review

The Board has adopted the definition of "independence" in the Code in its review.

An "independent" Director is one who is independent in conduct, character and judgement, and has no relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

In addition, consideration is given to the 2012 Code of Corporate Governance which requires that the independence of any Director who has served on the Board beyond 9 years from the date of first appointment, be subject to particularly rigorous review ("Rigorous Review").

Further, the Listing Manual sets out specific circumstances in which a director is deemed non-independent, including, effective on 1 January 2022, the requirement for directors wishing to remain as independent after serving more than 9 years, to seek 2-tier voting by shareholders.

Bearing in mind the above, the NC determines on an annual basis and, as and when the circumstances require, the independence of an Independent Director. To facilitate NC review, each Independent Director is required to complete a self-declaration checklist at the time of appointment, and annually, based on the above independence criteria.

Having conducted its review, including Rigorous Review, the NC / Board has considered that the following 5 Directors are regarded as Independent Directors of the Company:

Lew Syn Pau*
 Kaneyalall Hawabhay*
 Foo Meng Kee
 Christian G H Gautier De Charnacé
 Khemraj Sharma Sewraz

Each Independent Director duly abstained from the NC / Board's determination of his independence.

*Please see item 4.5 below on Rigorous Review.

4.5 Rigorous Review

The Board recognises that over time, an Independent Director may develop a better understanding of, and obtain greater insights into, the Group's business, operations and culture. And despite having served an increasing number of years, or beyond 9 years, as an Independent Director, he can still continue in his role to provide significant and valuable contribution to the Board as a whole, and as an independent and objective check on Management. Where there are such Directors serving as an Independent Director beyond 9 years, the NC and the Board will do a Rigorous Review of their continuing contribution and, particularly, their independence.

Both Mr. Lew Syn Pau and Mr. Kaneyalall Hawabhay ("2IDs") have served as a Non-executive Independent Director beyond 9 years, and are therefore subject to the Rigorous Review.

During the NC and Board's Rigorous Review they looked at, amongst others, the 2IDs participation at Meetings; interaction with and questions posed to Management. It was noted that each of the 2IDs had diligently carried out their roles and discharged their duties in a professional and objective manner, and ensuring the exercise of independent judgement in their views on sensitive matters.

Additionally, the Rigorous Review procedure required each of the 2IDs to provide reason(s) why they should be considered independent despite having served beyond 9 years. They also confirmed not having any relationship that could interfere with their exercise of independent judgement in the best interest of the Company.

After taking into account these factors, the NC's views and having weighed the need for Board refreshment against tenure, the Board has considered and determined that each of the 2IDs be regarded as Independent Directors of the Company, notwithstanding having served beyond 9 years.

4.6 Re-appointment and Re-election at 2020 AM

Under Section 138 of the Companies Act 2001 of Mauritius ("Sec138"), the office of a Director shall become vacant at the conclusion of the AM commencing next after the Director attains the age of 70 years, and he shall be subject to yearly re-appointment.

Newly appointed Directors hold office until the next AM and shall be eligible for re-election thereat pursuant to Article 96 of the Constitution ("Art96").

Pursuant to Rule 720(5) of the Listing Manual ("R720"), all Directors must submit themselves for re-appointment at least once every 3 years.

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The Directors seeking for re-appointment at the coming 2020 AM pursuant to the respective regulation stated above, are:

- (i) Mr. Kaneyalall Hawabhay, Mr. Christian G H Gautier De Charnacé and Mr. Foo Meng Kee will each retire at the 2020 AM under Sec138 and, being eligible, has each offered himself for re-appointment as a Director thereat;
- (ii) Mr. Khemraj Sharma Sewraz, who was appointed by the Board in November 2019, will retire at the 2020 AM under Art96, and, being eligible, has offered himself for re-appointment thereat; and
- (iii) Mr. Lew Syn Pau, being eligible, has offered himself for re-appointment at the 2020 AM under R720.

The NC has recommended each of the above Directors' re-appointment as a Director at the 2020 AM.

In its deliberation on the re-appointment of Directors who, being eligible, have offered themselves for re-appointment, the NC takes into consideration the Director's attendance, participation, contribution, commitment and performance during the previous year, as well as his independence.

Each member of the NC has abstained from participating in deliberations and voting on any resolutions in respect of his re-appointment as Director.

4.7 Directors' Time Commitments and Multiple Directorships

The Board believes that each Director, when accepting new appointments or who already sit on multiple boards, has the individual responsibility to personally determine the demands of his competing directorships and obligations, and ensure that he can allocate sufficient time and attention to the affairs of each company. Annually, the NC assesses and reviews each Director's attendance record and his ability to allocate sufficient time and attention to the affairs of the Company. The NC is satisfied with the time commitment and effort made by each Director to attend meetings in 2019. Directors with multiple board representation made sure to allocate time to attend to the Company's affairs.

To address the competing time commitments faced by Directors serving on multiple boards, the Board has determined that the maximum number of listed company board representations which any Director may hold is 6 (including the Company). Currently, the maximum number of directorships in Singapore listed companies, including the Company, held by an Independent Director is 6, and of that held by an Executive Director is 3.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

5.1 Assessing Board Performance

The NC is tasked to carry out the processes as implemented by the Board for assessing the effectiveness of the Board as a whole, and the contribution by each individual Director to the effectiveness of the Board, on an annual basis.

The Company has in place a system to assess the effectiveness / performance of the Board and acts, where appropriate, on feedback from Board members, on improvements.

During the annual evaluation process, each Director is required to complete the respective forms for self-assessment as well as for assessment of the performance of the Board, based on pre-determined approved performance criteria.

The NC will review for any added assessments of Board Committees, and make appropriate, recommendation(s) to the Board.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

6.1 Remuneration Committee Composition and Role

The RC comprises the following 3 Directors, a majority of whom, including the RC Chairman, are Non-executive Independent Directors:

| | |
|-----------------------|---------------|
| Foo Meng Kee | (RC Chairman) |
| Lew Syn Pau | |
| Franky Oesman Widjaja | |

The Board views that the current RC composition is adequate as a majority of its members are independent; and the RC Chairman is non-executive and independent.

The RC's roles and responsibilities are described in its terms of reference. The duties of the RC include reviewing and recommending to the Board for approval, the following:

- (a) a general framework of remuneration for the Board and key management personnel;
- (b) the specific remuneration packages for each Director and key management personnel; and
- (c) the Company's obligations arising in the event of termination of Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC may, during its annual review of remuneration of Directors and key management personnel, seek advice from external remuneration consultants as and when it deems necessary.

None of the members of the RC is involved in deliberations in respect of any remuneration, fee, compensation, incentives or any form of benefits to be granted to him.

6.2 Long-term Incentive Scheme

Currently, the Company does not have any long-term incentive schemes, including share schemes.

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Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

7.1 Remuneration of Executive Directors and Key Management Personnel

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate.

The remuneration structure for Executive Directors and key management personnel consists of (a) fixed remuneration, (b) variable bonus and/or (c) other benefits. Executive Directors do not receive Directors' fees.

The extent of an individual's performance and contributions towards the achievement of corporate objectives and targets, for the year under review, will largely determine that individual's variable bonus component. Other determinants of the level of remuneration include the Group's performance, industry practices, individual's contribution through engagement with governmental authorities and other stakeholders, and personal advancement of an appropriate work and corporate culture including sustainable practices.

The use and application of clawback provisions in remuneration contracts of Executive Directors and key management personnel is subject to further consideration by the Company.

7.2 Remuneration of Non-Executive Independent Directors

Non-executive Independent Directors receive Directors' fees, which are subject to shareholders' approval at AMs ("Directors' Fees").

Directors' Fees are structured according to the roles performed by the Non-Executive Independent Director, basing the payment on a scale of fees comprising a base fee, and fee as AC Chairman, AC member, RC Chairman, RC member, NC Chairman and NC member. In respect of such additional roles, fee for acting as LID was introduced in FY2019. If a Non-executive Independent Director occupies a position for part of the financial year, the relevant fee(s) payable will be pro-rated accordingly.

Directors' Fees are reviewed annually by the RC and/or the Board, taking into consideration contributions, regulatory changes, responsibilities, and market benchmarks.

The RC, with the concurrence of the Board, has recommended that an aggregate amount of S\$450,586 as Directors' Fees be paid to the Non-executive Independent Directors for FY2019. These fees will be tabled for shareholders' approval at the 2020 AM.

Principle 8: Disclosure on Remuneration

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

8.1 Directors' Remuneration

The Directors' remuneration for FY2019 in bands of S\$250,000 is set out in the table below:

| Name of Directors | Fixed Salary | Bonus paid or payable/Benefit | Directors' Fees | Total |
|--|--------------|-------------------------------|-----------------|-------|
| Executive Directors | | | | |
| S\$4,000,000 to below S\$4,250,000 | | | | |
| Franky Oesman Widjaja | 30.0% | 70.0% | – | 100% |
| S\$1,750,000 to below S\$2,000,000 | | | | |
| Muktar Widjaja | 49.7% | 50.3% | – | 100% |
| S\$1,500,000 to below S\$1,750,000 | | | | |
| Rafael Buhay Concepcion, Jr. | 35.0% | 65.0% | – | 100% |
| Non-Executive Independent Directors | | | | |
| Below S\$250,000 | | | | |
| Lew Syn Pau | – | – | 100% | 100% |
| Foo Meng Kee | – | – | 100% | 100% |
| Christian G H Gautier De Charnacé | – | – | 100% | 100% |
| Kaneyalall Hawabhay ¹ | – | – | 100% | 100% |
| Khemraj Sharma Sewraz ² | – | – | 100% | 100% |
| William Chung Nien Chin ³ | – | – | 100% | 100% |

Notes:

1. Ceased as member of AC at conclusion of AM on 24 April 2019.
2. Appointed as Non-executive Independent Director on 15 November 2019.
3. Resigned as Non-executive Independent Director on 15 November 2019.

Variable bonus is based on performance in the same financial year.

Each Director's remuneration is expressed in bands of S\$250,000 with a percentage breakdown. The Company believes that rather than disclosing to the nearest dollar, the current form of disclosure is good indication of each Director's remuneration package, as remuneration continues to be a sensitive issue.

CORPORATE GOVERNANCE REPORT

8.2 Remuneration of Top 5 Key Management Personnel

The top 5 key management personnel who are not Directors of the Company ("KMP") as at 31 December 2019 are as follows:

Jo Daud Dharsono
 The Biao Ling
 Hemant K. Bhatt
 Paul John Hickman
 Jesslyne Widjaja

The remuneration of a KMP who is also an IFM (as defined below) is disclosed in item 8.3 below. Save for this, the Company, having taken into account that some of the above KMPs are employed and remunerated by the Company's Indonesian subsidiaries; the relevant personnel's comments; and the size of the Company and the Group's scope of business, does not believe it to be in its interest to disclose the KMPs' remuneration, due to the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Group's business. In addition, such disclosure of specific remuneration information may encourage inappropriate peer comparisons and discontent, and may, in certain cases, give rise to recruitment and talent retention issues.

In view of the abovementioned reasons, the Company believes that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the above KMPs' remuneration.

8.3 Remuneration of Employees who are Substantial Shareholders of the Company, or are Immediate Family Members of a Director/CEO ("IFM") or a Substantial Shareholder of the Company

The remuneration of employees who are immediate family members of a Director or the CEO, and whose remuneration exceeds S\$100,000 for FY2019, being two, Ms. Jesslyne Widjaja and Ms. Emmeline Widjaja, the daughters of the CEO, is as follows:

| Remuneration Band | Number |
|------------------------------|---------------|
| S\$1,000,000 to S\$1,250,000 | 1 |
| S\$250,000 to S\$500,000 | 1 |

Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja are brothers.

Other than disclosed above, none of the Directors or Substantial Shareholders had immediate family members who were employees and whose remuneration exceeded S\$100,000 for FY2019.

IFM remuneration is disclosed in applicable bands of S\$250,000, instead of bands of S\$100,000, due to continuing sensitivity surrounding the issue of remuneration. The Company believes that the current format of disclosure in bands of S\$250,000, is sufficient indication of each IFM's remuneration package.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

9.1 Responsibilities for Risk Management and Internal Controls

The Board is ultimately responsible for the governance and oversight of risk by ensuring that Management maintains a sound system of risk management and internal controls, to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives. The AC assists the Board in carrying out its responsibility for risk management and internal controls.

9.2 The Enterprise Risk Management ("ERM") Committee ("ERMC")

The ERMC assists Management in its role of managing risks, as part of the Group's efforts to strengthen its risk management processes and enable accountability for its adequacy and effectiveness. The ERMC currently comprises the following senior Management:

| | | |
|------------------------------|---|---|
| Franky Oesman Widjaja | – | Chairman and CEO |
| Rafael Buhay Concepcion, Jr. | – | CFO |
| Jo Daud Dharsono | – | Head of Upstream Operations |
| Hemant K. Bhatt | – | Head of Downstream and Commercial |
| Pedy Harianto | – | Head of Controllershship and Compliance |

The ERMC reports to the AC which, in turn, reports to the Board. Further details on the Group's ERM activities including its key risk exposures are discussed in a separate section under "Enterprise Risk Management" on pages 51 to 53 of this Annual Report.

The Company's risk management process comprises of a disciplined and repeatable interaction structure that facilitates active involvement by the Board in risk evaluation of strategic alternatives and operational decisions. These structures serve as a forum for the Management to highlight both favourable and adverse factors affecting the business and its performance and associated risks, and in turn creates visibility for the Board and relevant stakeholders. The Board members and Management collectively determine the materiality of the risks and appropriate strategies to address them following which appropriate risk governance structures are constituted. Governance policies are reviewed and approved by at least one Board member and one or more members of the senior Management team.

9.3 Internal Controls

The Company's Controllershship and Compliance department ("CCD") formulates internal controls for implementation in the various business units. The CCD also requires business units to submit reports to monitor compliance with the significant internal control policies. In turn, the CCD reports to the Management.

The Company's internal auditors assist the AC in ensuring that the Management maintains a sound system of internal controls. The internal audit function reviews the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls established by Management. The AC, Chief Internal Auditor ("CIA") and Management review and discuss notable internal audit findings, recommendations and status of remediation, during the quarterly AC meetings.

CORPORATE GOVERNANCE REPORT

Furthermore, in the course of the statutory audit, the external auditors also perform a review of the adequacy and effectiveness of the Group's key internal controls to the extent of their scope as laid out in their audit plan. Significant non-compliance and internal control weaknesses noted during the audit are reported to the AC together with the recommendations of the external auditors.

9.4 Assurance from the CEO and CFO

The Board provided negative assurance confirmation pursuant to Rule 705(5) of the Listing Manual for the interim financial statements. For the FY2019 financial statements of GAR and its subsidiaries, the CEO and the CFO have provided assurance to the Board on their integrity and fairness.

In turn, the CEO and CFO have obtained relevant assurances on corporate governance from the business heads in the Group, as follows:

(a) **Financial Records**

The financial records of the Group for FY2019 have been properly maintained and the FY2019 Financial Statements give a true and fair view of the Group's operations and finances in accordance with the applicable financial reporting framework that are free from material misstatement; and

(b) **Risk Management and Internal Controls**

The internal controls, including financial, operational, and information technology controls, and risk management systems in place within the Group are adequate and effective in addressing the material risks in the Group in its current business environment.

9.5 Commentary on Adequacy and Effectiveness of Risk Management Systems and Internal Controls

The AC undertakes an annual assessment regarding the adequacy and effectiveness of the risk management systems and internal controls of the Group.

The Board is satisfied that there is appropriate and adequate review by the AC of the adequacy and effectiveness of the Company's internal controls and risk management systems established by Management. In its review, the AC had been assisted by the ERM, the internal auditors and the external auditors.

On the basis of the assurance received from the CEO and CFO, as well as the ERM framework established and maintained by the Company, the work performed by the ERM, internal auditors and external auditors, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risk management systems, are adequate and effective to meet the needs of the Group in its current business environment.

The Board noted that the Company's systems of internal controls and risk management provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledged that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 10: Audit Committee

The Board has an audit committee which discharges its duties objectively.

10.1 Audit Committee Composition and Role

The AC comprises the following 3 Directors, all of whom, including the AC Chairman, are Non-executive Independent Directors:

| | |
|-----------------------------------|---------------|
| Lew Syn Pau | (AC Chairman) |
| Foo Meng Kee | |
| Christian G H Gautier De Charnacé | |

The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC. None of the members of the AC were previous partners or directors of our external auditors, Moore Stephens LLP, and none of the members of the AC hold any financial interest in Moore Stephens LLP.

The AC has full access to and co-operation of Management and full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the AC to discharge its functions properly.

The AC's roles and responsibilities are described in its terms of reference. The AC has the explicit authority to investigate any matter within its terms of reference. In addition to its statutory functions, the AC considers and reviews any other matters as may be agreed to by the AC and the Board. In particular, the duties of the AC include:

- (a) reviewing significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;
- (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements of the Group;
- (d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- (e) making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors; and
- (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; ensuring that the Company publicly discloses and clearly communicates to employees and other stakeholders the existence of a whistle-blowing policy and procedures for raising such concerns.

10.2 Integrity of Financial Statements and Results Announcement

The AC reviewed with Management, and where relevant, with the external and internal auditors, the results announcements, annual report and financial statements, interested person transactions and corporate governance, before submission to the Board for approval and adoption.

In its review of the financial statements of the Group for FY2019 ("FY2019 Financial Statements"), the AC has discussed with the external auditors and Management on matters of significance which are included under "Key Audit Matters" in the Independent Auditor's Report. The AC is satisfied that those matters, ie. Valuation of investments in financial assets; and Accounting for derivative financial instruments, have been appropriately addressed. Furthermore, the external auditors did not raise any significant issue which will have a material impact on the interim financial statements previously announced by the Group.

The AC recommended to the Board the approval of the audited FY2019 Financial Statements. The Board has on 17 March 2020 approved the FY2019 Financial Statements.

CORPORATE GOVERNANCE REPORT

10.3 External Auditors' Independence

Taking cognizance that the external auditors should be free from any business or other relationships with the Group that could materially interfere with their ability to act with integrity and objectivity, the AC undertook a review of the independence of the external auditors. The external auditors, Moore Stephens LLP did not provide any non-audit services to the Group during FY2019. Fee for audit services to the external auditors is disclosed in the Notes to the FY2019 Financial Statements on page 108 of this Annual Report.

The AC reviewed the external audit plan and scope for FY2019. The AC also met with the external auditors without the presence of Management whereby the external can raise and discuss issues without restriction or interference.

The AC has recommended to the Board that the external auditors be nominated for re-appointment at the 2020 AM. In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Rules 712 and 715 of the Listing Manual.

10.4 Internal Audit

The Company has established an in-house internal audit function headed by the CIA, Mr. Ma Joe De Castro Perucho, who reports to the AC Chairman. On administrative matters, he reports to the CEO. The CIA has met the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing established by The Institute of Internal Auditors. The CIA provided the AC with the qualifications and experience of all internal auditors for their perusal.

The AC has authority over the hiring and removal of the CIA, including decision on his remuneration package.

The internal auditors established their annual audit plan and budget in consultation with, but independent of Management. The AC reviewed and approved the annual audit plan and budget for FY2019.

The internal auditors have unfettered access to the Group's documents, records, properties and personnel, including communication with the AC. The AC has met the CIA without the presence of Management and given the opportunity to discuss unreservedly any issue or concern affecting the internal audit function.

The AC is satisfied that the internal audit function is adequately resourced, qualified, experienced, and, has appropriate standing within the Company. It is also satisfied with the independence, adequacy and effectiveness of the internal audit function.

10.5 Whistle-Blowing Procedures

The Board is committed to uphold the Company's values and standards, and has put in place whistle-blowing procedures by which employees may, in confidence and without fear of retaliation, bring to the AC's attention, concerns or complaints about possible improprieties relating to matters of financial reporting or other matters.

Under these procedures, the AC may, if it deems appropriate, engage appropriate external independent advisors, at the Company's expense, to independently investigate concerns or complaints, and to take appropriate follow-up actions. Significant concerns or complaints are reported to the Board.

The Company is committed to treat all complaints as confidential, and the anonymity of the whistle-blower concerned will be maintained until the whistle-blower indicates that he or she does not wish to remain anonymous.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, positions and prospects.

11.1 Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that the Company's shareholders are treated fairly and equitably, and their rights are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to the Group's business which could be trade-sensitive or have a material impact on the Company's share price or value.

All shareholders of the Company are entitled to attend and vote at general meetings in person or by proxy. In 2017, the Constitution was amended to include provisions to facilitate the sending of documents, including circulars and annual reports, to shareholders, using electronic communications. In that year, the Listing Manual was also amended to allow such electronic communications by listed companies. Starting with the 2018 AM, the Company used electronic communications to transmit annual reports and other documents to shareholders. The annual report and other documents are made available on the Company's website¹, and all shareholders of the Company receive a letter on how to access the said documents. They also receive the printed notice of AM, proxy form and request form for printed copies of the annual report and appendices. The notice is also advertised in the newspapers and released via SGXNET.

11.2 Conduct of General Meetings

During the AMs which are held in Singapore, shareholders are given the opportunity to communicate their views and to engage the Board and Management on the Group's business activities and financial performance. Directors are encouraged to attend shareholder meetings. In particular, members of the AC, NC and RC and the external auditors are asked to be present to address questions at such meetings.

In 2017, the Constitution was amended to allow relevant intermediaries to appoint more than two proxies to attend, speak and vote at shareholder meetings. Such appointments were accordingly permitted by the Company starting with the 2018 AM.

At shareholder meetings, each distinct issue is proposed as a separate resolution. Absentia voting methods are currently not permitted, as the authentication of shareholder identity information and other related integrity issue still remain a concern.

In support of greater transparency and to allow for a more efficient voting process, the Company has been conducting electronic poll voting instead of voting by show of hands since the 2013 AM. With electronic poll voting, shareholders present in person or represented by proxy at the meeting will be entitled to vote on a "one-share, one-vote" basis. The voting results of all votes cast "for" and "against" and the respective percentages, in respect of each resolution, will be instantly displayed on-screen at the meeting. The detailed breakdown of results showing the total number of votes cast "for" and "against" each resolution and the respective percentages are announced via SGXNET and the Company's website after the AM.

The Company does not believe that it will necessarily benefit the Company by uploading minutes of general meetings on its corporate website, since such minutes are available to shareholders, upon their request.

¹ <https://goldenagri.com.sg/investors/financial-information/annual-reports/>

CORPORATE GOVERNANCE REPORT

11.3 Dividend Policy

The Company currently aims to declare future dividends of up to 30 percent of its underlying profit, i.e. profit attributable to owners of the Company after excluding net effect of net gain or loss from changes in fair value of biological assets and depreciation of bearer plants, exceptional items and other non-operating items. The declaration, amount and payment of future dividends will depend on many factors, including results of operations; cash flow and financial condition; expansion and working capital requirements; cash dividends received from subsidiaries; future prospects; and other factors deemed relevant by the Board and our shareholders.

The Board has recommended a proposed final dividend of S\$0.0058 per ordinary share for FY2019, subject to shareholders' approval at the 2020 AM.

Principle 12: Engagement with Shareholders

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

12.1 Engagement with Shareholders

All shareholders are valuable to us, their confidence and on-going support are the backbone of our success. We believe an open and active two-way communication is the key to maintain constructive relations with our investors. We aim to timely deliver thorough and up-to-date material information to the global investing community, to support informed investment decisions.

We have in place an Investor Relations department which is easily reachable through email investor@goldenagri.com.sg, calls or even through office visits. We also provide a comprehensive and updated website www.goldenagri.com.sg that includes a dedicated investor section as well as other corporate information and developments. Our Investor Relations activities are guided by the Investor Relations policy² to ensure regular, effective and fair communication with shareholders and the investment community in general.

The Company does not practice selective disclosure of material information. GAR conveys material information and, during FY2019, its quarterly results through announcements made on SGXNET, and is required to comply with the Listing Manual on the continuous disclosure obligations. Results and annual reports are announced and issued within the specified/stipulated period. All announcements are posted immediately on the Company's website³, upon release via SGXNET.

The Company has been announcing its quarterly results since 2003 to-date and, starting from 2007, conducts regular briefings and/or conference calls with analysts and the media. For the results announcements, we generate materials, including financial statements as well as management discussion and analysis in presentation slides and press releases. During these briefings, senior Management reviews the most recent performance, analysis, key value drivers and metrics, and shares the Company's insights and business strategy. The said materials are disseminated via SGXNET and also made available on the Company's website. On this occasion, analysts, fund managers and reporters have the opportunity to raise questions to our Management. While these meetings are largely undertaken by the Company's senior Management, the Chairman and CEO also meets analysts every year.

² <https://goldenagri.com.sg/wp-content/uploads/2018/03/GAR-IR-policy.pdf>

³ <https://goldenagri.com.sg/investors/sgx-filings/>

In addition, we offer direct and frequent access to our senior Management through one-on-one or group meetings, conferences, roadshows, calls and emails. Aside from direct meetings with equity and fixed income investors and analysts domestically and internationally, the Company frequently participates in investor conferences and roadshows in the region, such as in Singapore, Hong Kong, Bangkok, Kuala Lumpur, Jakarta and also in the U.S. and European countries. These facilitate us to strengthen existing relationships with long-term investors, understand their views and expectations of the Company as well as to tap new potential investors. We develop and maintain strong relationships with sell-side research analysts as they play an important role in informing and educating the investment community. We also arrange site visits to our plantations and refineries to provide investors and analysts with better understanding of our day-to-day operations; including sustainability initiatives.

12.2 Financial Calendar 2020

| | |
|----------------------|--|
| 28 February | Announcement of Full Year 2019 results |
| 6 April | Release of Annual Report 2019 |
| 27 April | Annual Meeting 2020 Proposed 2019 final dividend* |
| <hr/> | |
| 4 May 2020 | Last day for trading for cum dividend (scrip-less holders) |
| 6 May 2020 5:00 p.m. | Record date and time |
| 8 May 2020 | Books closure date |
| 18 May 2020 | Dividend payment date |
| <hr/> | |
| May** | Announcement of First Quarter 2020 results |
| August** | Announcement of Half Year 2020 results |
| November** | Announcement of Third Quarter 2020 results |
| February 2021** | Announcement of Full Year 2020 results |

Notes:

The above calendar may not list every corporate event.

* Subject to shareholders' approval at the 2020 AM.

** Indicative timeline. The exact dates will be notified two weeks in advance, which notifications will be released via SGXNET and posted on the Company's website: <https://goldenagri.com.sg/investors/ir-calendar/>

MANAGING STAKEHOLDER RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

13.1 Engagement with Stakeholders

We operate in a dynamic industry, which is why engagement and close collaboration with stakeholders is important. We take a proactive approach to stakeholder engagement. Our stakeholder engagement focuses on trying to better understand stakeholders' needs and concerns. At the same time, we want to build our stakeholders' understanding of our business and the realities of the palm oil industry on the ground.

CORPORATE GOVERNANCE REPORT

Operating and producing sustainable palm oil is facing complex and multi-faceted challenges, while our most important stakeholders also continuously evolve. We constantly review the way we communicate with our stakeholders. We believe that enhanced mutual understanding will support the development of more effective solutions and partnerships, which can better balance environmental protection with the economic and social needs of our stakeholders.

Through a stakeholder mapping exercise, we have identified the stakeholder groups that are fundamental to the sustainability of our operations, and which have a significant interest in the impact of our material sustainability topics. We adopt a tailored approach to ensure regular engagement with each of these groups.

Our Key Stakeholders



13.2 Key Areas of Focus in our Engagement with Stakeholders

We believe that enhanced mutual understanding will support the development of more effective solutions and partnerships, which can better balance environmental protection with the economic and social needs of our stakeholders.

Key areas of concerns and focus of our stakeholders as well as the ways in which we interact with our stakeholders and the outcomes of the engagement are fully detailed in our website⁴.

DEALINGS IN SECURITIES

The Company complies with Rule 1207(19) of the Listing Manual on dealings in securities, and has devised and adopted its own internal compliance code to provide guidance with regard to dealings in the Company's securities by the Company, its Directors and officers, including prohibition on dealing in the Company's securities on short-term considerations.

Dealings in the Company's securities are prohibited during the period commencing (i) two weeks before announcement of the Company's first, second and third quarter results (if the Company announces its quarterly results, whether required by the SGX-ST or otherwise) and (ii) one month before the announcement of the Company's half year and full year results (if the Company does not announce its quarterly results), and ending on the date of the announcement of the results. Such dealings in the Company as well as other listed companies' securities are also prohibited whilst in possession of unpublished material price-sensitive information in relation to those securities.

4 <https://goldenagri.com.sg/sustainability/sustainability-report/>

INTERESTED PERSON TRANSACTIONS

Particulars of interested person transactions required to be disclosed under Rule 907 of the Listing Manual are as follows:

| Name of interested person ("IP") | Nature of Relationship | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate* pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate* pursuant to Rule 920 (excluding transactions less than S\$100,000) |
|--|------------------------|---|---|
| | | FY2019 US\$ | FY2019 US\$ |
| PT Asuransi Sinar Mas | #1 | Nil | 6,342,955 |
| PT Bank Sinarmas Tbk ("BSM") | #1 | Nil | 21,549,319 #2 |
| PT Cakrawala Mega Indah ("CMI") | #1 | Nil | 30,910,700 #3 |
| PT Golden Energy Mines Tbk | #1 | Nil | 599,659 |
| PT Indah Kiat Pulp & Paper Tbk | #1 | Nil | 454,227 |
| PT Maritim Sinar Utama | #1 | Nil | 672,267 |
| PT Pindo Deli Pulp and Paper Mills | #1 | Nil | 140,160 |
| PT Rolimex Kimia Nusamas ("RKN") | #1 | Nil | 64,908,268 #4 |
| PT Roundhill Capital Indonesia ("RCI") | #1 | Nil | 15,680,925 #5 |
| PT Royal Oriental | #1 | Nil | 1,550,222 |
| PT Sinar Jati Mitra | #1 | Nil | 476,772 |
| PT Sinar Mas Tjipta | #1 | Nil | 770,000 |
| Total | | Nil | 144,055,474 |

Notes:

* Renewed at GAR's Annual Meeting on 24 April 2019 pursuant to Rule 920 of the Listing Manual.

#1 These IPs are regarded as associates of GAR's controlling shareholder under Chapter 9 of the Listing Manual on interested person transactions.

#2 Time deposits and current account placements with BSM during the year. Principal amount of placements as at 31 December 2019 is approximately US\$8.06 million.

#3 Purchase of paper products and chemicals from CMI.

#4 Purchase of fertilizers and chemicals from RKN; sale of oleochemical products to RKN.

#5 Purchase of coal from RCI.

CORPORATE GOVERNANCE REPORT

ADDITIONAL REQUIREMENTS UNDER RULE 720(6) OF THE LISTING MANUAL

Information relating to Directors seeking re-election at the 2020 AM is as follows:

| Name of Director | Kaneyalall Hawabhay ("KH") | Christian G H Gautier De Charnacé ("CGDC") | Foo Meng Kee ("FMK") | Khemraj Sharma Sewraz ("KSS") | Lew Syn Pau ("LSP") |
|--|--|--|---|--|--|
| Date of Appointment | 27 May 2003 | 13 November 2018 | 2 November 2001; 25 April 2017 | 15 November 2019 | 24 May 1999; 31 December 2007 |
| Date of last re-appointment (if applicable) | 24 April 2019 | 24 April 2019 | 23 April 2018 | N/A | 25 April 2017 |
| Age | 72 | 70 | 70 | 69 | 66 |
| Country of principal residence | Mauritius | Thailand | Singapore | Mauritius | Singapore |
| The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process) | Please refer to item 4.6 on pages 33 and 34 of this Annual Report. | Please refer to item 4.6 on pages 33 and 34 of this Annual Report. | Please refer to item 4.6 on pages 33 and 34 of this Annual Report. | Please refer to item 4.6 on pages 33 and 34 of this Annual Report. | Please refer to item 4.6 on pages 33 and 34 of this Annual Report. |
| Whether appointment is executive, and if so, the area of responsibility | No | No | No | No | No |
| Job Title (e.g. Lead ID, AC Chairman, AC Member etc.) | Non-executive, Independent Director. | Non-executive, Independent Director. Member of AC. | Non-executive, Independent Director. Chairman of NC and RC, Member of AC. | Non-executive, Independent Director. | Non-executive, Independent Director. Lead Independent Director, Chairman of AC, Member of NC and RC. |
| Professional qualifications | Please refer to page 13 of this Annual Report. | Please refer to pages 12 and 13 of this Annual Report. | Please refer to page 12 of this Annual Report. | Please refer to page 13 of this Annual Report. | Please refer to page 12 of this Annual Report. |
| Working experience and occupation(s) during the past 10 years | | | | | |
| Shareholdings interest in the listed issuer and its subsidiaries | Nil | Please refer to item 3 on page 72 of this Annual Report. | Nil | Nil | Please refer to item 3 on page 72 of this Annual Report. |
| Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries | Nil | Nil | Nil | Nil | Nil |
| Conflict of interest (including any competing business) | Nil | Nil | Nil | Nil | Nil |
| Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer | Yes | Yes | Yes | Yes | Yes |

| Name of Director | Kaneyalall Hawabhay ("KH") | Christian G H Gautier De Charnacé ("CGDC") | Foo Meng Kee ("FMK") | Khemraj Sharma Sewraz ("KSS") | Lew Syn Pau ("LSP") |
|---|---|---|--|---|---|
| Other Principal Commitments* Including Directorships# | <p>Past (for the last 5 years)</p> <ul style="list-style-type: none"> Samena Capital Mauritius Management SC India Credit Management (Mauritius) <p>Companies liquidated:</p> <ul style="list-style-type: none"> Ascend Mauritius Services Company Falcon Mauritius I Ltd Falcon Mauritius II Ltd FEG Mauritius III Ltd FEG Mauritius Ltd FO Mauritius II Ltd FO Mauritius IV Ltd NSR Towers Mauritius, LLC <p>Companies in liquidation:</p> <ul style="list-style-type: none"> Enhanced Investment Products Aleph India Ltd Enhanced Investment Products India Ltd EW Special Opportunities Fund LLC Venus Multi-Strategy Fund (Mauritius) Limited Indiabulls Asset Management Mauritius <p>Present</p> <ul style="list-style-type: none"> Anchor Marine 2 Inc Anchor Marine 3 Inc Anchor Marine Inc Anchor Offshore Services Inc Apigen Investments Limited Bay Canyon Bay Canyon Holdings Catalys Ventures Cap Limited Claris Pharmservices Claris SteriOne CLSA (Mauritius) Limited EC Global Ltd Enhanced Index Fund PCC Ezion Exerter Limited FEG Mauritius FPI Ltd FEG Mauritius Holdings Ltd FEG Mauritius II Ltd FEI Mauritius Ltd FO Mauritius Holdings Ltd FO Mauritius I Ltd FO Mauritius III Ltd KKR Account Adviser (Mauritius) Ltd KKR Holdings Mauritius Ltd Mount Gardens Services Oracle Global (Mauritius) Ltd Select Property Holdings (Mauritius) Ltd Strategic Equipment Inc Teras Endeavour Limited Teras Lisa Limited Teras Titanium Ltd Victory Drilling | <p>Past (for the last 5 years)</p> <ul style="list-style-type: none"> BNP Paribas Capital (Singapore) Ltd (Dissolved Members' Voluntary Winding Up) BNP Equities Asia Limited BNP Paribas Equities (Asia) Limited BNP Paribas Capital (Asia Pacific) Limited Millennium & Cophorne Hotels PLC (delisted) <p>Present</p> <ul style="list-style-type: none"> PT BNP Paribas Sekuritas Indonesia | <p>Past (for the last 5 years)</p> <ul style="list-style-type: none"> Courage Investment Group Limited Jiutian Chemical Group Limited Lee Metal Group Ltd MK Ocean Pte Ltd MK Realty Pte Ltd MK Total Holdings Pte Ltd Sinarmas Land Limited Titan Petrochemicals Group Limited T-Ocean Designs & Services Limited <p>Present</p> <ul style="list-style-type: none"> Bund Center Investment Ltd MK Capital Pte Ltd MK Energy Navigation Pte Ltd MK Marine Pte Ltd MK Offshore Pte Ltd MK Oil & Gas Services Pte Ltd MK Ships Pte Ltd | <p>Past (for the last 5 years)</p> <ul style="list-style-type: none"> SG Financial Services Ltd Fairfield Trustees Ltd <p>Present</p> <ul style="list-style-type: none"> Crowe ATA Crowe Mozambique Limitada Chexsys Consulting Ltd HS Corporate Services Ltd Al Jawaaz Holdings Ltd | <p>Past (for the last 5 years)</p> <ul style="list-style-type: none"> Lafe (Emerald Hill) Development Ltd Capital Connections Pte Ltd Poh Tiong Choon Logistics Limited (delisted) Stanbridge BH Investment Limited (struck off) <p>Present</p> <ul style="list-style-type: none"> BIGL Asia Pacific Limited BIGL Asia Pte Ltd BIGL Enterprises (Singapore) Pte Ltd BIGL Enterprise Management (Beijing) Co., Ltd BIGL Holdings Pte Ltd BIGL Technologies (Thailand) Co., Ltd Broadway Industrial Group Ltd Food Empire Holdings Ltd Golden Energy and Resources Limited Oldham Alpha Investments Pte Ltd Oldham Sophia Investments Pte Ltd Stanbridge Enterprise Limited Stanbridge International Investments Limited Sinarmas Land Limited SUTL Enterprise Limited |

Notes:

* "Principal Commitments" has the same meaning as defined in the Code.

These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)

CORPORATE GOVERNANCE REPORT

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

| Name of Director | KH | CGDC | FMK | KSS | LSP |
|--|----|------|------------------|-----|------------------|
| (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? | No | No | No | No | No |
| (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? | No | No | No | No | No |
| (c) Whether there is any unsatisfied judgment against him? | No | No | No | No | No |
| (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose? | No | No | No | No | No |
| (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach? | No | No | No | No | No |
| (f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? | No | No | No | No | No |
| (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? | No | No | No | No | No |
| (h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? | No | No | No | No | No |
| (i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? | No | No | No | No | No |
| (j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: <ul style="list-style-type: none"> (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust? | No | No | Yes ¹ | No | Yes ² |
| (k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? | No | No | No | No | Yes ³ |

Notes:

- From 2 November 2001 to 26 April 2017, FMK was a non-executive independent director of Sinarmas Land Limited ("SML") (then known as Asia Food & Properties Limited ("AFP") and in 2001, AFP was investigated by the Commercial Affairs Department ("CAD"). As far as FMK is aware, the CAD had completed its investigations against AFP and no further action was taken against AFP. As far as FMK is aware, he was not the subject of any investigation and no action has ever been taken against him by the CAD.
- LSP is a director of SML and in 2001, SML (then known as AFP) was investigated by the CAD. As far as LSP is aware, the CAD had completed its investigations against AFP and no further action was taken against AFP. As far as LSP is aware, he was not the subject of any investigation and no action has ever been taken against him by the CAD.
- In 2005, LSP was investigated by the CAD and subsequently charged for breaching a section of the Companies Act in Singapore. However, in 2006, LSP was acquitted fully by the High Court of Singapore of the charge.

Enterprise Risk Management

Risk management is a key component of the Company's decision making process in a changing business environment. Enterprise Risk Management ("ERM") enables the Company to build resiliency and sustainability. It is an evolving process that requires constant monitoring as the Company grows. Whilst even the most comprehensive system of risk management and internal controls cannot fully eliminate all risks, the framework enhances the Company's understanding and articulation of risk-reward trade-offs for decision making that is commensurate with its risk tolerance.

The Board of Directors of the Company ("Board") is responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

In performing this responsibility, the Board is assisted by ERM Committee ("ERMC"), which was formed in 2013, and the Audit Committee. The role of ERMC role is to manage risks, as part of the Company's efforts to strengthen the risk management processes and enable accountability for its adequacy and effectiveness.

The ERMC currently comprises of five senior Management. They are the Chairman and CEO, CFO, Head of Upstream, Head of Downstream, and Head of Controllershship & Compliance.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Company operates an integrated business model that includes production, processing and marketing and sales of palm oil and its related products in its business segments. The integrated nature of our business model enables an enterprise-wide approach towards its management of risk. All of the activities that take place along the value chain are subject to a variety of risk factors. These risk factors affect not only our businesses, but may have an impact beyond the palm oil and agriculture industry as a whole.

The ERMC oversees risk management activities across the business segments and directs the efforts of the risk management teams to continually identify, evaluate and mitigate risks together with a focus on operational improvements appropriate for the business and external environment. Our activities are exposed to a baseline of business and strategic,

market, credit and operational risk factors. For each of these risk exposures, appropriate risk management strategies and internal controls are put in place to mitigate against such risk.

The Company's operations are prudently managed through a seasoned and commercially-focused management team that is supported by a risk management function with clear governance. Business and strategic, market, credit and operational risk management functions operate independently and centrally with a systematic approach to ERM and are aligned with industry best practices. The overall risk management framework provides senior Management and the ERMC with the ability to review these risks holistically and assess the balance between risk appetite and appropriate rewards in order to maximize shareholder returns.

The ERM Framework is managed through a disciplined structure of Steering Committees ("SC") and operational reviews called executive meetings ("EM") at the business unit levels. These meetings serve as forums for senior Management to review with the Executive Directors, matters concerning the discovery of new risks, analysis and evaluation of risks determined as material and appropriate metrics. The need for additional work streams is determined during these forums which may be subsequently be managed under separate governance structures, however progress is usually reported in the SC or EM and guidance/direction from the Executive Directors is sought.

Metrics that track key risks and mitigation measures are reported as part of operational performance reviews to ensure effectiveness of risk management processes. EM and SC meetings are held at least quarterly or more frequently, as required, during which the Executive Directors evaluate strategic opportunities and review the performance of various business units through a series of reports which contain quantified metrics and qualitative discussions.

KEY RISK EXPOSURES

The Company's business is exposed to the following types of key risks:

Business and Strategic Risk

Business and strategic risks relate to information utilised to make investment decisions that impact the Company's purpose and strategy leading to the inability to generate expected returns from capital expenditure.

ENTERPRISE RISK MANAGEMENT

Factors include macroeconomics, condition of financial markets, competitive pressure, commercial regulations in domestic and foreign jurisdictions, environmental regulations and geopolitics.

Market Risk

Market risk is risk to the Company's financial performance arising from the uncertainty of movements in commodity prices and foreign exchange rates.

Fluctuations in commodity prices

Global prices of our products tend to fluctuate. They are affected by the availability of agricultural commodities that are subject to uncontrollable factors affecting supply such as global weather conditions, and factors affecting demand such as changes in population growth, standards of living, global production of substitute and competitive crops, as well as crude oil prices. Other aspects like environmental and conservation regulations, tariffs, and natural disasters also play a part in the price determination.

The Company's market risk framework provides controls and ongoing management of key market risks inherent in its business activities. Risk limits are established centrally at the corporate level in accordance with the Company's risk appetite and allocated across business units. These limits include relevant business and performance related risk metrics and are tracked on a daily basis. A key statistical risk measure called Value-at Risk (VaR) is used to estimate the potential loss from adverse market moves in a normal market environment over a one-day holding period. We also constantly analyse and monitor the global demand and supply patterns for crude palm oil ("CPO") and other agricultural products to make prompt and informed decisions regarding our production and sales levels.

Fluctuations in the foreign currency

As a group with multiple subsidiaries located in different countries, GAR is exposed to foreign exchange fluctuation risk. We seek to manage our foreign currency exposure by constructing a natural hedge where it matches revenue and expenses in any single currency or through financial instruments, such as forward exchange contracts and cross currency swap contracts.

Our financial statements which are presented in US dollars, requires accounts of some of our subsidiaries to be translated to US dollars for consolidation purposes. Any fluctuations in currency exchange rates will result in exchange translation gains or losses.

Credit Risk

Credit risk is risk financial loss arising from the failure of a counterparty's ability and willingness to meet its contractual obligations.

With the nature of changes in the commodity prices, the task of monitoring the continued and consistent interest of GAR's counterparties in performing their buying commitment has been of utmost priority. Global macroeconomic conditions play a significant part in the continued volatility in the commodity and financial markets that accompany the changing conditions of counterparties we conduct business with.

The Company has a separate Credit Risk Team which is involved in the credit portfolio review. The team has implemented a process to periodically and regularly evaluate counterparties and review assigned limits.

Operating Risk

Operating risk is risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Poor weather conditions

Our fresh fruit bunch yield is very dependent on weather conditions in Indonesia. Excessive rainfall or extensive period of dry weather will lead to a decrease in the overall yield. Excessive rainfall generally leads to poor pollination of palms and reduces the effectiveness of fertilisers, while drought results in less fruit bunches and lower oil extraction rate. High levels of drought might also trigger fire outbreaks in the plantations.

We have implemented various measures at our plantations to reduce the impact of weather conditions on our plantations, including the construction of drainage and irrigation systems and roads and the establishment of certain planting patterns. Historically, CPO prices typically increase when supply is adversely affected by weather conditions, thereby reducing the impact of the decrease in supply. We also extend our efforts around long term fire prevention (see page 67 – "Progress in Our Responsible Palm Oil Journey").

Pest outbreak

Pest outbreak in our plantations may reduce production level, which may ultimately impact the Company's revenue and profitability. Generally, pests that attack oil palm trees are nettle caterpillar, rat, wild boar and ganoderma fungus.

We closely control and protect our plantations from pests. To specifically handle pest attack, we apply

integrated pest management approach that prioritises the use of biological controls over pesticide. Our agronomists from SMARTRI immediately give additional protective care to the trees that are attacked by pest to prevent dissemination.

Revocation or restriction of land rights granted by the Indonesian Government

Our plantations have been granted Hak Guna Usaha land rights (rights to cultivate land for agricultural purposes) by the Indonesian Government. Depending on the plantation, these rights could be extended for up to 95 years, and most will expire after year 2045. We also hold land rights in the form of Ijin Lokasi and Panitia B. These are intermediate land rights granted by the Indonesian Government during the initial stages of the land rights approval process. These rights are less than the full rights over the use of the lands represented by Hak Guna Usaha land rights.

We believe that we have complied with all relevant requirements in relation to the plantations and will take all necessary steps to ensure that our land rights for such plantations are extended.

Disruptions in transportation infrastructure

We depend on transportation services that partly are provided by external parties to transport raw materials to the processing and storage facilities as well as to deliver our products to customers. Disruption of transportation services arising from factors such as unfavourable weather conditions, labour unrest, significant downtime arising from major and unexpected repairs or any other events might impair our production process and affect the quality of its products and our ability to supply products to customers on time.

We continuously strengthen our internal transportation infrastructures in order to minimise dependence on external parties.

Commercial availability

Our business may be impacted by disruptions in the commercial availability of our internal (refining, crushing and processing facilities) and external assets (access to shipping, storage and pipeline facilities).

We implement key operational controls across our assets and facilities to ensure maximum commercial availability.

Changes in regulations by the Indonesian Government and/or importing countries

Regulations relating to palm oil in Indonesia such as export tax and levy as well as import tariffs,

taxes and other restrictions imposed by importing countries might impact the Company. In line with social and economic policies, from time to time, the government may impose new policies on the palm oil industry.

Import tariffs and taxes and other import restrictions imposed by importing countries will affect the demand for CPO and its derivative products, and can encourage substitution by other vegetable oils. If importing countries ban imports of CPO from Indonesia, tax competing substitute products, such as soybean oil, at a lesser tax rate, the competitiveness of imported CPO and derivative products can be adversely affected, which can affect the demand for and the price of our products.

We are actively involved in oil palm-related organisations and collaborate with industry stakeholders in providing positive inputs to the Indonesian government in order to create conducive regulations for the palm oil industry, and to other stakeholders both domestic and international.

The imposition and enforcement of more stringent environmental regulations

Our business is subject to a variety of laws and regulations that promote environmentally and socially sound operating practices. These regulations could become more stringent in the future. The government environmental agencies have the power to take action against us for failure to comply with applicable environmental regulations, including imposing fines and revoking licenses.

We are fully aware of the greater importance on environmental measures and regulations. We have a separate department that closely monitor and update current requirements of relevant regulations. We will ensure our compliance to relevant regulations to avoid any liabilities that may incur in the future.

Dependency on retaining key personnel and attracting additional qualified persons

Our continued success relies on the capabilities and experience of our Directors and senior Management. Competition for such key personnel is intense in the industry and the loss of any of our key personnel is a possibility.

In particular, the senior Management play an important role in maintaining relationships with our key employees as well as outlining and executing our overall business strategy.