

# 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 the long-term value of the Group to its shareholders and other stakeholders, with guidance from the revised Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 (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.

Described in this report, is the Company's corporate governance practices and structures in place during the financial year ended 31 December 2020 ("FY2020").

The principles of the Code are set out in italics in this report. Where the Company's practices vary from provisions of the Code, specific disclosures will be provided.

## **(I) BOARD MATTERS (Principles 1 to 5)**

### ***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, and works with Management to enhance the long-term success of the Group.

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. All Directors have taken 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.

## 1.4 Training and Orientation for New Directors

As a standard procedure, newly appointed Directors are issued with a formal appointment letter setting out the terms of appointment, general duties and obligations including expectations of the Company. They are also given the meeting schedule, contact particulars of senior Management, relevant governing documents of the Company, and a web address to the Listing Manual. Those without prior experience as a director of a Singapore listed company, are required to attend the Listed Entity Director programme being SGX-ST's prescribed training on the roles and responsibilities as a director of a listed company in Singapore.

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Non-executive Directors who are newly appointed may not be familiar with the Group's business. Upon recommendation, subject to prevailing restrictions brought about by the Coronavirus Disease 2019 (COVID-19) pandemic, 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.

## 1.5 FY2020 Training for Directors

By reason of the safety measures and restrictions brought about by the COVID-19 pandemic, attendance by Director(s) of external courses/seminars were mainly via online live webcast. Having attended the trainings, Directors in turn, shared their key takeaways from such courses / seminars with their fellow Directors at the subsequent Board meeting:

### External Training

- (1) Audit Committee Seminar 2020: Looking Beyond the Veneer of Numbers (January 2020 - onsite);
- (2) Listed Entity Director programme (May & July 2020 - online);
- (3) Singapore Governance and Transparency Forum (August 2020 - online);
- (4) AC Chairman Conversation: The role of the Audit Committee in Preventing Today's Risks from becoming Tomorrow's Headlines (September 2020 - online);
- (5) AC Chapter Pit-Stop Series: Intangible Assets in a Tangible World amidst Significant Economic Uncertainties (October 2020 - online);
- (6) SID Corporate Governance Roundup 2020 (November 2020 - online); and

### Internal / In-house Training conducted by External Counsel

- (7) Amendments to the Listing Manual effective 7 February 2020 (February 2020 – onsite).

## 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<sup>6</sup> ("AC"), the Nominating Committee<sup>7</sup> ("NC") and the Remuneration Committee<sup>8</sup> ("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.

## 1.8 Composition of the Board and Board Committees

Presently, 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	–	Non-executive, Independent Director
Khemraj Sharma Sewraz	–	Non-executive, Independent Director

Key information, including qualifications, on the Directors are found on pages 10 to 13 of this Annual Report.

Abbreviation:

CEO: Chief Executive Officer

CFO: Chief Financial Officer

6 See item 10.1

7 See item 4.1

8 See item 6.1

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## 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.

## 1.10 Number of Meetings Held in 2020 and Attendance Record

In 2020, 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. In view of the COVID-19 situation, meetings from the 2<sup>nd</sup> Quarter of 2020 onward were held via electronic means. The number of Board and Board Committee Meetings held and the attendance of Directors and Board Committee Members respectively, is disclosed below:

Name of Director	Number of Meetings Attended by Members					Total Attendance at Meetings
	Board Meeting	AC Meeting	NC Meeting	RC Meeting	AM	
<b>Executive Directors</b>						
Franky Oesman Widjaja	6/6	–	2/2	2/2	1/1	11/11
Muktar Widjaja	6/6	–	–	–	1/1	7/7
Rafael Buhay Concepcion, Jr.	6/6	–	–	–	1/1	7/7
<b>Non-Executive, Independent Directors</b>						
Lew Syn Pau	6/6	6/6	2/2	2/2	1/1	17/17
Foo Meng Kee	6/6	6/6	2/2	2/2	1/1	17/17
Christian G H Gautier De Charnacé	6/6	6/6	–	–	1/1	13/13
Kaneyalall Hawabhay	6/6	–	–	–	1/1	7/7
Khemraj Sharma Sewraz	6/6	–	–	–	1/1	7/7
<b>Number of Meetings Held</b>	<b>6</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>17</b>

### 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/half-yearly 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.

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## **Principle 2: Board Composition and Guidance**

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

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### **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:

- (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 declared 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.

## 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. The 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 FY2020, the NC reviewed the Company's progress on gender diversity at the Board level.

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## **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.***

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### **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.

- 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 also is 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.

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## **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.***

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### **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.

Changes to the Listing Manual on independence of Directors, in particular the “9-year rule” (as defined below), have been highlighted by the NC to the Board, and discussed for appropriate course of action.

#### **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. The requirement to maintain at least 2 Singapore-resident Independent Directors, and 2 Mauritius-resident Independent Directors on the Board are also factored in during the selection process.

#### **4.3 Director Independence Review**

The Board has adopted the definition of “independence” in both the Code and the Listing Manual, 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.

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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”).

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 (“9-year rule”), 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 4.4 below on Rigorous Review.

## 4.4 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 (“Mr. Lew”) and Mr. Kaneyalall Hawabhay (“Mr. Hawabhay”) (“2IDs”) have served as a Non-executive, Independent Director beyond 9 years, and are therefore subject to the Rigorous Review. This is the last year of Rigorous Review for the 2IDs prior to the “9-year rule” taking effect on 1 January 2022.

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.

In reviewing the independence of Mr. Lew, the NC considered that although Mr. Lew has served more than 9 years, he continues to demonstrate independence in character and exercise independent judgement in all matters relating to GAR.

During its review, the NC considered that Mr. Hawabhay, despite serving more than 9 years, has continued to diligently discharge his duties professionally and objectively. Further, NC noted that there was no action whatsoever which could jeopardise Mr. Hawabhay's independence or result in an independence issue.

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.

#### 4.5 Re-appointment and Re-election at the 2021 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.

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

The Directors seeking for re-appointment at the coming 2021 AM pursuant to the respective requirement stated above, are:

- (i) Mr. Foo Meng Kee, Mr. Christian G H Gautier De Charnacé and Mr. Khemraj Sharma Sewraz will each retire at the 2021 AM under Sec138 and, being eligible, have each offered himself for re-appointment as a Director thereat; and
- (ii) Mr. Muktar Widjaja, being eligible, has offered himself for re-appointment at the 2021 AM under R720.

The NC has recommended each of the above Directors' re-appointment as a Director at the 2021 AM.

In its deliberation on the re-appointment of Directors who, being eligible, have offered themselves for re-appointment, the NC took into consideration the Director's attendance, participation, contribution, commitment and performance during the previous year, and where applicable, the retiring Director's 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.

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## 4.6 Retirement of Independent Director with More Than 9 Years Service

At the conclusion of the 2021 AM, pursuant to Sec138, the office of Director held by Mr. Hawabhay shall become vacant. Mr. Hawabhay will not be seeking re-appointment as a Director at the 2021 AM, and the NC/Board has accepted his decision. Accordingly, Mr. Hawabhay shall cease to be a Director at the conclusion of the 2021 AM.

The Board accepts the decision of Mr. Hawabhay, who has served for over 17 years, and wishes to thank him for his dedicated service to the Company. The Company is in the process to appoint a new Mauritius-resident 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 2020. 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 5, and of that held by an Executive Director is 3.

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### **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.***

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## 5.1 Assessing Performances

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.

During FY2020, based on NC's recommendation, the Board approved formal assessment of Board Committees, and the respective performance criteria.

## (II) REMUNERATION MATTERS (Principles 6 to 8)

### **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	

Notwithstanding the RC is inclusive of one Executive Director, 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, including the Executive Director, is involved in deliberations in respect of any remuneration, fee, compensation, incentives or any form of benefits to be granted to him, or to his IFM (as defined in item 8.3).

#### **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.**

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### **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.

Total compensation for top Executives is also benchmarked against that by other major Singapore listed companies.

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 Relationship between Remuneration, Performance and Value Creation**

GAR's remuneration philosophy supports the Company's strategy and enables it to achieve its business objectives. To ensure the "reward for performance" principle, GAR aligns its strategic goals to performance indicators, sets proper targets, and identifies plans and actions to achieve value targets, monitors and finally reward performance achievement. There is an annual budget for all business units under GAR with comprehensive operational and financial targets, to enable a right set of culture and 'way of working' as follows:

- Alignment of objective – company wide
- Focus on the right result, prioritize the right actions to achieve that
- Driving the right day-to-day behaviour by linking rewards to results
- Proper rhythm for monitoring to ensure progress and accountability

Each business unit has a budget that reflects challenging yet achievable targets. Noting innovation drives optimum value creation, each business also has strategic targets to implement transformational initiatives that will significantly improve their overall operational capability and subsequent financial results.

The annual budget will then be cascaded down to each person within the organisation in the form of Key Performance Indicator ("KPI") target every year. Each person within the organisation will be assessed based on his/her actual achievement against the KPI.

### **7.3 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, NC member and fee for acting as LID. In respect of such additional roles, fee for chairing Board meetings in Mauritius was introduced in FY2020. 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\$413,153 as Directors' Fees be paid to the Non-executive, Independent Directors for FY2020. These fees will be tabled for shareholders' approval at the 2021 AM.

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## Principle 8: Disclosure of 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 FY2020 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
<b>Executive Directors</b>				
<b>S\$3,750,000 to below S\$4,000,000</b>				
Franky Oesman Widjaja	33.7%	66.3%	–	100%
<b>S\$1,750,000 to below S\$2,000,000</b>				
Muktar Widjaja	54.2%	45.8%	–	100%
<b>S\$1,250,000 to below S\$1,500,000</b>				
Rafael Buhay Concepcion, Jr.	41.9%	58.1%	–	100%
<b>Non-Executive, Independent Directors</b>				
<b>Below S\$250,000</b>				
Lew Syn Pau	–	–	100%	100%
Foo Meng Kee	–	–	100%	100%
Christian G H Gautier De Charnacé	–	–	100%	100%
Kaneyalall Hawabhay	–	–	100%	100%
Khemraj Sharma Sewraz	–	–	100%	100%

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.

### 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 2020 are as follows:

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

The total remuneration paid to the top 5 KMPs for FY2020 amounted to S\$6,855,123.

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 FY2020, being two, Ms. Jesslyne Widjaja and Ms. Emmeline Widjaja, the daughters of the CEO, is as follows, in bands of S\$250,000:

<b>Remuneration Band</b>	<b>Number</b>
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 and their remuneration are disclosed in item 8.1 above.

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 FY2020.

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.

# Corporate Governance Report

## (III) ACCOUNTABILITY AND AUDIT (Principles 9 to 10)

### **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. During FY2020, the ERMC comprised 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 61 to 64 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.

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 FY2020 financial statements of GAR and its subsidiaries, the CEO and the CFO have provided assurance to the Board on their integrity and fairness.

The CEO and CFO have given written assurance to the Board, as follows:

- (a) Financial Records  
The financial records of the Group for FY2020 have been properly maintained and the FY2020 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, compliance 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.

# Corporate Governance Report

## 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.

As cybersecurity threat has been evolving and becoming greater in the last few years, the Group has progressively implemented best-in-class solutions that address data and cybersecurity risk. The Group adopts a holistic approach in its cybersecurity initiatives, not just from information technology angle, but also from a risk and compliance perspective to ensure that controls and mitigations are adequately established.

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.

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### **Principle 10: Audit Committee**

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

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#### **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.

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## 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 audited financial statements of the Group for FY2020 ("FY2020 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 FY2020 Financial Statements. The Board has on 18 March 2021 approved the FY2020 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. During this process, the AC also reviews all non-audit services provided by the external auditors, Moore Stephens LLP, to satisfy itself that the nature and extent of such services would not affect their independence. The AC confirms that after reviewing all non-audit services provided by the external auditors during FY2020, they would not, in the AC's opinion, affect the external auditors' independence. Fee for audit services to the external auditors is disclosed in the Notes to the FY2020 Financial Statements on page 120 of this Annual Report.

The AC reviewed the external audit plan and scope for FY2020. The AC also met with the external auditors without the presence of Management whereby the external auditors 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 2021 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, presently, Ms. Susan Tabia Garin, who reports to the AC Chairman. On administrative matters, she 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 or her 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 FY2020.

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.

## (IV) SHAREHOLDER RIGHTS AND ENGAGEMENT (Principles 11 to 12)

### **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 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 released via SGXNET and are also made available on the Company's [website](#), 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 released via SGXNET.

# Corporate Governance Report

## 11.2 Conduct of General Meetings

On 7 April 2020 and 13 April 2020, the Singapore Government enacted the COVID-19 (Temporary Measures) Act 2020 (the "Act") and the COVID-19 (Temporary Measures) (Alternative Arrangements For Meetings For Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"), respectively. In addition, the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 made on 7 April 2020 (the "Regulations") further prohibits individuals from leaving their ordinary place of residence unless specifically provided for, as well as obliges that the Company's premises are, save for specific circumstances, closed to entry by any individual.

In view of the Act, the Order and the Regulations, the Company arranged for its 2020 AM scheduled on 27 April 2020, to be held by electronic means via live webcast. Shareholders were given the opportunity to communicate their views and to engage the Board and Management on the Group's business activities and financial performance by pre-submitting their questions before the 2020 AM. Directors are encouraged to attend shareholder meetings and all Directors were visibly present at the online 2020 AM. The external auditors, Share Registrar & Poll Agent, Scrutineer were also present online.

At shareholder meetings, each distinct issue is proposed as a separate resolution.

At the 2020 AM, voting was carried out only by proxy given to the Chairman of the Meeting. Results of the voting were released on SGXNET after the 2020 AM, as well as the presentation slides and Questions and Answers. The Minutes of the 2020 AM were also released on SGXNET and uploaded on the Company's corporate website within one month of the event.

## 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\$0.0048 per ordinary share for FY2020, subject to shareholders' approval at the 2021 AM.

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**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.**

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**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](mailto:investor@goldenagri.com.sg), calls or even through office visits. We also provide a comprehensive and updated website [www.goldenagri.com.sg](http://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 policy](#) 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 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 [website](#), upon release via SGXNET.

The Company has been announcing its quarterly results since 2003 and, starting from 2007, conducts regular briefings and/or conference calls with analysts and the media. In accordance with the amendments on mandatory quarterly reporting under Rule 705 of the Listing Manual, effective 7 February 2020, starting year 2020, GAR has announced its unaudited financial statements for the half-year and full year in the format prescribed by the Listing Manual. However, recognising that its stakeholders may wish to be updated on its interim performance, GAR has decided to provide relevant information comprising abridged/key financial and operational disclosures as well as business commentary and outlook, for the first and third quarter performance, which are announced on SGXNET.

For the half-year and full year results announcements, we generate materials, including financial statements as well as management discussion and analysis in presentation slides and press releases. During these briefings, which were mainly conducted through conference call during 2020 in view of the COVID-19 pandemic, 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 joins the analysts briefing every year.

# Corporate Governance Report

In addition, we offer direct and frequent access to our senior Management through one-on-one or group meetings, conferences, roadshows, calls and emails. Despite the COVID-19 pandemic, the Company has continued to meet with equity and fixed income investors and analysts domestically and internationally, as well as participating in investor conferences in the region, which were mostly conducted on-line during 2020. 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.

## 12.2 Financial Calendar 2021

25 February	Announcement of Full Year 2020 results
7 April	Release of Annual Report 2020
28 April	2021 AM Proposed 2020 final dividend*
<hr/>	
5 May 2021	Last day for trading for cum dividend (scrip-less holders)
7 May 2021 5:00 PM	Record date and time
10 May 2021	Books closure date
18 May 2021	Dividend payment date
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May**	Announcement of First Quarter 2021 performance updates
August**	Announcement of Half Year 2021 results
November**	Announcement of Third Quarter 2021 performance updates
February 2021**	Announcement of Full Year 2021 results

Notes:

The above calendar may not list every corporate event.

\* Subject to shareholders' approval at the 2021 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](#).

## (V) MANAGING STAKEHOLDER RELATIONSHIPS (Principle 13)

### 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.

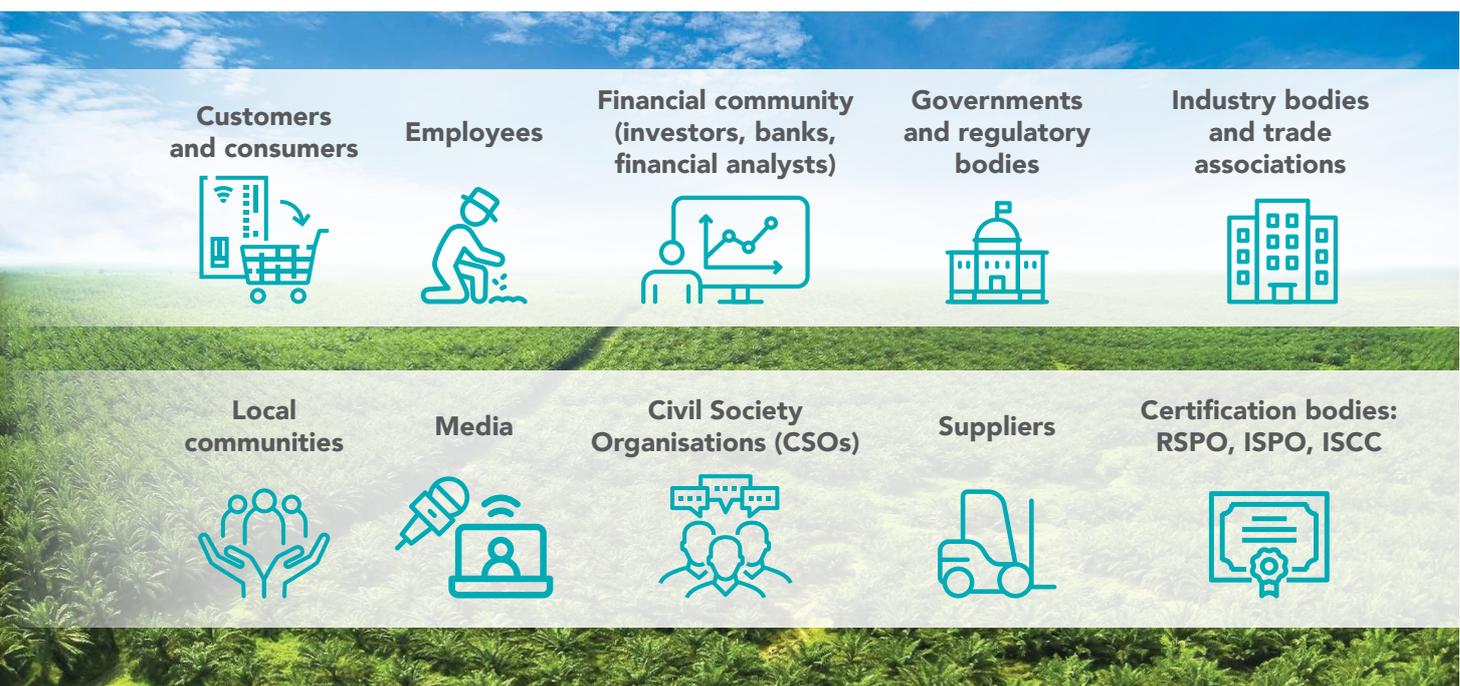
### 13.1 Engagement with Stakeholders

We operate in a dynamic industry, which is why engagement and close collaboration with stakeholders are 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.

Operating and producing sustainable palm oil involves 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



# Corporate Governance Report

## 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 [website](#).

## (VI) 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.

## (VII) 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)
		FY2020 US\$	FY2020 US\$
Asia Pulp & Paper Company Limited	#1	Nil	333,127
Ningbo Asia Pulp & Paper Co., Ltd	#1	Nil	109,737
PT Asuransi Sinar Mas	#1	Nil	6,719,917
PT Bank Sinarmas Tbk ("BSM")	#1	Nil	36,754,696 #2
PT Cakrawala Mega Indah ("CMI")	#1	Nil	11,183,609 #3
PT Duta Cakra Pesona	#1	Nil	1,950,467
PT Indah Kiat Pulp & Paper Tbk	#1	Nil	397,844
PT Pindo Deli Pulp and Paper Mills	#1	Nil	95,849
PT Rolimex Kimia Nusamas ("RKN")	#1	Nil	33,831,453 #4
PT Roundhill Capital Indonesia ("RCI")	#1	Nil	17,298,703 #5
PT Royal Oriental	#1	Nil	5,580,920
Sinarmas Land Limited	#1	Nil	356,724
<b>Total</b>		<b>Nil</b>	<b>114,613,046</b>

Notes:

\* Renewed at GAR's AM on 27 April 2020 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 2020 is approximately US\$14.75 million.

#3 Purchase of paper products and chemicals from CMI.

#4 Purchase of fertilizers and chemicals from RKN; sale of oleochemical and by-products biodiesel 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 2021 AM is as follows:

Name of Director	Christian G H Gautier De Charnacé ("CGDC")	Foo Meng Kee ("FMK")	Khemraj Sharma Sewraz ("KSS")	Muktar Widjaja ("MW")
Date of Appointment	13 November 2018	25 April 2017	15 November 2019	24 May 1999
Date of last re-appointment (if applicable)	27 April 2020	27 April 2020	27 April 2020	23 April 2018
Age	71	71	70	66
Country of principal residence	Thailand	Singapore	Mauritius	Indonesia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Please refer to items 4.2 and 4.5 on pages 37 and 39 of this Annual Report	Please refer to items 4.2 and 4.5 on pages 37 and 39 of this Annual Report	Please refer to items 4.2 and 4.5 on pages 37 and 39 of this Annual Report	Please refer to items 4.2 and 4.5 on pages 37 and 39 of this Annual Report
Whether appointment is executive, and if so, the area of responsibility	No	No	No	Executive Director duties and responsibilities
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive, Independent Director. Member of AC	Non-executive, Independent Director Chairman of NC and RC, Member of AC	Non-executive, Independent Director	Executive Director and President
Professional qualifications	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 pages 10 and 11 of this Annual Report
Working experience and occupation(s) during the past 10 years				
Shareholdings interest in the listed issuer and its subsidiaries	Please refer to item 3 on page 84 of this Annual Report	Nil	Nil	Nil
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	Brother of Franky Oesman Widjaja, Director of the Company
Conflict of interest (including any competing business)	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

Name of Director	Christian G H Gautier De Charnacé ("CGDC")	Foo Meng Kee ("FMK")	Khemraj Sharma Sewraz ("KSS")	Mukhtar Widjaja ("MW")
Other Principal Commitments* Including Directorships#	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• BNP Paribas Capital (Singapore) Ltd (Dissolved Members' Voluntary Winding Up)</li> <li>• BNP Equities Asia Limited</li> <li>• BNP Paribas Equities (Asia) Limited</li> <li>• BNP Paribas Capital (Asia Pacific) Limited</li> <li>• Millennium &amp; Copthorne Hotels PLC (delisted)</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• Hong Leong Finance Limited</li> <li>• PT BNP Paribas Sekuritas Indonesia</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• Courage Investment Group Limited</li> <li>• Jiutian Chemical Group Limited</li> <li>• Lee Metal Group Ltd</li> <li>• MK Ocean Pte Ltd</li> <li>• MK Realty Pte Ltd</li> <li>• MK Total Holdings Pte Ltd</li> <li>• Sinarmas Land Limited</li> <li>• Titan Petrochemicals Group Limited</li> <li>• T-Ocean Designs &amp; Services Limited</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• Bund Center Investment Ltd</li> <li>• MK Capital Pte Ltd</li> <li>• MK Energy Navigation Pte Ltd</li> <li>• MK Marine Pte Ltd</li> <li>• MK Offshore Pte Ltd</li> <li>• MK Oil &amp; Gas Services Pte Ltd</li> <li>• MK Ships Pte Ltd</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• SG Financial Services Ltd</li> <li>• Fairfield Trustees Ltd</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• Crowe ATA</li> <li>• Crowe Mozambique Limitada</li> <li>• Chexsys Consulting Ltd</li> <li>• HS Corporate Services Ltd</li> <li>• AL Jawaaz Holdings Ltd</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• Golden Bay Realty (Private) Limited</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• AFP Gardens (Tanjong Rhu) Pte Ltd</li> <li>• AFP Hillview Pte Ltd</li> <li>• AFP Land Limited</li> <li>• AFP Land (Malaysia) Sdn Bhd</li> <li>• AFP Resort Development Pte Ltd</li> <li>• AFP Resort Marketing Services Pte Ltd</li> <li>• Amcol (China) Investments Pte Ltd</li> <li>• Anak Bukit Resorts Sdn Bhd</li> <li>• Bali Indowisata Pte Ltd</li> <li>• Golden Agri Plaza Pte Ltd</li> <li>• Golden Ray Development Pte Ltd</li> <li>• PT Sinar Mas Cakrawala</li> <li>• PT Sinarindo Gerbangmas</li> <li>• PT Sinar Syno Kimia</li> <li>• Sinarmas Land (HK) Limited</li> <li>• Sinarmas Land Limited</li> <li>• Sinarmas Land Overseas Holding Pte Ltd</li> </ul>

\* "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	CGDC	FMK	KSS	MW
(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
(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
(c) Whether there is any unsatisfied judgment against him?	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
(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
(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
(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
(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
(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
(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"> <li>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</li> <li>(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</li> <li>(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</li> <li>(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,</li> </ul> in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	Yes <sup>1</sup>	No	Yes <sup>2</sup>
(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

## 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, 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.
- MW is a director of SML since 1997. In 2001, SML (then known as AFP) was investigated by the CAD. As far as MW is aware, the CAD had completed its investigations against AFP and no further action was taken against AFP. As far as MW is aware, he was not the subject of any investigation and no action has ever been taken against him by the CAD.