

PUBLIC STATEMENT

Korindo Group Statement on FSC's Decision to Terminate the FSC Trademark License for Now – Effective from October 16, 2021

Jakarta, July 15, 2021 – Korindo Group today informs that the Forest Stewardship Council ("FSC") has decided to terminate Korindo's trademark licenses with FSC effective October 16, 2021. Before this decision, we were in the process of working towards unconditional association with FSC. We are confident to reactivate the process as soon as possible, making this a temporary situation only.

Korindo Group has a clear and well-defined ESG Charter in place and is strongly committed to Sustainability, Human Rights and Corporate Governance. Korindo Group has partnered with FSC since 2007 and has made great achievements in the areas of Environmental, Social, and Corporate Governance (ESG) factors in the past years. Korindo Group was in the process towards so-called unconditional association with FSC. To achieve that goal, a mutually agreed Memorandum of Understanding (MoU) defined a clear roadmap regarding specific achievements to be verified by an independent and impartial third party.

Kwangyul Peck, Chief Sustainability Officer at Korindo Group: *"The decision to stop the association proceedings came as a great surprise as we fulfilled every step on the mutually agreed roadmap in the past years. It is important to understand that there were no material issues in the MoU or the roadmap but only procedural discrepancies on the selection process of the independent and impartial verifier, which caused a delay in the association process."*

Seo Jeongsik, Vice President at Korindo Group: *"Against the background of Korindo's clear commitment to ESG and Sustainability, we want to emphasize the joint commitment of both, FSC and Korindo Group, to re-enter the association process as soon as possible. Our objective is still to become unconditionally associated with FSC and we will continue to make progress on the defined roadmap."*

Even though Korindo Group is temporarily not associated with FSC, we are acting within our binding ESG Charter and Sustainability and Human Rights commitments, and we will not compromise on following these guidelines.

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