



NEWS RELEASE

Apical Secures Its First Sustainability-Linked Loan Facilities of US\$750 million

Singapore, 31 August 2021 – Apical Group, a leading agri-business processor of palm oil and member of the RGE group of companies, has secured a US\$750 million sustainability-linked loan from a syndicate of lenders. This is a first for Apical, and among only a few known in the palm oil industry, where borrowing is tied to sustainability targets and performance.

The loan, issued to Apical's units AAA Oils & Fats Pte Ltd and Apical Middle East, is structured as a two-year revolving credit and four-year term loan facilities. Under the facilities, Apical is committed to meeting improvement targets for a range of environmental, social and governance (ESG) metrics, as assessed by Environmental Resources Management, a London-headquartered global provider of environmental, health, safety, risk and social issues consulting services.

Andy Cairns, Head of Global Corporate Finance of First Abu Dhabi Bank, the Facility Agent, commented, "We congratulate Apical on this achievement. ESG is an increasing focus for borrowers and investors globally and it reflects very highly on Apical that it is among the first Asia names, and companies in its industry sector, to embrace this. I am confident that such forward-thinking commitment to achieving its sustainability goals will position Apical advantageously for the future."

The targets are based on Apical's commitment to ensure a sustainable supply chain. Performance against the pre-determined targets will be assessed on an annual basis for the loan period, and incentives awarded accordingly. The loan will be used to finance working capital and capital expenditure requirements of Apical Group.

Apical's Executive Director, Pratheepan Karunagaran, said, "This is a milestone for Apical and a testament to the commitment and confidence we have in our ESG performance. The spirit of continuous improvement is deeply rooted in our corporate

culture and we are motivated to perform even better to deliver against the loan targets set. We are grateful for the enthusiasm of our financiers and hope that our success will serve as a catalyst in further developing sustainability-linked financing in the sector.”

The loan facilities received overwhelming demand with participation from 22 banks in nine countries. Among the Mandate Lead Arrangers and Bookrunners are E.Sun Commercial Bank, Ltd, First Abu Dhabi Bank, Mega International Commercial Bank Co., Ltd, MUFG Bank, Ltd, Bank Sinopac, and Taishin International Bank Co., Ltd.

For more information, please contact:

Apical Corporate Communications

E-mail: corpcomms@apicalgroup.com

About Apical

Apical Group is one of the largest palm oil exporters in Indonesia, owning and controlling a broad spectrum of the palm oil business value chain from sourcing to distribution. The company is also involved in the refining, processing of palm oil for domestic use and for international export. Its operations are located in Indonesia, China and Spain, and include six refineries, four biodiesel plants, two oleo chemical plants and a kernel crushing plant. Through joint ventures, Apical also has tolling and distribution operations in India, Pakistan, Philippines and Brazil.

Apical's business is built on an extensive sourcing network in Indonesia with integrated refinery assets in strategic locations. This is reinforced by efficient logistics channels supported by Apical's own infrastructure to deliver to a wide range of clients from international trading houses to local industrial buyers. With its unique business model, Apical has been able to control product quality and address sustainability and food safety concerns, while running highly efficient operations in world-class refineries and integrated storage and bulking facilities.

<https://www.apicalgroup.com/>

[Apical 2020 Sustainability Report](#)