EQUATORIAL PALM OIL

Dr. Kendyl Salcito
Executive Director
NomoGaia
730 17th St. Suite 925
Denver, CO 80202

07 December 2016

Dear Dr Salcito,

EQUATORIAL PALM OIL PLC ("EPO") AND THE NOMOGAIA REPORT

Thank you for your recent correspondence and please accept our apologies for the delay in responding—we are conducting a review of operations in country following Mark's written summary.

We are in fact a little frustrated, as we are still waiting for Mark to respond, for the third time of asking, to a series of information requests to help us ascertain the nature of any potential problems in our systems and provide us with insight into the numbers on which some of his assumptions are based.

As per your comments on employment: the numbers were not strictly correct, but following your report we shall be incorporating a full breakdown of our employment processes and structures into our next sustainability report. I suppose the key points of disagreement/for further discussion are:

1. There has been very little estate development in the past 12 months as we took the decision to stop development with the high carbon stock assessments were being undertaken and fully address boundary issues with local communities which was successfully resolved with the local communities.

2. No employees were laid off during the period (cases of gross misconduct excepted)

3. We would very much like to see the NomoGaia comparator statistics on plantation employment, as we do not consider ourselves out of kilter in the sector

4. Our advisors CSR21 feel some of the thinking around minimum wage division is too simplistic if it is supplied without any context in terms of practical and social benefits to the wider group of employees' 'dependents'.

Mark has already been told he will not be supplied employees' private data—however CSR21 have gone through our HR and accounts records and are compiling an

employment section for their social audit of EPO which will be published in a sustainability report.

There are a number of items we have been considering since the report, and we thank you for that, but the immediate priority is to examine fully Mark's allegations of child labour and the lack of safety protection for workers. We have quite stringent structures in place governing these areas, including spot checks and 'sign in-sign out' for specific jobs so safety equipment is not lost—one of the key problems we found at the beginning of our work was getting the safety culture right.

EPO has been engaged with Nomogaia and its report and while we have reservations over the methodology and understanding of the context of working in developing nations, we have made our best endeavours to communicate openly, and will continue to do so. We now need you to be engaged with us in the next few weeks.

Yours faithfully,

Sandy Barblett
General Manager - Commercial