

PT. EAGLE HIGH PLANTATIONS Tbk.

SUSTAINABILITY POLICY

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1. PURPOSE

- 1.1. The purpose of this Policy is to establish the objectives and guidelines for Eagle High Plantations and its subsidiaries (“EHP”) with regards to sustainability matters
- 1.2. This Policy serves to facilitate the achievement of EHP’s commitment to conduct business responsibly through the integration of Economic, Environmental, and Social (“EES”) considerations throughout our business process. EHP shall take all possible steps :
 - a) to ensure that all environmental and safety risks are assessed, managed and controlled
 - b) to promote and adopt best practice within the plantation sector
 - c) to develop strong working relationships with all relevant stakeholders, and actively involve them in all environmental matters
 - d) to develop all managers, staff and employees by providing training, education and information on all sustainability-related issues
 - e) to engage in selected program and initiatives that support and develop our local communities so that, in addition to promoting the long term interests of EHP’s business, they have a positive socio-economic impact for all; and
 - f) to endeavor to manage all EHP operations within the strictest applicable environmental standards, including the preservation of high conservation value areas.

2. APPLICATION AND SCOPE

- 2.1 This policy applies to all activities undertaken by or on behalf of EHP, including those of its employees and of contractors operating on EHP’s sites and all third-party suppliers from whom EHP purchases.
- 2.2 The Policy shall be further supplemented by the relevant policies developed at the various operational levels and corporate centre within EHP to govern, manage and regulate the industry-specific sustainability matters that are considered more critical from an economic, environmental, social and governance perspective. However, in the event there is any inconsistencies thereof the policy with the most stringent requirement shall apply to the extent of such inconsistencies.
- 2.3 If a law conflicts with this Policy, the Directors and Employees should comply with the law. If the Directors and Employees perceive that a provision in this Policy conflicts with the law in their jurisdiction, the Directors and Employees should consult with EHP’s Sustainability Department immediately, rather than disregard the Policy without consultation.

3. DEFINITIONS

“Board”	: Means the Board of Directors of EHP.
“CA”	: Means the Corporate Affairs Department.
“Director”	: Means the Director(s) of EHP in accordance with the definition provided in the laws of RI.
“Employee”	: Means employees who serve EHP on a permanent, contract, temporary or assignment basis.
“Essential Ecosystem”	: According to the Indonesia’s Ministry of Environment and Forestry Regulation number P1/KSDAE/BPE2/KSA.4/2/2021 on Technical Guideline for the Assessment of the Essential Ecosystem Management Effectiveness, Essential Ecosystem or Essential Ecosystem Area (KEE) are defined as Natural Reserve Area, Natural Conservation Area and Wildlife Reserve that are ecologically important to biodiversity. In the same regulation (Part1, Article 1 number 7 and Article 5 point a), the typology of KEE covers wetland ecosystem, corridor, HCV, Biodiversity Park and landscape with the specific geology and geomorphology.
“FPIC”	: Means Free, Prior and Informed Consent: a) Free means that there was no coercion or intimidation as part of the consultation. b) Prior means consent for the land acquisition is sought well in advance of any deal closure or operations. c) Informed means that all information relating to the deal or operations is provided and the information is provided and the information is objective, accurate, and presented in a manner or form that is understandable to local communities d) Consent means that the local communities have agreed to the deal or operations proceeding on lands where they hold legitimate tenure rights
“GOV”	: Means the Governance Department.
“HCS”	: Means the High Carbon Stock which are areas that have a high stock of carbons due to the type of plants, soil and other geographic factors.
“HCV”	: Means high conservation value are biological, ecological, social or cultural values which are considered outstandingly significant or critically important, at the national, regional or global level.
“Policy”	: Means EHP Sustainability Policy.
“RI”	: Means the Republic of Indonesia.
“Smallholders”	: Means farmers growing oil palm where the planted area is usually less than 25 Ha. or any other size as defined in the laws of RI.
“SST”	: Means the Sustainability Department.

- “Stakeholders” : Means employees, regulatory and statutory bodies, NGOs, investors, customers, suppliers / contractors and government.
- “Third Party/ Parties” : Means any external person or company independent of EHP which may include customers, potential customers, contractors, external companies and any other stakeholder with whom a business relationship, whether current, prospective or historic exists.
- “SEIA” : Means an analysis and planning process to be carried out prior to new plantings or operations. This process incorporates relevant environmental and social data, as well as stakeholder consultation, in order to identify potential impacts (both direct and indirect) and to determine whether these impacts can be satisfactorily addressed, in which case the proponent also defines specific actions to minimize and mitigate identified potential negative impacts.

4. ADMINISTRATION OF THIS POLICY

- 4.1 This Policy is approved and adopted by EHP’s Board including any amendments thereto.
- 4.2 SST is the owner of this Policy and is responsible to ensure that the Policy is reviewed and updated to be kept relevant. This Policy shall be reviewed periodically especially when there are changes in any applicable laws, code or regulations relevant to this Policy or at least once every two (2)
- 4.3 years. The review of this Policy shall be undertaken by the Head of SST and supervised by GOV.
- 4.4 GOV, as the custodian of the Policy is responsible to ensure that the Policy is disseminated by the owner of this Policy and made accessible to all the Directors and Employees, through EHP’s internal portal and/ or other channels as appropriate.
- 4.5 It is the responsibility of the SST and CA for any external communication of the relevant details of this Policy to all Third Party / Parties as well as other relevant stakeholders such as customers, shareholders and the general public. Communication to and administration of the Policy in relation to the Directors shall be conducted by the CA.

5. EHP’S COMMITMENT TO SUSTAINABILITY

- 5.1 Sustainable growth is among EHP’s seven key values, wherein EHP’s adopt integrates EES considerations as our guiding principles for growth. EHP aims to become a sustainable business by working towards a future that balances environmental, social, economic and governance needs to create positive impacts for its stakeholders in an increasingly resource-constrained world.
- 5.2 Our Sustainability Policy therefore expresses our current and future commitment to protect the environment, provide the highest quality of service to our customers, care for employees’ health

and safety as well as continue building and empowering the local communities around us to promote growth and economic prosperity by enhancing resource management, building capabilities and improving access to education.

5.3 EHP is strongly committed to :

5.3.1 ISPO and RSPO as its sustainability standard for the production of sustainable palm oil products.

5.3.2 Meeting all applicable legal, environmental and social requirements. EHP pledges to cooperate with the relevant authorities to ensure that the business complies fully with regulatory requirements. This shall be consistently managed and monitored by its SST.

5.3.3 No deforestation of HCV or HCS area as well as no development on peat regardless of depth within its concessions.

5.3.4 Respect and protect the needs of its Employees and Communities. EHP shall uphold the rights enshrined in the Universal Declaration of Human Rights (“UDHR”). EHP shall be guided by the guidelines set by the International Labor Organization (“ILO”) for matters pertaining to the fundamental rights of all its Employees, where applicable to the laws of RI.

5.3.5 Continued engagement with the relevant Stakeholders to align their concerns with the EHP’s strategy and growth. Communication is a key concern of EHP and a proactive engagement approach shall be undertaken with the Stakeholders across the entire value chain.

5.3.6 Respect the right of its indigenous and surrounding communities by ensuring that any development or acquisition on or in the vicinity of their land is not in violation of their rights based on traditional and customary practices. EHP shall obtain the free, prior and informed (FPIC) consent of these communities prior to any form of development.

6. ENVIRONMENTAL STEWARDSHIP

Managing environmental impacts

6.1 EHP respects its natural resources and endeavors to implement business practices that reduces its environmental impact, where possible.

6.2 In line with international commitments and in compliance to applicable local laws and regulations in jurisdictions which EHP operates, EHP is committed to ban open burning. EHP employees and contractors working in EHP premises shall not perform any open burning. There shall be no open burning during land clearing and replanting activities as well as for the purpose of disposing domestic waste or any other purpose except for controlled burning as specified under RI laws.

- 6.3 EHP shall develop robust fire prevention measures by enhancing EHP's capacity in fire control through a series of initiatives and training programs including simulation exercise on fire fighting, forming dedicated emergency response teams, and establishing guidelines on fire prevention and management decision-making to deal with fire in emergency situations. EHP will work together with surrounding communities and shall be proactive in fire monitoring and updating local authorities on the occurrence of fires, if any, within and surrounding EHP premises.
- 6.4 EHP shall deploy water conservation efforts in areas of water scarcity, monitor and improve the water quality in areas impacted by the EHP's operations and promote access to clean water in and surrounding communities where EHP operates.

We ensure that fragile soil, slopes and riparian zones within our area of operation are carefully maintained to protect natural waterways and ecosystem. There will also be no land clearing in riparian zones and other conservation areas.

- 6.5 EHP minimize and limit the use of chemicals, pesticides and fertilizers. EHP implements integrated pest management approach and is committed to the phasing out on the use of Paraquat as well as the prohibition of pesticides that are categorized as World Health Organization Class 1A and 1B, and chemicals listed by the Stockholm Convention and Rotterdam Convention by 2026 unless in exceptional circumstances. We also use biological pest control in the form of beneficial plants, and organic compost from empty fruit bunches as fertilizers. All handling of pesticides and fertilizers will adhere to our Best Management Practices.

Biodiversity and conservation of High Conservation Value elements

- 6.6 Biodiversity is a key concern for EHP as many of EHP's plantations are within the proximity of natural and reserved forests which are natural habitats of endangered, rare and threatened (ERT) species as these areas have High Conservation Value (HCV). EHP is committed to maintaining the ecosystem's balance by protecting the biodiversity that resides in and around our concession areas as well as preserving the essential ecosystems in forest areas through conservation. EHP shall make continuous efforts to preserve the pristine environment of these areas and reduce impact as much as possible. In addition, EHP will ensure that the operations do not pose a threat to wildlife and establish programs to enhance and enrich habitats of endangered species.
- 6.7 EHP shall not perform any new development in areas rich in biodiversity or that are under protection e.g. primary forests, wildlife reserves and wetlands. EHP has appropriate action plans in place which are in line with international guidelines and established practices to guide the operations in close proximity to these areas and to continually improve EHP's practices. EHP commits to no deforestation as defined by its pledge of no conversion of HCV areas, no development of areas classified as having High Carbon Stock (HCS), as well as peat as defined by the relevant applicable legislation of RI.
- 6.8 EHP is committed to identify and protect HCV areas as well areas with HCS within our concessions. To conduct the assessment, EHP shall use licensed and accredited HCV and High Carbon Stock Area (HCSA) assessors. EHP has only developed plantations after the completion of HCV and HCS assessments and SEIAs (Social and Environmental Impact Assessments).

- 6.9 EHP will adopt best management practices for peatlands and soils within any of its lands on the use of appropriate best practices and endeavor to rehabilitate peat lands where the relevant laws applicable in RI require it to do so.
- 6.10 EHP is committed not to hunt other than sustainable hunting in its operating areas.
- 6.11 EHP is committed to zero conversion of the natural ecosystems within our operations, particularly in the HCV, peatlands, and HCS areas, as well as the identification and assessment of HCV and High Carbon Stock (HCS) in our operational areas.

Waste Management

- 6.12 EHP is committed to waste reduction across its operations in all geographical areas while taking into consideration specific and applicable legislative requirements on waste reduction and management. Where possible, waste shall be analyzed to identify for potential use as new resources / products or any other forms of efficiencies. Recycling shall be encouraged throughout the EHP as part of these efforts and will be guided by a “zero waste management” policy in the value chain.

Greenhouse Gas (“GHG”) Emissions

- 6.13 EHP is committed to actively pursue opportunities to reduce its greenhouse gas emissions through its operational approaches to manage and report its carbon footprint through the use of suitable reporting tools and benchmarking the EHP’s performance to the industry peers with the intent to reduce emissions.

7. SOCIAL AND ECONOMIC RESPONSIBILITY

Strengthening Human and Social Capital

- 7.1 EHP is committed to the social development and economic improvement of local communities in the areas in which the Company operates, including but not limited to the provision of healthcare and education services where appropriate, as well as education and support for local businesses.
- 7.2 EHP is committed to ensuring food security for local communities by assisting with cultivating horticultural crops (seasonal vegetables and fruits), annual fruit crops, and industrial plants (plasma oil palm plantations). In addition, the company also conducts animal husbandry and fishery cultivation, which consists of poultry (chicken and duck) farming, small ruminants (goats, pigs) large ruminants (cows), as well as fast-water fisheries, ponds, and captive fisheries.

Occupational Health and Safety

- 7.3 EHP is committed to the occupational health and safety of all our employees through the implementation of a detailed and documented plan. This involves a full assessment of the health and safety risks associated with all functions required to be undertaken during EHP’s normal

business practice. Once those risks have been assessed and documented, all employees and workers exposed to such risks must be adequately trained in safe working practices in order as far as possible to mitigate such risks.

- 7.4 EHP is committed to promote and maintain a safe working environment including through the provision of Personal Protective Equipment (“PPE”).
- 7.5 All Value Chain Partners shall be required to adhere to the applicable laws, regulations and standards and applicable EHP policies whilst working on EHP premises. Prevailing legislation on health and safety in all geographical areas of operation shall be complied with by Employees and Value Chain Partners and integrated where possible into the EHP’s policies and procedures.

Respecting Human Rights

- 7.6 EHP also recognizes its responsibility to respect human rights as defined in the Universal Declaration of Human Rights (UDHR) and ILO Core Conventions, where applicable to the laws of RI. These frameworks provide the minimum standards for fair and decent working conditions with no exploitative workplace practices allowed. EHP works towards actively integrating human rights elements into business practices across its value chain.
- 7.7 EHP is cognizant of its responsibility to protect the rights of all Employees. EHP shall continue to actively engage its employees to ensure that their needs such as wages, shelter and access to services are met and to create a harmonious and prosperous working environment.

Responsible Employment

- 7.8 EHP will not accept any form of discrimination at any of the Company’s location, whether based on race, color, religion, national origin, ancestry, gender, sexual orientation, marital status, age, disability or any other class protected by law.
- 7.9 Forced or child labor is not to be employed at any EHP location.
- 7.10 EHP will not accept any form of harassment, including sexual harassment as well as violence towards its employees, defined as a course of comments or actions that are unwelcome (or should reasonably be known to be unwelcome) to the person towards whom they are addressed.

Freedom of Expression

- 7.11 EHP respects the right of all employees to form and join appropriate trade unions of their choice and to bargain collectively, where permitted under national law. Where restricted under national law, EHP will facilitate, to the extent legally permitted, equivalent means of independent and free association.

Local Communities and Smallholders

- 7.12 EHP respects the right of its indigenous and surrounding communities aligning with the United Nations Declaration on the Rights of Indigenous Peoples and the FAO Convention No. 169 on

Indigenous and Tribal Peoples, in line with Responsible Land Tenure Governance for National Food Security, by ensuring that any development or acquisition on or in the vicinity of their land is not in violation of their rights based on traditional and customary practices. EHP shall obtain the free, prior and informed (FPIC) consent of these communities prior to any form of development. In aligning the expectations of the communities with EHP, proper consultation and engagement shall be organized with the local community(s) to identify expectations, terms and insights for the purpose of procuring FPIC.

EHP affirms its support in obtaining the FPIC from the communities with legal and customary land tenure rights to the land impacted or overlapping with the land concessions. The ascertainment of local communities' tenure rights is centered on the conduct of participatory Social Impact Assessment and continuous engagement in fair and informed negotiations over access rights to land and other natural resources.

- 7.13 EHP also believes in resolving conflicts and disputes through non-violent methods. Legal channels shall be utilized as a means for peaceful, legitimate resolution, agreeable to both parties. EHP is against the use of weapons and military in the resolution of conflicts and disputes.
- 7.14 EHP shall work with relevant stakeholders to ensure that a balanced, mutually agreed and structured conflict resolution system is accessible to smallholders, indigenous and rural communities and other affected stakeholders.
- 7.15 EHP is committed to support the inclusion of smallholders and independent smallholders within the scope of the sustainable palm oil supply chain and help them to comply with the Company's policies.

8. VALUE CHAIN

Raw Materials and Other Resources

- 8.1 EHP is committed to ensuring the sustainability of the raw materials sourced, utilized and distributed. EHP encourages its Value Chain Partners to embrace sustainable practices, i.e occupational health and safety practices, waste management practices and environmental conservation through our engagement with them by enhancing their skills, knowledge and/ or access to better resources. Where it is mandatory by law for Value Chain Partners to comply with certain sustainable practices, laws and regulations, the Value Chain Partners shall comply accordingly.

Traceability

- 8.2 EHP shall continually work towards improving the traceability of raw materials to build stakeholder trust. EHP will work with the relevant Stakeholders to ensure raw materials, specifically oil palm products are derived from areas that comply with EHP's sustainability commitments.

- 8.3 EHP shall work closely with the Value Chain Partners to ensure traceability and transparency is embedded in their practices to create a more sustainable value chain. EHP shall not procure raw materials from illegal sources.
- 8.4 Reference should be made to the relevant procurement policies on sourcing of raw materials.

9. GOVERNANCE RESPONSIBILITY

- 9.1 The Board is the ultimate governing body of the Company. The Company's sustainable strategy is driven by the Board with delegation of responsibility to the CEO. The executive management of EHP are collectively responsible for implementation by ensuring operations conducted and business decisions made are aligned to this Policy.
- 9.2 The Company's Director(s) shall drive the enforcement, monitoring and capacity building across the business. In addition to this, Stakeholder engagement shall be managed closely to ensure the evolving needs and requirements of the various Stakeholders are met.
- 9.3 EHP's corporate governance shall be guided by ethical and fair business practices and prohibition of corruption.

10. GRIEVANCE PROCESS AND REPORTING OF EHP'S SUSTAINABILITY EFFORTS

- 10.1 EHP will set up a transparent and accountable system where stakeholders can inform us of issues within our supply chain. We will respond to any issues using our grievance process in a timely and transparent manner.
- 10.2 EHP shall report publicly on its sustainability performance on an annual basis in accordance with the relevant requirements of the Financial Services Authority (Otoritas Jasa Keuangan / OJK) and any other applicable requirements under RI. Where relevant, EHP shall also take into account international reporting standards and guidelines to enhance its disclosures and strengthen its communications and relationship with its Stakeholders.
- 10.3 EHP commits to provide accurate, factual and balanced information on its sustainability initiatives to all its stakeholders.
- 10.4 EHP shall also abide by all prevailing laws, regulations and permit requirements with respect to environmental and social matters as required in the specific geographic region of its operations.