

BEWANI OIL PALM CORPORATE SUSTAINABLE PALM OIL POLICY

A) INTRODUCTION

Palm oil industry is a labor-intensive industry that contributes to improving the economy of a region, and must be balanced with responsibility for sustaining the ecosystem and improving the well-being of the workers and community who live around the plantations. With this, Bewani Oil Palm (BOP) Corporate continue to work closely with the widest possible range of industry stakeholders to implement our sustainability commitments related to the protection of forests, peatlands, human and community rights. This policy reflects our continuous commitment as we strive towards a supply chain free of deforestation and conflict.

B) SCOPE

This Sustainable Palm Oil Policy applies to all BOP Corporate operations, including our subsidiaries, joint ventures, and companies which we have management control. We would also require all our associated and third-party suppliers to commit and comply to this policy.

C) COMMITMENTS

We, BOP Corporate aim to ensure that our oil palm products are produced in a sustainable manner by adhering to the sustainability principles throughout the company for the benefit of present and future generations. We are committed to:

- ❖ Comply all applicable legislation and codes of practice.
- ❖ Implementing sustainability standards laid out in this policy for environmental and social management including no deforestation, no peat and no exploitation (NDPE), human rights, workplace conditions & community development
- ❖ Conserve the environment and promote positive environmental impacts
- ❖ Produce quality products and provide good services to buyers
- ❖ Build a transparent, traceable, and sustainable palm oil supply chain.

1. Legal Compliance

- We will ensure that all our operations, including our suppliers of the palm oil supply chain, to comply with all applicable local, state, national, and international laws and regulations.
- We respect for fair and ethical conduct of business and prohibit all forms of corruption, bribery, and fraudulent use of funds and resources.

2. Environmental

- We adhere to environmental laws and regulations.
- We conserve the environment by mitigating the negative impacts and promoting the positive ones through systematic planning and procedure.
- We prohibit burning in all our operations including new planting and replanting.
- We will generate plans and implement programmes to reduce Greenhouse Gas (GHG) emission from all our operations.
- Training will be provided to all workers on environmental awareness and pollution prevention, and take on the responsibility to preserve the environment.
- High Conservation Value (HCV) area will be maintained, together with the protection of rare, threatened, and endangered species.
- No development of High Carbon Stock (HCS) Forests.
- Best Management Practices will be applied on existing plantations on peat.

3. Workplace & Social

- The process of recruitment and promotion will solely base on individual qualification and performance, regardless of race, caste, nationality, religion, physical disability, gender, age, and/ or political affiliation. We will ensure that equal opportunities are provided to all personnel.
- A written employment contracts with details of their duties, rate of pay, working hours, leave, and all other benefits of employment are given to all workers in a language they understand.
- All workers are being paid with a wage equal to or exceeding the legal minimum wage.
- Working hours for all workers, including overtime hours (on a voluntary basis), are in accordance with national legislation, and each worker is entitled to one rest day each week.
- All migrant workers will undergo post-arrival orientation programme with emphasis on language, safety, labour laws, and cultural practices.
- We prohibit the use of child labour (anyone who is less than 18 years old) with preventive measures. Remedial action shall be taken when any of such case is uncovered to provide assistance and protect the child's welfare.
- We prohibit the use of forced or bonded labour and human trafficking with preventive measures. Remedial action shall be taken when any of such case is uncovered to provide support and assistance to the victim.
- We respect the rights of all workers to form or join trade unions and bargain collectively.
- We will not tolerate any type of sexual harassment and violence in our workplace and the management will take the lead in preventing it.
- We respect the reproductive rights which in line with country's laws.
- With a robust grievance mechanism in place, we ensure all workers have access to judicial remedy without the fear of recrimination and dismissal.
- We will ensure a safe and healthy working environment to all our workers according to our Occupational Safety and Health Policy.
- We respect land tenure rights.
- We respect native or customary rights of indigenous and local communities.

4. Quality

- We are committed to produce quality products and provide good services with competitive pricing to meet industry expectations and customer requirements.
- We will remain innovative and consider new technologies for continual improvement and to cater for changing needs.

5. Awareness

- We will disseminate the NDPE (No Deforestation, No Peat, No Exploitation) policy to all internal departments and relevant stakeholders through training, briefings and internal circulars.
- We will ensure the NDPE policy is integrated into supplier agreements, procurement procedures and code of conduct requirements. Provide regular updates and awareness sessions to reinforce commitment and compliance across the supply chain.
- We will publish the policy on the company's website and internal platforms to ensure accessibility and transparency.
- We will share the policy with all external stakeholders, including suppliers, customers, and partners, through official communications and engagement sessions.
- We will translate the policy into local languages where necessary to ensure wider understanding and implementation.
- We will conduct awareness training for employees at all levels to ensure understanding of standards and commitments. Establish an internal sustainable task force or working group to monitor progress and maintain compliance. Integrate sustainable principles into performance indicators and internal audit processes.
- We will engage regularly with suppliers, smallholders and third-party service providers to build capacity and promote sustainable compliance.
- We will organise workshops, supplier forums and stakeholder dialogues to share best practices and expectations.

6. Transparency and Traceability

- With a transparent grievance system in place, we will improve the level of engagement with our stakeholders for them to inform us when there are issues with our palm oil supply chain.
- We prohibit threats, harassment, intimidation, the use of violence, or retaliation against complainants, whistleblowers, and environmental and human rights defenders.
- We will endeavour to source Fresh Fruit Bunches (FFB) from external suppliers (as and when applicable), who are committed to our Sustainable Palm Oil Policy.
- We will engage with smallholders (as and when applicable) to promote our Sustainable Palm Oil Policy, and if necessary, provide support and guidance to comply with our policy.
- We are open to any engagement with NGOs, communities, governments, workers, experts, and other relevant stakeholders to assist us on the policy implementation and continuous improvement of BOP's sustainability practices.

D) IMPLEMENTATION AND MONITORING

This policy is implemented throughout the BOP Group of Companies and serves as one of our corporate core policies to ensure our continuous commitment towards sustainable Palm Oil practices, as we remain engaged in monitoring the implementation process closely. Taking into account of new developments of the industry and feedbacks from the public, we will have this policy reviewed and improved periodically by following regulation updates and future sustainability palm oil standards and best practices.