POLICY ON SUSTAINABILITY OF LOCAL COMMUNITIES

This policy applies to all the Group’s Indonesian operations. The Group’s employees, contractors, consultants, smallholders, vendors, suppliers, and guests are required to adhere to the policy. This policy is freely available on the Group’s website and is updated periodically to adapt to changes in applicable regulation and standards. It relates to:

- Rights of indigenous people;
- Community social responsibility;
- Smallholder co-operatives;
- Human rights defenders.

Rights of indigenous people

The Group respects indigenous peoples’ and indigenous organisations’ rights and will not intervene in or infringe on the way in which they govern themselves.

i) The Group will ensure it does nothing to undermine the rights of indigenous people within areas controlled by the Group;

ii) The Group will respect the customs, culture, traditions and heritage as well as the freedom of religion of employees and communities, according to national laws;

iii) The Group will respond to grievances systematically and sympathetically.

Community social responsibility

The Group understands the important role communities play in the success of its operations.

i) The Group seeks to make purchases from local businesses and contractors;

ii) The Group will provide training in promoting sustainability to its local stakeholders;

iii) The Group will co-operate with local communities and government to ensure orderly and harmonious communication during any consultation that is part of obtaining free, prior and informed consent of the local community, including participatory mapping;

iv) The Group will handle complaints, grievances and conflicts responsibly, through open and constructive engagement with complainants and stakeholders;

v) The Group will maintain a discretionary fund that may be used to support education, health, water, sanitation, power and transport infrastructure of local communities; the fund is prohibited from making political donations;

vi) Where necessary, the Group will engage security personnel only to protect its employees from physical assault; it will never use violence, the threat of violence or the deployment of military or mercenary forces to enforce resolution of disputes with local communities.

vii) The Group will seek remediation steps if smallholders, vendors, consultants, contractors or suppliers are found to violate our policies. The Group will not source goods or services from suppliers who further fail to comply with the agreed remediation requirements.

Smallholder co-operatives

The Group supports the establishment of smallholder co-operatives which promote economic development of the local community.

i) The Group allows workers to become members of a smallholder co-operative of their own free will, without coercion from any party;
ii) The Group supports equally the improved livelihoods and inclusion in sustainable palm oil value chains of both independent smallholders surrounding the Group’s own areas and ‘scheme smallholders’ managed by the Group.

Human rights defenders

The Group defines human rights defenders as individuals or groups who promote and protect universally recognised human rights and contribute to the elimination of human rights violations. This includes environmental human rights defenders, whistleblowers, complainants and community spokespersons. It does not however include individuals who commit or propagate violence.

i) The Group supports the protection of individuals against violence, threats, retaliation, pressure, or any other arbitrary action as a consequence of their legitimate exercise of fundamental human rights in the course of their engagement with the Group.

ii) The Group will seek to protect individuals from all forms of retaliation, disadvantage or discrimination in the workplace linked to or resulting from human rights defending activities.

iii) Identities of the human rights defender and individuals who have disclosed information anonymously will not be disclosed by the Group, including those who subsequently have been identified, without their explicit informed consent.

iv) The Group recognizes that all employees and workers have the right to decline to participate in corrupt, illegal or fraudulent acts and encourages them to use that right.

v) Provisions will be made to allow independent agencies to receive and investigate complaints of retaliation and improper investigations of individuals’ reports if deemed necessary.

vi) The Group will seek to ensure an adequate, thorough, impartial, and prompt investigation of reports made by human rights defenders as well put in place the remediation required, if found valid.

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