

### Overview

PT Toba Pulp Lestari, Tbk (TPL) committed to sustainable development and upholds our business philosophy of doing what is "Good for the Country, Good for the Community, Good for the Climate, Good for the Customer, and Good for the Company". We believe that everyone should be treated equally with respect and dignity. It is our responsibility to operate our business with respect to human rights through all our operational areas. TPL adheres to ratified local and international human rights principles and applicable laws, align with the following guidelines:

- UN Guiding Principles on Business and Human Rights; (United Nations Guiding Principles on Business and Human Rights (UNGPs))
- International Bill of Human Rights consisting of the Universal Declaration of Human Rights;
- International Covenant on Civil and Political Rights;
- International Covenant on Economic, Social and Cultural Rights;
- International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work;
- UN Declaration on the Rights of Indigenous Peoples;
- Respect the ten principles of the United Nations Global Compact;
- International Labour Organization (ILO);
- Undang-Undang Dasar Negara Republik Indonesia Tahun 1945;
- Undang-Undang Republik Indonesia No. 39 tahun 1999 tentang Hak Asasi Manusia;
- Undang-Undang No.13 Tahun 2003 tentang ketenagakerjaan dan/atau Undang-Undang Cipta Kerja No.11 tahun 2020 Bab IV tentang ketenagakerjaan.

### Our Commitment

#### We are:

We are committed to respecting human rights that are recognized nationally and internationally in accordance with the Universal Declaration of Human Rights, ILO Conventions, and all applicable laws as outlined above;

- Committed to avoiding, causing, or contributing to adverse impacts to human rights and prevent or mitigate adverse human rights impacts.
- Committed to providing grievance mechanism and conflict resolution designed and adequately resourced to address human rights grievances in an amicable, systematic, and ethical manner.
- Committed to protect the security of environmental and human rights defenders, whistle-blowers, complainants, and community spokespersons in addition to protecting their confidentiality and their anonymity (when requested and lawful).
- Committed to respect human rights equally for all persons—regardless of gender and without discrimination, including preventive measures for acts of sexual harassment in all its forms
- Committed to respecting the tenure rights of indigenous peoples and their customs.
- Committed to respect people and communities via Free, Prior and Informed Consent ("FPIC") within operation boundaries on lands where they hold legal, communal, or customary rights prior to commencing any new operations.
- Committed to respecting internationally recognized workers' rights consistent with the Universal Declaration of Human Rights, ILO Conventions, and all applicable laws such as;
  - Zero tolerance for any inhumane treatment of workers, any form of forced labor, modern slavery, human trafficking, physical punishment or other abuse
  - No child labor (under 18 years old), including the 1993 ILO Minimum Age Convention and the 1999 Worst Forms of Child Labor Convention, as well as ensuring human rights mechanism if found already entered as employee, there is mechanism regulates it.
  - Zero tolerance for harassment and conflict of interest or discrimination in our employment practices such as gender, ethnicity, religion, race and disability.
  - Ensure that all employees have employment contracts or terms and conditions as required by law
  - No forced labor by ensuring they are free to leave work or terminate their employment upon notice in line with mandatory and contractual regulations.
  - Freedom of workers to form and/or join trade unions in accordance with the 1948 ILO Convention on Freedom of Association and Protection of the Right to Organize. We seek to protect the right to organize to maintain good communication with our workers directly, or indirectly through their workers' associations.
  - Carry out legal recruitment of workers in accordance with the employment relationship that is recognized and stipulated by law
  - Ensuring fair and equal treatment and not discriminating between male and female workers, including in the process of recruitment, employment and position
  - Fair wages and equal remuneration for male and female workers for work of equal value nature. Pay wages above the minimum wage standard set by the government and ensuring that regular working hours, overtime hours including breaks, rest periods and overtime work are voluntarily and compensated in accordance with the applicable laws and regulations.
  - The right to occupational safety and health protection including leave, applicable benefits and other provisions stipulated in the labor laws where we operate
  - Ensuring the fulfillment of proper working and living facilities for workers
  - Involve relevant experts and local stakeholders, such as trade/labor unions in reviewing workers' rights
  - Ensure that this policy is communicated, understood and implemented by the company, employees, suppliers and all parties working for and on behalf of PT Toba Pulp Lestari Tbk.
- Committed to monitoring and periodically reviewing the prevention system for activities that can cause or contribute to adverse human rights impacts to determine the effectiveness and ensure that all activities are align with this policy.

#### Managing Human Rights Impacts

We will strive to manage and mitigate human rights risks in our operations and supply chain through our Human Rights Due Diligence framework. We recognize that communities and their livelihood rights, and the rights of vulnerable groups such as indigenous groups, women and migrant and temporary workers, are important in the locations where we operate.

We commit to:

- Develop and apply a Human Rights Due Diligence (HRDD) framework to identify rights holders and their rights, and the potential and actual human rights impact of our activities.
- Prevent or mitigate any identified or potential adverse human rights impacts related to our operations.
- Provide for or cooperate in the timely and equitable remediation of any adverse human rights impacts through legitimate processes.

#### Stakeholder Engagement

We will engage with stakeholders and/or their representatives to identify and prevent risks of human rights violations.

We commit to:

- Engage with relevant stakeholders and/or their legitimate representatives, through transparent dialogue.
- Recognize the importance of diversity and cultural heritage in our communities, and understand the differing needs of groups within our communities.
- Engage with our suppliers on their human rights approach and broader social impacts.
- Promote strong relationships and support livelihoods with the local communities.

#### Grievance Mechanisms and Access to Remedy

We accept all grievances via the submission of workers grievances, external grievance mechanisms and conflict resolution leading towards a collective Agreement, open, transparent, and consultative process to respect workers and the rights of indigenous people by involving relevant stakeholders.

Workers can report through the Employee & Industrial Relation with assurances of anonymity and confidentiality. All grievances and concerns raised will be recorded and investigated to facilitate a satisfactory resolution.

We commit to:

- Ensure that no one will be penalized for raising with management any suspected violations of our Policies, or any legal or ethical concerns.
- Provide for and cooperate in effective remediation through timely, equitable and legitimate processes, including dialogue and engagement.
- Regularly monitor the effectiveness of our workers grievances and external grievances resolution mechanism.

#### Governance and Reporting

Respect for human rights is an integral part of our overall management approach and sustainability commitments.

TPL has Sustainability Board that consisting a member from the Board of Commissioners and a member from the Boards of Directors ensures the implementation of a robust sustainability governance, including human rights. This is also overseen by Independent Commissioners Team formed by the Governor of North Sumatra and Sustainability Board which serves as a channel for stakeholders to raise their concerns and grievances, among other functions.

We will periodically review and report the progress of policy implementation to stakeholders which is submitted through the company's Annual Sustainability Report and through our website on a regular basis

This policy applies to all workers, suppliers and all parties working for and on behalf of PT Toba Pulp Lestari Tbk. and the contents of this policy will continue to be monitored and reviewed periodically.

**Sandeep Bhalla**  
Managing Director