



PT. ARARA ABADI

SUSTAINABILITY COMMITMENT

This commitment applies to:

PT. Arara Abadi (hereinafter referred as the “Company”) operations and business partners including suppliers.

As a business that relies on natural resources, the Company is committed to managing and addressing the Environmental, Social and Governance (ESG) risks and opportunities related within its operations.

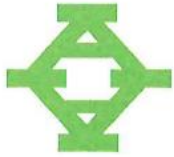
The Company is committed to:

1. Environment

- 1.1 Enforce no deforestation within its supply chain through the implementation of Sustainable Forest Management (SFM) across our concessions. This commitment is further detailed in APP’s Forest Conservation Policy (FCP) and the Company’s Production and Supply of Wood Fibre Raw Materials Policy.
- 1.2 Ensuring the protection of High Conservation Values (HCV) and/or High Carbon Stocks (HCS) areas, including its’ biodiversity. This commitment is further detailed in APP’s Forest Conservation Policy (FCP).
- 1.3 Implementing the Company’s Fire Prevention and Management Policy across its operations and actively engages in land and forest fire prevention and mitigation.
- 1.4 Implementing robust environmental management system in accordance with national and global standards across its operations. This commitment is further detailed in the Company’s Environmental Policy.

2. Social

- 2.1 Respecting human rights by conforming to the international conventions and standards that have been ratified. This is further detailed in the Company’s Human Rights Policy.
- 2.2 Providing a safe and healthy working environment for prevention of reduction of property loss, work-related injuries and ill health to all workers and visitors. This is further detailed in the Company’s Health & Safety Policy.
- 2.3 The principles of free, prior and informed consent and stakeholder engagement throughout its operations.
- 2.4 Conducting environmental impact assessment and social impact assessment across its operations and support socio-economic welfare of its workers in and communities in and around the Company’s operational areas. This is further details in the Company’s Corporate Social Responsibility (CSR) Policy and the Company’s Environmental Policy.



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3. Governance

- 3.1 Upholding the principles of Good Corporate Governance (GCG) — transparency, accountability, responsibility, independence and fairness throughout its business operations. This is further detailed in the Company's Governance Policy.
- 3.2 Prohibiting any form of bribery and corruption in all business activities and workers conduct. This is detailed in the Company's Anti-Bribery and Corruption Policy.
- 3.3 Ensuring its business partners including suppliers comply to the Company's commitment and policies as guided by the Company's Suppliers Code of Conduct (SCoC).
- 3.4 Providing channels for its stakeholders to convey issues or grievances relevant to the Company's commitment and operations. This is further detailed in the Company's Grievance Policy.

4. Transparency

- 4.1 In order to ensure and measure the implementation of these commitments, the Company¹ has established a range of sustainability targets according to framework of APP's Sustainability Roadmap Vision 2030 (SRV 2030). Forest Sustainability, Health, Safety and Environment Function (FS HSE) Function is appointed to coordinate the day-to-day implementation of the Company's Environmental, Social and Governance (ESG) programs to achieve the company's ESG commitments and ensuring that performance expectations are consistent with the Sustainability Roadmap Vision 2030 (SRV 2030).
- 4.2 To ensure transparency, the Company is committed to regular monitoring, evaluation, consultation, and reporting on its sustainability progress and maintaining an active dialogue with its stakeholders.

In addition to the key commitments referenced in this document, the Company has established policies which address these key commitments.

The Company is committed to provide information, education and/or training to its workers and business partners including suppliers, to ensure a clear understanding of its relevant policies and guidelines to achieve its sustainability goals and target.

Tangerang Selatan,
Latest update: 25 March 2024

¹ As referred to the Company's Governance Policy