

## **1. Supporting Improvement in Farmers Living Standards**

### **1.1 Supporting the increase in productivity and quality of rubber produced by farmers**

PT. Prasidha Aneka Niaga Tbk collaborates with its suppliers and related parties under coordination with Gapkindo and government to provide assistance in the form of counseling and training to farmers to increase productivity and quality of the rubber produced.

### **1.2 Supporting the resilience of farmers income/livelihood**

PT. Prasidha Aneka Niaga Tbk considers the farmers income through price adjustments that are in accordance with market prices and in balance with the quality of the rubber material. With the increase in productivity and quality, it will automatically increase the income of the farmers.

## **2. Commitment to Legal Compliance**

### **2.1 Complying with applicable laws on human rights, labour, land use, and the environment**

PT. Prasidha Aneka Niaga Tbk complies with rules regarding human rights, labor, land use and the environment. All of those subjects are included in company policy, and any changes to the regulation will be reviewed and applied according to the requirements.

### **2.2 Working against corruption in all of its forms including extortion and bribery**

PT. Prasidha Aneka Niaga Tbk views corrupt practices as an act that must be eradicated, by closely monitoring any activities and programs that have the potential to lead to corrupt practices. The company will follow up every reports of corrupt practices within.

## **3. Protecting the Environment and Ecosystems**

### **3.1 Protecting primary forests and areas with High Conservation Values (HCVs) by avoiding sourcing of natural rubber from areas linked to deforestation and on peat land. Natural rubber from areas deforested or where HCVs have been degraded after the cutoff date of 1 April 2019 is considered to be non-conforming with this policy element.**

PT. Prasidha Aneka Niaga Tbk sorts every incoming raw materials and ensures the raw materials received do not come from protected forests and areas with High Conservation Values.

### **3.2 Protecting ecosystem and biodiversity around areas of operations including soil quality, preventing erosion, nutrient degradation, subsidence and contamination.**

In its operational activities, PT. Prasidha Aneka Niaga Tbk have a division dedicated in environmental management. The company pays attention to and act to protect the ecosystem and biodiversity around it, by monitor periodically and carry out the necessary actions immediately if there are indications of disturbance to the environment.

### **3.3 Protecting water quantity and quality, preventing sedimentation, managing and maximizing water and natural resources efficiency used in the production process**

In the applicable activities, PT. Prasidha Aneka Niaga Tbk implements 3R (Reduce, Reuse, and Recycle) in water usage, will minimize energy consumptions, and will minimize and mitigate

carbon emissions produced. We also maintain water treatment facility to protect water quality in our operations. All of those activities and resource are recorded, reviewed and analyzed by environmental division and evaluated periodically.

#### 3.4 Complying with applicable local and national environmental regulations

PT. Prasadha Aneka Niaga Tbk complies environmental regulations and always follows every changes and updates to the regulations, in accordance with the provisions required by the government. This is in line with the government's program to implement an environmentally friendly industry

#### 3.5 Supporting the long-term protection of natural forests and other ecosystems and their conservation values, and supporting restoration of deforested and degraded rubber landscapes as put forth in the GPSNR Implementation Guidance

PT. Prasadha Aneka Niaga Tbk recognizes the importance of protecting natural forests and our ecosystem for the sustainability of our business and the environment, and we will support such initiatives as put forth in the GPSNR Implementation Guidance

#### 3.6 Not using open burning/fire in new or ongoing operations for land preparation, land management, waste management, or any other reason other than in justified and documented cases of fire break establishment, waste management for sanitary reasons where public garbage collection is not available, phytosanitary and other emergencies.

### 4. Respecting Human Rights

#### 4.1 Respecting and protecting the customary, traditional, and communal land tenure rights of indigenous people and local communities and carrying out operations in accordance with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)

PT. Prasadha Aneka Niaga Tbk pays attention to customary conditions and the surrounding community by open communication and have an active role in the surrounding community.

#### 4.2 Respecting the rights of all employees and workers by complying with all applicable labour laws, establishing and maintaining a company grievance mechanism, and upholding the UN Guiding Principles on Business and Human Rights and the intent of the International Labor Organization's eight core conventions. This includes:

- Freedom of association and collective bargaining (ILO Convention No. 87 and No. 98)
- No forced labour (ILO Convention No. 29 and its 2014 Protocol)
- No child labour (ILO Convention No. 138 and No. 182)
- Decent living wages
- No discrimination (ILO Convention No. 111 and No. 100)
- Legal working hours
- Safe and healthy workplaces
- No abusive practices (ILO Convention No. 105)
- Gender equity
- Safeguards apply to all workers, including contract, temporary and migrant workers.

PT. Prasadha Aneka Niaga Tbk includes points regarding employees rights in its policies and regulations that have been mutually agreed upon. Those policies are to be implemented and

reviewed periodically and employees complaints will be received and remedied through a company grievance mechanism that is consistent with UNGP effectiveness criteria

- 4.3 Promoting gender equity and inclusivity within the company and in local communities  
PT. Prasadha Aneka Niaga Tbk promotes every employee to be treated equally without any gender discrimination both within the company and outside in the local communities.
- 4.4 Ensuring that, prior to any activity that might affect IP/LC rights to their lands, territories, and resources, their free, prior, and informed consent (FPIC) is secured. This includes when planning, establishing restoring, or transforming corporate plantations and/or industrial sites, as well as associated infrastructure. The FPIC process is done in a culturally appropriate manner and follows credible accepted methodologies and associated GPSNR guidance. IP/LC have the right to give or withhold their consent to any activity that is subject to the FPIC process.
- 4.5 Where operations impinge on IP/LC rights, compensating or accommodating IP/LC through appropriate, mutually agreed measures reflecting and described in the negotiated outcomes of the FPIC process.
- 4.6 Adopting measures to provide remedy through mutually agreed procedures in cases where the company previously has caused or contributed to the appropriation of or harm to the lands, territories, or resources of IP/LC without securing FPIC. Implementation is jointly monitored by the community and the GPSNR member and/or by mutually agreed third party(ies).  
The accepted methodologies to be followed for the FPIC process are:  
UN-REDD (2012) Guidelines on Free, Prior and Informed Consent  
RSPO (2015) Free, Prior and Informed Consent for RSPO Members  
FAO (2015) Free, Prior and Informed Consent Manual
- 4.7 Establishing ongoing, effective, culturally appropriate channels of dialogue with indigenous people and local communities.

## **5. Commitment to Community Livelihoods**

- 5.1 Supporting decent living conditions and right to food and food security of local communities (e.g., food, drinking water, adequate housing, sanitation).  
PT. Prasadha Aneka Niaga Tbk considers a decent living condition to be one of many important subjects, so the company plays a role in providing aid and assistance in public facilities to help create a decent environment in the community.
- 5.2 Supporting the economic, social and cultural rights of local people, including through access to education and employment.  
PT. Prasadha Aneka Niaga Tbk supports economic, social, and cultural rights of local people, by actively participate in social activities and ensuring access to education can be reached by everyone in the communities who needs it. In the employment subject, the company prioritize local residents to become workers.

## **6. Supporting Systems and Process Development to Implement Policy Components**

6.1 Develop and publish transparent and time-bound targets, milestones, monitoring metrics, and annual reporting in implementing the policies

PT. Prasadha Aneka Niaga Tbk sets programs, targets, steps and stages, and periodically evaluates the achievement and adjusts them. All activities in the programs submitted in the form of a policy implementation report.

6.2 Embedding commitments into decision-making processes of corporate management and relevant business units

6.3 Participating in and supporting multi-stakeholder planning and policy efforts in natural rubber sustainability at an appropriate spatial scale as well as maintaining regular dialogues with stakeholders for information exchange and feedback

PT. Prasadha Aneka Niaga Tbk participates and supports stakeholders in planning sustainability policy by implement the programs that have been set.

## **7. Supporting Responsible and Fair Supply Chain Management**

7.1 Supporting supply chain mapping based on social and environmental risk potential and prioritize risk mitigation actions

PT. Prasadha Aneka Niaga Tbk pays attention to the supply chain of raw materials received to make sure they have no environmental risks and prioritize risk mitigation actions where applicable

7.2 Supporting traceability of supply chain to an appropriate jurisdictional level

PT. Prasadha Aneka Niaga Tbk receive raw materials only that can be trace of supply chain to an appropriate jurisdictional level

7.3 Supporting increasing the efficiency and simplification of the supply chain from the upstream to downstream

PT. Prasadha Aneka Niaga supports efficiency and simplification of the supply chain to helps in raw materials traceability and developments

7.4 Supporting fair sharing of risk mitigation efforts amongst stakeholders in the upstream, midstream, and downstream sectors

PT. Prasadha Aneka Niaga Tbk supports fair sharing of risk mitigation efforts to helps create the appropriate sustainability

7.5 Communicating to all suppliers of natural rubber that material produced and processed in accordance and conformance with the GPSNR Policy Framework will be preferred and to provide time bound expectations as well as supporting the suppliers in meeting these commitments and policy

7.6 In instances of supplier non-conformance with GPSNR Policy Framework, supporting the supplier to develop time-bound implementation plans to move towards conformance and/or remedial actions