

## **SPEAK UP POLICY**

### **1. Purpose**

The aim of this Policy is to encourage all Employees and Stakeholders to voice their concerns regarding misconduct, fraudulent and illegal activities, and unethical conduct that could potentially be harmful to the Company – including any violations of company policies and Business Code of Conduct (BCOC) through the Speak Up channel.

This Policy is part of the CRI Policies and Procedures and should be read in conjunction with the CRI Integrity Risk Management Framework.

### **2. Policy Statements**

APP Sinar Mas (APP) upholds high standard of integrity and ethics and is committed to conducting business in an environment of honesty, respectful and fair. The Speak Up Policy sets forth the principles and framework for reporting of concerns.

APP adopts a ZERO TOLERANCE stance to fraud and improper behavior and will not accept any level of dishonesty, illegal and unlawful practices, unethical act and misconduct by any employee, agents, distributors, contractors, intermediaries or other parties.

Any persons including APP employees, business partners and other Stakeholders are encouraged to report even if they only have a suspicion on unethical behavior or violations of law and company policies connected with APP's business activities. They should not attempt to investigate or substantiate their concerns.

APP assures that all reports of concern will be addressed in the most appropriate and fair manner and commits to taking necessary actions to remediate the situations resulted from the reported wrongdoings.

### **3. Scope**

The Speak Up Policy ("Policy") applies to all Employees of the Company and other Stakeholders including Business Partners.

This Policy is not intended to replace the existing protocols on:

- Business dispute between Stakeholders and the Company;
- Complaint relating to Health, Safety and Environmental issues;
- Staff grievances such as unfair performance evaluation, dispute on remuneration and staff benefits, workplace favoritism and bullying, discrimination etc.
- General inquiries about APP's business and products.

## 4. Definitions

**Business Partners:** agents or vendors, distributors, contractors, intermediaries, consultants, creditors and customers.

**Company:** Asia Pulp & Paper (APP) includes but not limited to all companies within the group in Indonesia companies' worldwide including branch or representative office.

**Employee:** person who has direct engagement with the Company as a person to provide his/her service under applicable employment law.

**Investigation:** an inquiry as to the nature of events associated with misconduct, corruption and fraud risk incident and carried out by qualified individuals using a methodical and forensic process.

**Investigator:** an accredited individual, with appropriate training, experience, wisdom and sense of judgement appointed to conduct an investigation.

**Misconduct:** unacceptable or improper behavior or unprofessional manner.

**Reporter:** the person(s) or company that raise the concern.

**Stakeholders:** a party that has an interest to the Company and can either affect or be affected by the business.

**Whistleblower:** person who reports suspected or actual wrongdoing and has reasonable belief that the information is true at the time of reporting.

## 5. General Principles

### 5.1 Confidentiality

All reports of concern will be handled with utmost confidence and every effort will be made to ensure the identity of reporters/whistleblowers are not disclosed. Investigation activities will be conducted on a discreet and need-to-know basis to avoid compromising whistleblower's identity.

### 5.2 Anonymous reporting

Whistleblowers or Reporters can choose to file a Speak Up report without revealing their identities. All personal attributes (if any) that may lead to identifying a Whistleblower's identity will be encrypted for confidentiality and protection reasons. The Company undertakes to secure Whistleblower's identity if the Whistleblower chooses to be anonymous regardless of whether the Whistleblower reveals his/her identity.

### **5.3 Non-Retaliation**

The Company does not tolerate retaliation against Whistleblower who in good faith raises a concern. The Whistleblower must not be threatened or punished as a way of keeping the Whistleblower from expressing his or her concern. Any form of retaliation is prohibited and will be subject to sanctions and disciplinary action up to employment dismissal, contract termination and possibly to criminal proceedings under applicable laws.

### **5.4 Objectivity**

APP is committed to nurturing a culture of honesty and accountability with highest possible standards of ethics. All reports of concern will be reviewed, investigated and addressed in a most objective and fair manner.

### **5.5 Obligation to report**

Every employee and/or the Stakeholder has the obligation to raise a concern about illegal activities or unethical conduct or potentially harmful in the Company – including any violations of Company's policy or BCOG.

### **5.6 Reporting in good faith**

When filing a Speak Up report, the Whistleblower should ensure that he/she has reasonable ground to believe the information reported is true at the material time. The Company undertakes to protect Whistleblower who are filing reports in good faith from direct and indirect detrimental actions.

Whistleblower is responsible to provide evidence, relevant information, or clear indicators about the violence or misconduct being reported.

### **5.7 Creating a culture of Speaking Up**

All employees are required to demonstrate a culture to encourage 'Speak Up' by:

- creating an environment that is respectful and inclusive;
- encouraging the team member to report their concerns;
- listening and responding to concern when the concerns are raised;
- Doing part to make sure that no one experiences retaliation for speaking up or co-operating in an investigation.

### **5.8 Whistleblower Reward Program**

The company rewards an incentive to Whistleblower who raise a concern that is substantiated by an official CRI investigation. Whistleblower can receive a financial reward up to IDR 400 million or more based on company's regulations.

### **5.9 Whistleblower Protection Program**

To promote a culture of accountability and integrity, and encourages the reporting of misconduct, fraud and corruption, the company will make every effort to protect the identity of and prevent reprisals against a Whistleblower.

### **5.10 Monitoring and Review**

Review of the effectiveness of the Speak Up Channel will be conducted by CRI Division as necessary, to assure that all information being reported and the follow up actions are taken care of as per designed procedure. Any required improvement or proposed change in the Policy and its standard operating procedure is elaborated in that review.

### **5.11 Additional Requirements**

Additional responsibilities of managers are to be positive role model and support the team members by:

- creating an environment that is respectful and inclusive;
- encouraging the team member to speak up;
- listening and responding to concern when the concerns are raised;
- Doing part to make sure that no one experiences retaliation for speaking up or co-operating in an investigation.

## **6. Channels of Reporting**

When the employees and the Stakeholders have any concerns regarding suspected misconduct, including violations of law, regulation, Company policy/procedures appear in the Company or believe that have been retaliated for raising a good faith concern, may contact either:

1. Contact the line Manager or Department head for discussion; or
2. Contact the Ethics & Compliance Department immediately; or
3. Speak Up channels provided by the Company