

Apical Group Human Rights Policy

1. Introduction

Apical Group (hereafter referred to as 'Apical') firmly believes that we have a responsibility to respect the fundamental human rights in our conduct of business across our global operations and supply chain. This policy is complementary to the <u>Apical Group Sustainability Policy</u> and both policies shall be read alongside the <u>Policy Glossary</u> which contain definitions of key terms.

2. Governance & Scope¹

The Apical Board of Directors is the highest governing body responsible for driving our sustainability strategy and performance as well as ensure that our commitments are met. Similar to our Sustainability Policy, the scope of this policy applies to our own operations, joint ventures, subsidiaries and direct and indirect suppliers in our palm oil supply chain.

3. Our Key Commitments

Apical commits to respecting human rights and leveraging on our global business presence to influence change and deliver positive human rights impacts and remedy for Indigenous Peoples, local communities and workers.

As such, we are committed to respecting all internationally recognised human rights including those contained in the International Bill of Human Rights² and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. We also subscribe to the United Nations Guiding Principles on Business and Human Rights (UNGPs) and are guided by the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises as well as the ten UN Global Compact principles.

In recognition of certain vulnerable and marginalised groups³ that may be at higher risk of being adversely impacted by our operations or our supply chain, we adhere to the principles laid out in the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), Indigenous and Tribal Peoples Convention, United Nations Declaration on Human Rights Defenders and the United Nations Convention on the Rights of a Child (UNCRC).

We shall comply with all applicable national and international laws and regulations throughout our operations. If there are discrepancies between national and international laws, Apical shall strive to adhere to the highest applicable standards.

¹ Please see Apical Group Sustainability Policy for more information – Section on Governance and Scope

² consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights

³ includes (and not limited to) women, children, religious and ethnic minorities, indigenous peoples, environmental and human rights defenders and migrant workers



In view of emerging international legislation requiring companies to eliminate forced labour and strengthen their due diligence processes to ensure human rights risks and impacts are effectively addressed in their operations and supply chain, Apical will continue to monitor and ensure that our policies, systems, and processes are robust and in line with these new requirements.

3.1 Labour rights

We are committed to respecting the rights of all workers by ensuring:

- i. No forced labour⁴, including human trafficking, debt bondage and indentured labour.
- ii. No child labour.
- iii. The effective implementation of ethical recruitment practices, including no payment of recruitment fees.
- iv. No retention of workers' passports (or other identity documents).
- v. No restriction of movement for workers.
- vi. No contract substitution.
- vii. Pay wages that meet or exceed legal minimum wage in supporting workers and their families to attain a decent standard of living.
- viii. Freedom of workers to resign.
- ix. No penalty for termination of employment.
- x. No withholding of wages.
- xi. Wages are paid regularly and on time. Wages will be distributed equally for equal work and any legal deductions shall be clearly stated and understood by the workers.
- xii. Working hours and overtime are aligned with national standards. Any overtime carried out by workers will be voluntary and compensated fairly.
- xiii. Working conditions/workplace is safe and there is no undue risk to health.
- xiv. Adequate housing is provided if required, in accordance with national standards or ILO guidance and is of satisfactory hygiene standards.
- xv. No discrimination on any basis, including (but not limited to) race, origin, gender, religion, age, sexual orientation, nationality, political view, or involvement in trade unions.
- xvi. No harassment, abuse, or violence, including physical, psychological, verbal, sexual or threats. There shall be no use of corporal punishment.
- xvii. A more inclusive working environment through the promotion of diversity and gender equality.
- xviii. Reproductive rights of workers are respected.
- xix. Rights to freedom of association and collective bargaining are respected. In circumstances where the rights of workers to collectively bargain is limited by national law, we are guided by international best practice on collective bargaining. Workers will receive all benefits outlined by the national law and their collective bargaining agreements.

⁴ In line with the 11 ILO Forced Labour indicators



3.2 Rights of Indigenous Peoples & Local Communities (IP and LCs)

Apical respects the diversity of indigenous peoples and local communities, acknowledging the unique and important interests that they have in their ecosystem as well as their history, culture and traditional ways.

We recognise and respect the rights of IP and LCs as protected in UNDRIP and the Indigenous and Tribal Peoples Convention. This includes, among others, rights ⁵ to land, resources, culture, self-determination, self-governance, a healthy environment, and non-discrimination. We shall strive to ensure that any acquisition, use or development of land for oil palm development is not detrimental to rights holders and users which includes people from land where they hold demonstrable legal, communal, or customary rights.

We shall continue to engage with communities in the vicinity we operate and seek, to understand the social, environmental, and economic implications of our activities in order to take appropriate actions for the well-being of the IP and LCs.

We commit to respecting the right of IP and LCs to grant or withhold Free, Prior and Informed Consent (FPIC) for development activities that affect their lands, livelihoods, and environment. FPIC shall be sought for ongoing operations of existing plantations and obtained before the commencement of proposed new development. We require the same of our suppliers and will engage them to ensure FPIC processes are understood, correctly implemented in accordance with international norms and best practices in the palm oil sector and continuously improved⁶.

3.3 Human Rights Defenders (HRDs)

We respect the right of HRDs to safely raise issues and concerns on the impact of our operations and that of our suppliers and commit to open and constructive engagement with HRDs. Apical will not tolerate any threats, intimidation, criminalisation, violence, or reprisal against HRDs. We commit to addressing any harmful impacts on HRDs caused by our operations or as a result of actions from within our supply chain, proportional with our leverage and in line with the UNGPs⁷.

⁵ This refers to customary rights, legal rights, user rights and demonstrable rights as defined in the RSPO P&C and the RSPO FPIC Guidance

⁶ We will be guided by the RSPO FPIC Guidance and HCSA Social Requirements and Implementation Guidance and encourage our suppliers to adopt the same across their entire operations.

⁷ In line with the <u>UN Declaration on Human Rights Defenders</u> and the RSPO <u>Policy on the Protection of Human Rights Defenders</u>, Whistle-blowers, Complainants and Community <u>Spokespersons</u>



4. Implementation, monitoring, and reporting

Apical will strengthen our existing sustainability framework with clear targets, milestones, and performance indicators on human rights to pledge our commitment to this policy. We shall undertake a Human Rights Due Diligence (HRDD) process to:

- i. identify and assess adverse impacts;
- ii. prevent & mitigate;
- iii. track/monitor;
- iv. communicate; and
- v. remediate any contribution to adverse human rights impacts in our operations and supply chain.

We will regularly review and update the progress on our efforts, and annually communicate the results through our Sustainability Reports.

Apical will continue to engage and collaborate with internal and external stakeholders to ensure the effective implementation of this Human Rights Policy. We currently participate in multi-stakeholder initiatives and platforms such as RSPO and Palm Oil Collaboration Group (POCG); and are open to support landscape or sectoral initiatives that would help us achieve the objectives of this policy.

We will work with our suppliers to meet the requirements of this policy and to cascade the same in our supply chain. Where we identify that adverse human rights impacts have been caused, we will engage in appropriate remediation processes including cooperation with other stakeholders.

5. Right to Remedy

Rights holders shall seek to attain their right to remedy through the grievance mechanism as stipulated in the <u>Apical Group Sustainability Policy</u>.