

PUBLIC SUMMARY REPORT

External Verification of Sustainable Palm Oil Transparency Toolkit (SPOTT) Assessment

Commodities House Investments Ltd (Pacific Inter-Link Group) 2025

Contact

Control Union (Malaysia) Sdn. Bhd.

Port Tech Tower, Level 17 Unit No. 1,2,3,3A, 5, 6,7 Jalan Tiara 3 KU/1, Bandar Baru
Klang 41150 Selangor, Malaysia

malaysia@controlunion.com

Tel: +603-3000 4132

Table of Contents

PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT	3
1.1 COMPANY AND CONTACT DETAILS	3
1.2 ASSESSMENT DETAILS	3
1.3 ASSESSMENT TYPE	3
1.4 GENERAL DESCRIPTION OF PIL GROUP	3
1.5 OPERATIONAL UNITS UNDER SCOPE.....	3
PART 2: VERIFICATION PROCESS	4
2.1 ABOUT THE VERIFICATION BODY	4
2.2 VERIFICATION TEAM	4
2.2.1 <i>Qualifications of the Assessors</i>	4
2.3 METHODOLOGY	5
2.3.1 <i>General Overview</i>	5
2.3.2 <i>Sampling</i>	5
PART 3 ASSESSMENT FINDINGS	6
3.1 SUMMARY OF THE FINDINGS.....	6
3.2 SIGNING BY THE CLIENT	45
3.3 SIGNING BY THE LEAD ASSESSOR	45
3.4 SIGNING BY THE CERTIFIER	45

PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT

1.1 Company and Contact Details

Company Name:	PACIFIC INTER-LINK SDN. BHD (PIL GROUP)
Business Address:	54 & 55, Vista Tower, The Intermark, Jalan Tun Razak, 40500 Kuala Lumpur
Contact Person:	Mr. Nagendran Selvanathan
Office Telephone:	+603 4027 1000
E-Mail:	nagendran.selvanathan@pilgroup.com
Web Site:	www.pilgroup.com

1.2 Assessment Details

Dates of This verification:	3 rd – 5 th June 2025
-----------------------------	---

1.3 Assessment Type

Third-party verification to assess and validate compliance, performance, and/or actions taken by PIL Group in relation to its commitment, evaluating the information provided by PIL Group towards SPOTT concerning the latest SPOTT Palm Oil Indicator Framework 2025, which requires external verification.

1.4 General Description of PIL Group

Pacific Inter-Link Sdn Bhd (PIL), established in 1988 in Kuala Lumpur, is a global leader in the edible oil and consumer goods industry. With operations spanning manufacturing, refining, trading, tank terminal operations, and logistics, PIL exports to over 70 countries, making it one of Malaysia's top palm oil exporters. The company is also a trusted provider of Fast-Moving Consumer Goods (FMCG), including edible oils, specialty fats, dairy products, home care, and personal care items.

Driven by a commitment to excellence, reliability, and sustainability, PIL maintains a strong presence across Southeast Asia, the Middle East, Africa, and Europe. With representative offices and manufacturing units in key markets worldwide, PIL ensures efficient delivery and market-specific solutions to meet global demand.

PIL's dedication to sustainable growth has earned it significant recognition, including being named one of Asia's Most Influential Companies at the ACES Awards 2024 and receiving the Sustainability Awareness and Employee Engagement Recognition at the UN Global Compact Network Malaysia & Brunei Awards. Today, PIL continues to play a vital role in the global palm oil trade and consumer goods market while upholding responsible business practices that positively impact the environment and society.

1.5 Operational Units under scope

PIL Group includes six business units, which are **1 trader, 4 refineries, 1 Oleochemical Plant** based in Indonesia and Malaysia. Details of the processing operations are as below:

Operations	Facilities	Location	Certification
PACIFIC INTERLINK SDN BHD	Trader	Kuala Lumpur, Malaysia	-
PT. PACIFIC INDOPALM INDUSTRIES	Refinery	Dumai, Indonesia	RSPO & ISCC EU
PT. PACIFIC PALMINDO INDUSTRI	Refinery	North Sumatra, Indonesia	RSPO
PACIFIC MEDAN INDUSTRI	Refinery	North Sumatra, Indonesia	RSPO
PACIFIC OILS & FATS INDUSTRIES SDN. BHD	Refinery	Kulai, Johor Malaysia	RSPO & ISCC EU

OLEOCHEM & SOAP INDUSTRI	Oleochemical	North Sumatra, Indonesia	-
--------------------------	--------------	--------------------------	---

PART 2: VERIFICATION PROCESS

2.1 About the Verification Body

Control Union (CU) is an independent, international assurance and certification body. Founded in 1920 in the Netherlands, CU has an office in more than 80 countries. CU offers a one-stop shop solution for sustainability reporting and assurance services. CU has more than 6,000 employees working across the globe.

Control Union Certification (CUC) is a part of Control Union, an international inspection and certification body. CUC performs assessments and certification across many sectors, including biomass, biofuels, forestry, agriculture, food & feed, fats & oils, minerals, energy, and tourism.

In the field of sustainability reporting, we serve our clients by performing sustainability strategy checks, gap analysis, and independent assurance. Control Union is also a registered assurance provider for the AA1000 assurance standard.

Control Union (Malaysia) Sdn Bhd is accredited for RSPO (ASI-ACC-069) for the scope of P&C (Single Site & Group) and SCC worldwide and accredited by the Department of Standard Malaysia (DSM) for ISO 17021, ISO 17065, ISO 17020, ISO 9001, ISO 14001, MTCS - FMC, FSMS and MSPO. When requested, a copy of the accredited certificates can be obtained from CUC. Control Union also approved in verifying POIG verification indicators.

2.2 Verification Team

Lead verifier	Ebnu Holdoon Shawal
Verifier	Norizwan Akun

2.2.1 Qualifications of the Assessors

Name	Qualifications
Ebnu Holdoon Shawal (Lead verifier)	<ul style="list-style-type: none"> Project Manager Sustainability, focusing on GRI Assurance, Assurance Statement AA1000As, SPOTT Verification, Traceability and other sustainability projects under the department of Control Union Assurance Services Graduated with a Bachelor of Civil Engineering from University Tenaga Nasional. Successfully attended Global Report Initiative (GRI) Standards Training (C38370) by Tembusu Asia Singapore, completed Lead Auditor Course for RSPO Principle and Criteria, RSPO Supply Chain, qualified auditor for MSPO Oil Palm Management Criteria and Supply Chain. Has more than 7 years' experience in the Palm Oil Industry, conducting audits in various countries, managing the programs for Global and Local Palm Oil Sustainability scheme (RSPO and MSPO), part of the technical working group for MSPO implementations together with Standard Malaysia and various stakeholders.
Mohd Norizwan Bin Akun (Verifier)	<ul style="list-style-type: none"> Graduated in a Bachelor of Science (Hons) (Plantation Technology and Management) from Universiti Teknologi MARA. 4 years' experience in oil palm plantation as Assistant Manager in charge of estate daily operation, sustainability documentation, crop quality report, mechanization etc. Additional experience, 2 years as a Consultant for Digital System Management of Oil Palm Plantation. Successfully completed Lead Auditor Course for RSPO P&C 2018 and IMS (ISO9001:2015, ISO14001:2015 & ISO45001:2018). Qualified for Traceability to Plantation (TTP), Traceability to Mill (TTM), SPOTT Verification & AAK Protocol Verification.

2.3 Methodology

2.3.1 General Overview

Verification Methodology

The following methodologies were adopted during the verification process:

1. **Assessment Planning**
An assessment plan was shared in advance of the verification date to ensure transparency and preparedness.
2. **Reference Frameworks**
The verification was guided by the **SPOTT Palm Oil Indicator Framework 2025** and the company's internal procedures to assess each requirement.
3. **Sampling Approach**
A sampling methodology was applied to select representative facilities for detailed verification.
4. **Evidence Review**
Various documents and records were verified to confirm alignment with SPOTT requirements, including:
 - Traceability Procedures (Traceability to the Mill – TTM, and Traceability to the Plantation – TTP)
 - Traceability data (TTM and TTP)
 - Samples of transaction records
 - Supplier engagement reports and records
 - NDPE Implementation Reporting Framework (IRF) data
 - Risk assessment documentation
 - Membership and affiliations
 - Certification documents (e.g., RSPO, ISPO, MSPO)
 - Relevant social compliance data
 - Environmental management records
5. **Interviews with Key Personnel**
Inquiries and interviews were conducted with senior management, functional leads, and personnel responsible for day-to-day sustainability operations to assess implementation effectiveness.
6. **Evidence Evaluation**
All supporting evidence was reviewed and assessed to verify compliance with applicable protocols.
7. **Remote Verification of Site Management**
Selected site management personnel were interviewed virtually via an online platform as part of the data source verification.

Scope of Indicator Verification

All selected **SPOTT 2025 indicators** were subjected to **comprehensive external verification** to ensure full compliance and eligibility for maximum scoring. The indicators verified include:

65, 111, 116, 118, 120, 134, 137, 155, 158, 163, 167, 176, 181, 184, 185, and 188

2.3.2 Sampling

Sampling Approach for Non-Traceability SPOTT Indicators

For non-traceability-related SPOTT indicators, where sampling is required for verification, the sampling design follows the formula:

$$x = \sqrt{y},$$

where **x** is the minimum number of facilities to be sampled and **y** is the total number of facilities under each processing scope. The result is always rounded **up** to the nearest whole number to ensure adequate representation.

Facility Overview and Sampling Outcome

The total number of facilities considered includes:

- **1 Trader**

- **4 Refineries**
- **1 Oleochemical Plant**

Based on the sampling calculation and facility distribution, the audit sample comprises:

Facility Type	Facility Name
Trader	<ul style="list-style-type: none"> • Pacific Inter-Link Sdn. Bhd (PIL)
Refinery	<ul style="list-style-type: none"> • PT. Pacific Palmindo Industri (PALMINDO)
	<ul style="list-style-type: none"> • PT. Pacific Medan Industri (PAMIN)
Oleochemical Plant	<ul style="list-style-type: none"> • PT. Oleochem & Soap Industri (OSI)

This sampling ensures representative coverage across different facility types for the purpose of verifying non-traceability SPOTT indicators.

PART 3 ASSESSMENT FINDINGS

3.1 Summary of the findings

Overview of the PIL Group and Verification Scope

PIL Group is a global player in the edible oil and consumer goods industry. Established in 1998 in Kuala Lumpur, PIL Group was founded to promote the export of a wide range of commodities and services from Asia to global markets. Recognising Asia's emergence as an economic powerhouse, PIL Group has since rapidly grown to become one of Malaysia's leading export houses.

Verification Scope and SPOTT Indicator Coverage

The verification process was guided by selected **SPOTT indicators** relevant to PIL's operations. These included indicators **65, 111, 116, 118, 120, 134, 137, 155, 159, 163, 167, 176, 181, 184, 185, and 188**, covering both **group-level information** and specific operational sites.

The traceability data and group structure evaluated during the verification included the following entities:

- **Trader:** Pacific Inter-Link Sdn. Bhd. (PIL)
- **Refineries:**
 - PT. Pacific Palmindo Industri (PALMINDO)
 - PT. Pacific Medan Industri (PAMIN)
- **Oleochemical Plant:**
 - PT. Oleochem and Soap Industri (OSI)

Summary of Findings and Assurance Level

A summary of the evaluated indicators, key findings, and the corresponding **level of assurance** is presented in the table below.

Summary of Findings	Scope and Scoring
Evidence of monitoring deforestation and/or ecosystem conversion in supplier operations (<i>Indicator 65</i>)	
Third-Party Monitoring of Deforestation and Peatland Clearance: MapHubs (Palmoil.io) The company engages third-party monitoring of deforestation and peatland clearance through MapHubs (Palmoil.io). According to email confirmations with MapHubs, this platform is actively used to monitor supply chain compliance with deforestation- and peat-related commitments. Palmoil.io provides a real-time, dynamic monthly dashboard, delivering critical insights into: <ul style="list-style-type: none"> • Deforestation alerts 	Comprehensive, Externally Verified

- Supply chain linkages
- Status of ongoing grievances across both direct and indirect supply chains

The system tracks not only the mills within PIL's direct supply chain, but also indirect plantation concessions that supply Fresh Fruit Bunches (FFB) to these mills. While historical deforestation data is available, the company's primary focus is on deforestation occurring since the 1 July 2018 cut-off date. As of now, the company monitors approximately 68.87 million hectares of supplier operations across Malaysia and Indonesia.

Proactive Supplier Engagement and Due Diligence

Data obtained through Palmoil.io allows PIL to proactively engage with non-compliant suppliers, ensuring alignment with the company's Sustainable Palm Oil Sourcing Policy. Any confirmed cases of deforestation or peatland clearance post-December 2018 are addressed through the company's Grievance Procedure, which includes obligations for:

- Remediation
- Recovery
- Restoration of affected areas within a defined timeframe

In addition, Palmoil.io supports robust due diligence processes, enabling background checks on prospective suppliers. This includes reviews of:

- Past grievances
- NGO reports
- Other risk indicators prior to establishing commercial relationships

The platform integrates supplier mill lists (UML IDs), which are updated on a monthly basis to support ongoing risk analysis and transparency.

Key Palmoil.io Features and Risk Dashboard

Palmoil.io provides a comprehensive and interactive platform for monitoring supply chain compliance. Key features include:

- Georeferenced grievance tracking, updated regularly
- Monthly proximity analysis of deforestation linked to palm mills
- NYSE ETF investment tracking related to palm oil companies

Under the Deforestation Monitoring Module, users can:

- Search company names and supplier mills
- View real-time risk dashboards and grievance histories
- Create watchlists for specific suppliers
- Monitor palm-related deforestation in proximity to mill locations

Case Study: Risk Insight Example – September 2024 (RI001084)

PIL provided a sample Risk Insight Report (RI001084), dated **September 2024**, containing the following components:

- Risk Summary: Risk type, EUDR risk rating (scale 0–6), key findings, report date, activity status (e.g., "producing"), and area impacted by deforestation
- Location Details: Geolocation coordinates (latitude and longitude), KML file data, and mobile-accessible routes (QR code)

<ul style="list-style-type: none"> Supply Chain Information: Report type, plot name (e.g., PT Tridaya Mandiri Utama), plot ID (7411), and group classification <p>The maps and spatial data clearly illustrate concession boundaries and highlight areas that supply to PIL traders, including Pacific Inter-Link Sdn. Bhd.</p> <p>EUDR Risk Rating System – Palmoil.io</p> <p>The European Union Deforestation Regulation (EUDR) Risk Ratings used by Palmoil.io are categorized as follows:</p> <ol style="list-style-type: none"> 0 – No EU Forest 1 – EU Forest Present 2 – Alerts >1 ha 3 – Alerts >5 ha 4 – Verified Deforestation 5 – Conversion Risk 6 – Verified Conversion <p>Supplier Monitoring and Mill Traceability</p> <p>A sample report from Bangka Belitung was sighted, covering direct supply to traders including PALMINDO and PAMIN. The mill, located in Lilangan, 33562, Gantung Belitung Timur, Bangka Belitung Island, Indonesia, is directly connected to these refining facilities.</p> <p>Palmoil.io guidelines require supplier mill lists to be updated every six months, and PIL has established regular communication with suppliers to comply with this requirement. This is crucial as the company procures palm oil from bulking facilities at the refinery level.</p> <p>Additionally, documentation was sighted for supplier mills to PALMINDO, including risk summaries and traceability declarations for the period July to December 2024. The report includes mills such as:</p> <ul style="list-style-type: none"> PT Tridaya Mandiri Utama (Plot ID 7411, Teluk Piyai Pesisir, Rokan Hilir, Riau) Abdi Mulia 1 Cisadane Sawit Raya <p>These mills were verified in the Traceability Declaration Document for OSI, confirming continued monitoring and compliance during the July 2024 reporting cycle.</p>	
Progress towards commitment to reduce absolute GHG emissions (<i>Indicator 110</i>)	
<p>PALMINDO</p> <ul style="list-style-type: none"> The PALMINDO personnel made available the GHG intensity calculation, which includes the absolute GHG for both Scope 1 and Scope 2. Based on the figures provided, the facility's absolute GHG emissions increased by 19.47% from 13,493.38 MT CO₂e in 2023 to 16,120.88 MT CO₂e in 2024. <p>PAMIN</p> <ul style="list-style-type: none"> The personnel also provided the GHG intensity calculation file, which outlines the absolute emissions for Scope 1 and Scope 2. According to the data, the total GHG emissions for PAMIN slightly increased by 4.81% from 22,074.50 MT CO₂e in 2023 to 23,135.56 MT CO₂e in 2024. <p>OSI</p>	<p>Limited, externally verified</p>

- The GHG intensity calculations are standardised across all facilities. For OSI, the reported data shows a 2.85% **decrease** in the absolute GHG emissions from 3,427.86 MT CO₂e in 2023 to 3,330.21 MT CO₂e in 2024.

Facility	2023	2024
PALMINDO	13,493.38 MT CO ₂ e	16,120. 88 MT CO ₂ e
PAMIN	22,074.50 MT CO ₂ ee	23,135.56 MT CO ₂ e
OSI	3,427.86 MT CO ₂ e	3,330.21 MT CO ₂ e

Conclusion

The overall facility's emission intensity showed an increasing trend compared to the previous year, with a 4.69% increase. Hence, the verification resulted in a limited assurance conclusion.

Progress towards commitment to reduce GHG emissions intensity (*Indicator 111*)

Sustainable Palm Oil Sourcing Policy and GHG Reduction Commitment

PIL Group has established a Sustainable Palm Oil Sourcing Policy (incorporating No Deforestation, No Peat, and No Exploitation – NDPE), Version 2, issued on 1st October 2022. This policy is publicly accessible on the company's official website (<https://www.pilgroup.com/suspolicy.html>).

The policy outlines the Group's commitment to building a transparent, traceable, and responsible supply chain, with a firm stance against deforestation, peatland development, and the exploitation of local communities and workers across its operations.

Furthermore, Sub-Section 2.6 of the policy emphasizes the Group's pledge to measure and progressively reduce greenhouse gas (GHG) emissions, while promoting continuous improvement among its suppliers.

Recognizing the escalating environmental and climate-related risks associated with carbon emissions, PIL Group is committed to reducing its carbon footprint through the implementation of best management practices and emissions intensity monitoring.

The main sources of GHG emissions within its operations include:

- Refining and fractionation processes
- Wastewater treatment
- Electricity use
- Chemical and fuel consumption

To ensure data relevance and accuracy, the Group has updated its GHG emissions baseline from 2022 to 2023. The 2022 baseline was deemed no longer applicable. Using the 2023 baseline as a new reference point, PIL Group's refineries and oleochemical facilities have committed to achieving GHG emissions reduction targets by 2030, specifically focusing on Scope 1 and Scope 2 emissions.

Facility	GHG Intensity	Methodology	Scope	2030 Target
PALMINDO	0.0466 MT CO ₂ e/ MT Finished Product	ISO 14064	Scope 1 & 2	0.0390 (5% reduction)
PAMIN	0.0861 MT CO ₂ e/	ISO 14064	Scope 1 & 2	0.0697

Limited,
externally verified

	MT Finished Product			(6% reduction)
OSI	0.1641 MT CO ₂ e/ MT Finished Product	ISO 14064	Scope 1 & 2	0.1360 (5% reduction)

Facility	2023	2024
PPI	0.0410MT CO ₂ e/MT Finished Product	0.0466MT CO ₂ e/MT Finished Product
PAMIN	0.0742MT CO ₂ e/MT Finished Product	0.0861MT CO ₂ e/MT Finished Product
OSI	0.1432 CO ₂ e/MT Finished Product	0.1641MT CO ₂ e/MT Finished Product

PALMINDO and OSI established their Environmental Policy in September 2021, endorsed by Mr. Abdullah Abdu Muqbil (Operational Director, PALMINDO) and Mr. Ashish Sharma (General Manager, OSI). The policy reflects the company's strong commitment to environmental protection as part of their core value and enthusiastically incorporates environmental protection and sustainability into their business operations through continual efforts to ensure a safe and healthy workplace and minimise the impact on the environment.

PAMIN established its Environmental Policy on 1st November 2021, endorsed by the Director, Mr. Ali Saleh Ali Sulaiman (Document No: M-PAMIN-D, Revision 02). Similar to the policies of PALMINDO and OSI, point 5 emphasizes the efficient resource usage by monitoring the consumption of material, energy, and water.

PALMINDO

1. Total emission in 2024: 16,120.88 MT CO₂e
2. Total processed in 2024: 346,239.30 MT
3. Emission intensity: 0.0466MT CO₂e/MT Finished Product
4. Trends for production (2024 vs 2023): 5.27% increased
5. Trend for GHG emission (2024 vs 2023): 19.47% increased
6. Trends for emission intensity (2024 vs 2023): 13.66% **increased**

PALMINDO has commenced monitoring their GHG emission intensity from 2022 onwards and calculated based on the ISO 14064 methodology. In 2023, total GHG emissions were recorded at 13,493.38MT CO₂e, with a total processing volume of 328,913.68 MT, resulting in an emission intensity of 0.0410-ton CO₂e/MT Finished Product.

In 2024, GHG emissions increased by 19% compared to the previous year, with total emissions recorded at 16,120.88MT CO₂e. The total processing volume was 346,239.30 MT, representing a slight increase of 5% from 2023. PPI recorded a 14% increase in emission intensity compared to the previous year.

PAMIN

1. Total emission in 2024: 23,135.56 MT CO₂e
2. Total processed in 2024: 268,832.72 MT
3. Emission intensity: 0.0861MT CO₂e/MT Finished Product
4. Trends for production (2024 vs 2023): 9.67% decreased
5. Trend for GHG emission (2024 vs 2023): 4.81% increased

6. Trends for emission intensity (2024 vs 2023): 16.04% **increased**

In 2023, total GHG emissions were recorded at 22,074.5 MT CO₂e, with a total processing volume of 297,596.25 MT, resulting in an emission intensity of 0.0742 MT CO₂e/MT Finished Product.

In 2024, GHG emissions increased by 4.81% compared to the previous year, with total emissions recorded at 23,135.56 MT CO₂e. The total processing volume was 268,832.72 MT, representing a significant decrease of 9.67% from 2023. PAMIN recorded a 16.04% increase in emission intensity compared to the previous year.

OSI

1. Total emission in 2024: 3,330.21MT CO₂e
2. Total processed in 2024: 20,294.45 MT
3. Emission intensity: 0.1641 MT CO₂e/MT Finished Product
4. Trends for production (2024 vs 2023): 15.22% decreased
5. Trend for GHG emission (2024 vs 2023): 2.85% decreased
6. Trends for emission intensity (2024 vs 2023): 14.59% **increased**

In 2023, total GHG emissions were recorded at 3,427.86 MT CO₂e, with a total processing volume of 23,936.60 MT, resulting in an emission intensity of 0.1432MT CO₂ee/MT Finished Product.

In 2024, GHG emissions decreased by 2.85% compared to the previous year, with total emissions recorded at 3,330.21MT CO₂ee. The total processing volume was 20,294.45 MT, representing a significant decrease of 14.59% from 2023. OSI recorded a 14.59% increase in emission intensity compared to the previous year.

Conclusion

The overall facility's emission intensity showed an increasing trend compared to the previous year, with a 4.69% increase. Hence, the verification resulted in a limited assurance conclusion.

Progress towards commitment on water use intensity (*Indicator 116*)

PIL Group has been collecting and monitoring water consumption data since 2019. Committed to improving water efficiency, the Group has set a target to reduce water use intensity by 2030, using 2022 as the baseline year. The specific 2030 water use intensity reduction targets, based on the 2022 baseline, are as follows:

Facility	2022 Baseline	2030 Target
	Water Use Intensity (m ³ /MT Finished Product)	
PALMINDO	0.680	0.612 (10% reduction)
PAMIN	0.261	0.240 (8% reduction)
OSI	4.312	3.018 (30% reduction)

In addition to the baseline reduction shown in the table above, the overall water intensity performance also demonstrates a reduction in 2024 across each of the sampled facilities. This reflects the company's ongoing commitment to continuously improving its performance on a year-by-year basis.

PALMINDO The Water Reduction Action Plan of PALMINDO (2025 -2030) was made available to the verifier. The plan, established in 2024, was proposed by Planning Engineer, Mr. Salah Shaibani, and acknowledged by the Heads of Department: Sanjay, Manan, Titis, Swarup,

Comprehensive,
externally verified

Muslihuddin, Yose and Miecien. It received approval from the Director, Mr. Abdullah Muqbil. Through this plan, the management has set a target to reduce the overall water consumption by 10% by the year 2030. The action plan includes the following key initiatives:

- a) Established 2022 baseline water intensity reduction program
- b) Collection of rainwater
- c) Collection of steam condensate water

Year	2023	2024
Water Consumption (m³)	220,329.73	217,679.36
Finished Product (MT Output)	328,913.68	346,239.30
Water Use Intensity (m³/MT Finished Product)	0.670	0.629

PALMINDO recorded a slight **decrease** in water intensity compared to the previous year, with **reductions of 4.62%**.

PAMIN The Water Reduction Action Plan of PPI (2025 -2030) was made available to the verifier. The plan, established in 2024, was proposed by Maintenance Manager, Mr. Bambang Julianto, and acknowledged by the Plant Manager and Deputy General Manager: Mr. Dedy Wahyudi and Mr. Hassan Saeed. It received approval from the Operational Director, Mr. Ali Saleh Sulaiman. Through this plan, the management has set a target to reduce the overall water consumption by 8% by the year 2030. The action plan includes the following key initiatives:

- a) Socialization of water consumption and utilization: Socialization awareness
- b) Regular maintenance of water distribution: Check for leaks regularly and repair malfunctioning equipment that uses water
- c) Upgrade equipment and processes: Install water pressure reducing valve at water usage station, replace manual water valves with automatic valves
- d) Re-use water: Build a harvesting rainwater system, a collection of steam condensate system
- e) Review and analysis

Year	2023	2024
Water Consumption (m³)	68,988.00	69,510.88
Finished Product (MT Output)	297,596.25	268,832.72
Water Use Intensity (m³/MT Finished Product)	0.232	0.259

PAMIN recorded a slight increase in overall water consumption compared to the previous year, with a reduction of 0.76%. However, the water use intensity showed a notable **increase** of 11.64% compared to the previous year.

The Water Reduction Action Plan for **OSI** (2023 – 2030) was made available to the verifier. The plan was established in 2024, proposed by Mr. Danu Rahanda, acknowledged by the Plant Manager, Mr. Al-Badwi A. Saleh and formally approved by the General Manager, Mr. Ashish Sharma. As part of its sustainability commitment, the management has set a target to reduce overall water consumption by 30% by 2030. The action plan outlines several initiatives, including but not limited to the following:

- a) Modification of Cyclone Saponification 2.
- b) Repair Cyclones of Saponification 1 and 2.
- c) Installing gravity water tanks for toilets.
- d) Installing complete level control overflow of the hot water generator in Saponification 2.
- e) Phase 3 of rainwater harvesting.

Year	2023	2024
Water Consumption (m³)	73,463.71	42,669.67
Finished Product (MT Output)	23,936.60	20,294.45
Water Use Intensity (m³/MT Finished Product)	3.069	2.103

OSI recorded a significant **decrease** in both water consumption and water intensity compared to the previous year, with reductions of 41.92% and 31.60% respectively. The 2024 water intensity has been reduced by 51.29% compared to the baseline, successfully achieved the 2030 reduction target ahead of schedule.

Conclusion

Year	2023	2024
Water Consumption (m³)	985,158.52	1,143,416.33
Finished Product (MT Output)	1,831,958.62	2,400,897.14
Water Use Intensity (m³/MT Finished Product)	0.54	0.48
Overall Percentage		(11.44%)

The overall facilities water emission intensity showed a **decreasing** trend, with an 11.44% reduction compared to the previous year, reflecting continuous improvements in emissions management and operational efficiency. As a result, the verification concluded with a comprehensive level of assurance.

Progress towards commitment on water quality (BOD or COD) (Indicator 118)

PIL Group has been collecting and monitoring water consumption data since 2019 as part of its commitment. The group is also committed to complying with the local laws and regulations and has taken necessary actions to ensure its compliance. As for sites in Indonesia, there are two sets of regulations that require the facility to follow, which are:

Comprehensive,
externally verified

- 1) “Peraturan Menteri Lingkungan Hidup Republik Indonesia, Nomor 5, Tahun 2014 Tentang Baku Mutu Air Limbah”. Parameters and values for PORE set by the Indonesian Government are as follows:

Temperature	25-40 °C
pH	6-9
BOD	75 mg/L
COD	150 mg/L
Oil & Grease	15 mg/L

- 2) Regulation set by the Kawasan Industri Medan (KIM) Authority. KIM Authority had developed a standard for wastewater discharged called, “Tata Tertib Kawasan Industri Medan”, form no: FM/4.3/01.3/02-01, revision no: 04, issued on 01.07.2013. Under point no 3, Environmental Impact Control, KIM Authority has set that the wastewater discharged into the KIM Authority sewerage system does not exceed the following values:

Temperature	25-40 °C
pH	6-9
BOD	600 mg/L
COD	900 mg/L
Oil & Grease	15 mg/L

The facility does not discharge wastewater directly into the waterways. Instead, it is first released to Kawasan Industri Medan (KIM), which is responsible for managing the final discharge. Therefore, the facility is required to comply with the minimum BOD and COD limits set by KIM.

Water quality test results from the three sites indicate that all analysed parameters are within the limits permitted by the respective local authorities. The BOD and COD results are presented below:

PALMINDO

PALMINDO engaged a third-party laboratory, PT Atmos Laboratorium Indonesia, to perform the water quality test. Sighted the lab test result sample as follows:

Details	Result	KIM Limit	Legal Limit
Date	18/03/2024		
BOD	16.9	600 mg/L	75 mg/L
COD	55.77	900 mg/L	150 mg/L

The BOD and COD results from January to December are provided below for both 2023 and 2024:

Month	2023		2024	
	BOD	COD	BOD	COD
January	27.90	58.60	18.6	61.38
February	95.60	208	18.3	60.39

March	72.10	130	16.9	55.77
April	159	282	21.4	58.40
May	403	691	27.8	57.40
June	17.19	56.73	35.8	67.80
July	18.70	61.71	65	156.29
August	17.40	57.42	77	385.59
September	18.92	62.44	86.90	307.24
October	18.20	59.20	100.70	350.07
November	16.90	55.77	367	691
December	19.60	64.68	208.5	426
Average	73.71	148.96	86.99	223.11

The test results indicate an increase in both BOD and COD levels compared to the previous year; however, they remain within the limits set by KIM.

PAMIN

Pamin appointed a third-party laboratory, PT. ITEC Solution Indonesia, to carry out water quality testing. A sample of the laboratory test results was reviewed as follows:

Details	Result	KIM Limit	Legal Limit
Date	03.10.2024		
BOD	70.45	600 mg/L	75 mg/L
COD	239.14	900 mg/L	150 mg/L

PAMIN has conducted separate testing for Air Limbah 1 and Air Limbah 2. The BOD and COD results for Air Limbah 1, covering the period from January to December 2023 and 2024 are shown below:

Month	2023		2024	
	BOD	COD	BOD	COD
January	108	239	102	220
February	38.2	68.2	71.82	275.90
March	40.3	70.4	73.15	285.63
April	94	162	81.79	311.62
May	11.4	20	75.69	280.15
June	33.9	57.7	62.77	250.11
July	23.3	50.1	81.25	295.64
August	16.2	34.80	69.35	264.11
September	33.9	72.7	82.13	283.07
October	121	258	70.45	239.14

November	39.9	87	82.63	240.11
December	126	244	60.71	236.11
Average	57.18	113.66	76.15	265.13

In 2023, the average BOD and COD results were below both the KIM limits and the national legal limits. Although the 2024 results show an uptrend, they remain within the limits sets by KIM.

In addition, PAMIN received the “Active in Waste Management in 2024” award (*Perusahaan Yang Berperan Aktif Dalam Pengelolaan Persampahan Tahun 2024*) from the Regent of Deli Serdang on 29th February 2024. Additionally, the company was awarded the highest level (Level 5) of Green Industry Award in 2019, 2021 and 2022 by the Government of the Republic Indonesia. These recognitions reflect the company’s strong commitment to environmental compliance and sustainable practices.

OSI

OSI engaged SUCOFINDO, a third-party laboratory, to perform water quality testing. A sample of the test results has been reviewed as follows:

Details	Result	KIM Limit	Legal Limit
Date	19 April 2024		
BOD	44.80	600 mg/L	75 mg/L
COD	84.53	900 mg/L	150 mg/L

The BOD and COD results from January to December are provided below for both 2023 and 2024:

Month	2023		2024	
	BOD	COD	BOD	COD
January	31.90	69.30	38.40	71.14
February	42.40	86.20	19.20	50.86
March	29.40	59	24.20	54.60
April	29	47.84	44.80	84.53
May	50.90	88.60	30.80	62.10
June	144	205	26.30	61.63
July	77.80	44.52	24.70	58.37
August	41.80	89.90	23.70	58.82
September	18.90	41.90	48.20	78.92
October	34.70	64.22	75	180
November	37.40	71.81	27.30	57.73
December	56.80	107	36.30	70.82
Average	49.58	81.27	34.91	74.13

The average BOD and COD results show a downtrend compared to the previous year. While the facility is required to comply with the BOD and COD limits set by KIM, it has successfully maintained results below the national legal limits for both 2023 and 2024.

Conclusion

All facilities reported BOD and/or COD levels that are within the specified legal limits, with data provided specific to palm oil operations and updated within the last two years. As a result, the verification concluded with a comprehensive level of assurance.

Treatment of palm oil refinery effluent (PORE) (Indicator 120)

For Indonesia sites, there are two sets of regulations that require the facility to follow, which are:

- 1) "Peraturan Menteri Lingkungan Hidup Republik Indonesia, Nomor 5, Tahun 2014 Tentang Baku Mutu Air Limbah". Parameters and values for PORE set by the Indonesian Government is as follow:

Temperature	25-40 °C
pH	6-9
BOD	75 mg/L
COD	150 mg/L
Oil & Grease	15 mg/L

- 2) Regulation set by the Kawasan Industri Medan (KIM) Authority. KIM Authority had developed a standard for wastewater discharged called, "Tata Tertib Kawasan Industri Medan", form no: FM/4.3/01.3/02-01, revision no: 04, issued on 01.07.2013. Under point no 3, Environmental Impact Control, KIM Authority has set the wastewater discharged into the KIM Authority sewerage system does not exceed the following values:

Temperature	25-40 °C
pH	6-9
BOD	600 mg/L
COD	900 mg/L
Oil & Grease	15 mg/L

The facility does not discharge wastewater directly into the waterways. Instead, it is first released to Kawasan Industri Medan (KIM), which is responsible for managing final discharge. Therefore, the facility is required to comply with the minimum BOD and COD limits set by KIM. To ensure proper handling of PORE and prevent environmental contamination, all facilities have established Standard Operating Procedures (SOPs) for the Wastewater Treatment Plants (WWTP).

Details	PALMINDO	PAMIN	OSI
SOP Name	Operation Procedure Wastewater Treatment Plant (WWTP)	Procedure of Wastewater Treatment Plant (WWTP)	Wastewater Procedure <i>Prosedur Air Limbah</i>
Document No	QAP-WWTP-001	PR-MT-006	PR-PSP-14
Revision No	02	03	02
Revision Date	02 nd February 2024	15.02.2024	14th March 2024

Each process has been clearly defined in the SOPs. Wastewater sampling was conducted with samples sent to the third-party laboratories. The average levels of BOD and COD for the years 2023 and 2024 are shown below:

Comprehensive,
externally verified

Site	Parameter	2023	2024	KIM Limit	Legal Limit
PALMINDO	BOD	73.71	86.99	BOD: 600 mg/L COD: 900 mg/L	BOD: 75 mg/L COD: 150 mg/L
	COD	148.96	223.11		
PAMIN	BOD	57.18	76.15		
	COD	113.66	265.13		
OSI	BOD	49.58	34.91		
	COD	81.27	74.13		

Monthly breakdown of BOD and COD levels for each facility for the years 2023 and 2024 is shown below:

PALMINDO

Month	2023		2024	
	BOD	COD	BOD	COD
January	27.90	58.60	18.6	61.38
February	95.60	208	18.3	60.39
March	72.10	130	16.9	55.77
April	159	282	21.4	58.40
May	403	691	27.8	57.40
June	17.19	56.73	35.8	67.80
July	18.70	61.71	65	156.29
August	17.40	57.42	77	385.59
September	18.92	62.44	86.90	307.24
October	18.20	59.20	100.70	350.07
November	16.90	55.77	367	691
December	19.60	64.68	208.5	426
Average	73.71	148.96	86.99	223.11

PAMIN

Month	2023		2024	
	BOD	COD	BOD	COD
January	108	239	102	220
February	38.2	68.2	71.82	275.90
March	40.3	70.4	73.15	285.63
April	94	162	81.79	311.62
May	11.4	20	75.69	280.15
June	33.9	57.7	62.77	250.11
July	23.3	50.1	81.25	295.64
August	16.2	34.80	69.35	264.11
September	33.9	72.7	82.13	283.07
October	121	258	70.45	239.14
November	39.9	87	82.63	240.11
December	126	244	60.71	236.11
Average	57.18	113.66	76.15	265.13

OSI Month	2023		2024	
	BOD	COD	BOD	COD
January	31.90	69.30	38.40	71.14
February	42.40	86.20	19.20	50.86
March	29.40	59	24.20	54.60
April	29	47.84	44.80	84.53
May	50.90	88.60	30.80	62.10
June	144	205	26.30	61.63
July	77.80	44.52	24.70	58.37
August	41.80	89.90	23.70	58.82

September	18.90	41.90	48.20	78.92
October	34.70	64.22	75	180
November	37.40	71.81	27.30	57.73
December	56.80	107	36.30	70.82
Average	49.58	81.27	34.91	74.13

Conclusion

The facility effectively treats Palm Oil Refinery Effluent (PORE) through appropriate treatment systems such as ponds before discharge, ensuring that effluent is managed responsibly and does not directly enter waterways untreated. Due to this, the verification concludes it as comprehensive.

Waste management system in place to avoid negative impacts (Indicator 134)

PALMINDO

The company has established a Standard Operating Procedure (SOP) for Waste and B3 Waste Handling Procedure. The details of this SOP are shown as follows :

SOP Name	Waste and B3 Waste Handling Procedure <i>Prosedur Pengelolaan Limbah Dan Limbah B3</i>
Document No	SEP-PPI-014
Revision No	02
Revision Date	20 May 2024

The purpose of the SOP is to provide guidance/instructions for managing waste and hazardous waste B3 at PALMINDO. It covers all categories of waste, including B3 and non-B3 containers, domestic waste, hazardous waste, expired chemicals and non-oil laboratory waste. This SOP was developed with reference to ISO 14001 and Government Regulation No.22 Tahun 2021 concerning the Environmental Protection, Organisation and Management (*Penyelenggaraan Perlindungan dan Pengelolaan Lingkungan Hidup*).

In addition to the Waste and B3 Waste Handling Procedure, PALMINDO personnel also made available to the verifier for the SOP of Discharge of Hazardous and Toxic Materials (B3) (*Pengeluaran Bahan Berbahaya Dan Beracun B3*) as follows:

SOP Name	Pengeluaran Limbah Bahan Berbahaya Dan Beracun (B3)
Document No	SEP-PPI-014
Revision No	01
Revision Date	20 May 2024

According to the SOP, waste is classified as B3 if it meets one or more of the following characteristics (but not limited to): explosive, flammable, reactive, toxic, infectious or corrosive. All hazardous and toxic waste must obtain prior approval from the Logistics Department and Customs authorities before transportation. The SOP also includes the provision of metal/scrap waste.

The sample of Waste Manifest was made available to the verifier:

Date	03.06.2024
-------------	------------

Comprehensive,
externally verified

Type of B3 Waste	Spent Bleaching Earth
B3 Code	B413
Total	23.22 MT
Transporter	PT. Trans Multi Cargo
Recipient	PT. EcoOils Jaya Indonesia - Dumai

PAMIN

PAMIN has established a Standard Operating Procedure (SOP) for Waste Handling. The details of this SOP are shown as follows :

SOP Name	Waste Handling Procedure <i>Prosedur Penanganan Limbah</i>
Document No	PR-ST-003
Revision No	03
Revision Date	04.03.2024

The SOP covers all kinds of garbage such as B3/non-B3 containers, domestic waste, B3 waste, chemicals and non-laboratory waste oil. The purpose of SOP is to :

- i) Avoid the impact of contaminated waste/scrap on the environment and health
- ii) Maintain the cleanliness of the area remains good
- iii) Providing direction/guidance in managing waste in Pamin.

The sample of Waste Manifest was made available to the verifier:

Date	18.03.2024
Type of B3 Waste	Spent Bleaching Earth
B3 Code	B413
Total	26.14 MT
Transporter	PT. Hazmat Techno Indonesia
Recipient	PT. Tirtayana Permai Lestari

Alongside the Waste Handling Procedure, PAMIN also has a Standard Operating Procedure (SOP) for scrap handling. The details of the SOP are as follows:

SOP Name	Work Instruction for Scrap Handling
Document No	WI-ST-028
Revision No	02
Revision Date	13.06.24

The purpose of this SOP is to prevent contamination from waste or scrap that could impact health and the environment, and to ensure proper housekeeping. According to the SOP (not limited to) :

- Non-B3 waste must be weighed during the disposal or processing stage
- B3 waste must be sold or shipped only to authorized parties with valid permits, and this process is managed by Human Resources Department (HRD).
- The related documents are Scrap Invoice (SAP), Scrap Transfer Note and Exit Pass

OSI

According to OSI's SOP Waste Water Procedure (PR—PSP-14), Sub-Section 3.4 addresses the handling of B3 waste. It is stated that B3 waste, including materials such as oil, oil filters, sludge, etc., must be placed in a Temporary Storage Area (*Tempat Penyimpanan Sementara*). This storage is maintained until the waste is transported out of the premises by an authorized transporter, in accordance with regulatory requirements. Furthermore, the facility has established a separate SOP for B3 waste management in the year 2025 to strengthen its waste handling framework. This newly developed SOP provides more detailed and specific guidelines on. The details of the 2025 B3 SOP as follows:

SOP Name	Disposal of Hazardous and Toxic Waste (B3) <i>Pengeluaran Limbah Bahan Berbahaya dan Beracun (B3)</i>
Document No	PR-PD-03
Revision No	00
Revision Date	01.04.2025

The sample of Waste Manifest was made available to the verifier:

Date	24.04.2024
Type of B3 Waste	Sludge IPAL
B3 Code	B343-2
Total	13.426 MT
Transporter	PT Sinergi Hijau Lestari
Recipient	PT Semen Padang

In addition to the SOP of Waste Handling Procedure, the Procedure of Goods and Scrap Discharge was made available to the verifier. The details are as follows:

SOP Name	Procedure Goods and Scrap Discharge <i>Prosedur Pengeluaran Barang/Scrap</i>
Document No	PR-RSM-06
Revision No	00
Effective Date	20 February 2024

The purpose of this SOP is to ensure all goods/scrap around the premises OSI under control to avoid unnecessary authorization in responsibility of each person. The SOP highlighted the following points (not limited to):

- Each scrap truck to be verified by Internal Auditor, if not available then by Finance.
- Scrap is sent to KIM using a transporter provided by KIM.

The sample weighbridge slip for scrap was made available to the verifier:

No Slip	029395
Date	08.01.2024
Truck No	BK 9895 ZF
Nett Weight	1,030 KG

Conclusion

The facilities have a clearly established waste management system covering various aspects not only wastewater treatment but also hazardous (B3) waste and scrap handling. As a result, the verification concluded with a comprehensive level of assurance.

Progress on human rights commitment (*Indicator 137*)

Human Rights Policy and Training Sessions

As part of the Group's sustainability commitment, dedicated Human Rights training was conducted as follows:

Facilities	Details
Sustainability Awareness Training at PALMINDO	<p>15 November 2024 – Trainer: Management Representative</p> <ul style="list-style-type: none"> Attendees: 12 (QC, Planning, Purchasing, Safety Departments) <p>21 December 2024 – Trainer: Environment Officer</p> <ul style="list-style-type: none"> Attendees: 9 (Maintenance, Electrical, Logistic Departments)
Sustainability Awareness Training at OSI	<p>9 March 2024 – Trainer: Management Representative</p> <ul style="list-style-type: none"> Attendees: 10 (Production Team, Saponification 2 Unit) <p>21 June 2024 – Trainer: Safrina Siregar (HR Manager)</p> <ul style="list-style-type: none"> Attendees: 11 (HR, Production, Saponification 2, Maintenance, TSP, QC Departments)
Sustainability Awareness Training at PAMIN:	<p>6 June, 12 June, 19 June, 27 June 2024</p> <p>30 September 2024 – Newcomer briefing (e.g., Rama Pratama) on general company policies (13 policies covered)</p> <p>31 May 2024 – Refresher briefing on Sustainability Policy</p> <ul style="list-style-type: none"> Attended by 30 personnel from QC, HR, Production, Accounting, and Molding departments
Sustainability Awareness Training at PIL	<p>A Sustainability Awareness Talk was conducted in 2024, with 51 personnel attending. Among them, 35 completed the feedback survey. Participants came from departments such as Documentation, Palm Oil, Shipping & Logistics, and IT.</p>

Comprehensive,
externally verified

Human Rights and Whistleblowing Mechanism

PIL Group's Sustainable Palm Oil Sourcing Policy includes a strong commitment to human rights. The Group supports the Universal Declaration of Human Rights (UDHR) and ensures protection for all workers—permanent, temporary, contract, and migrant—while requiring suppliers to uphold the same standards and avoid complicity in human rights abuses.

A whistleblowing mechanism is in place to address issues such as human rights violations, labor abuse, bribery, and corruption. Reports can be submitted via:

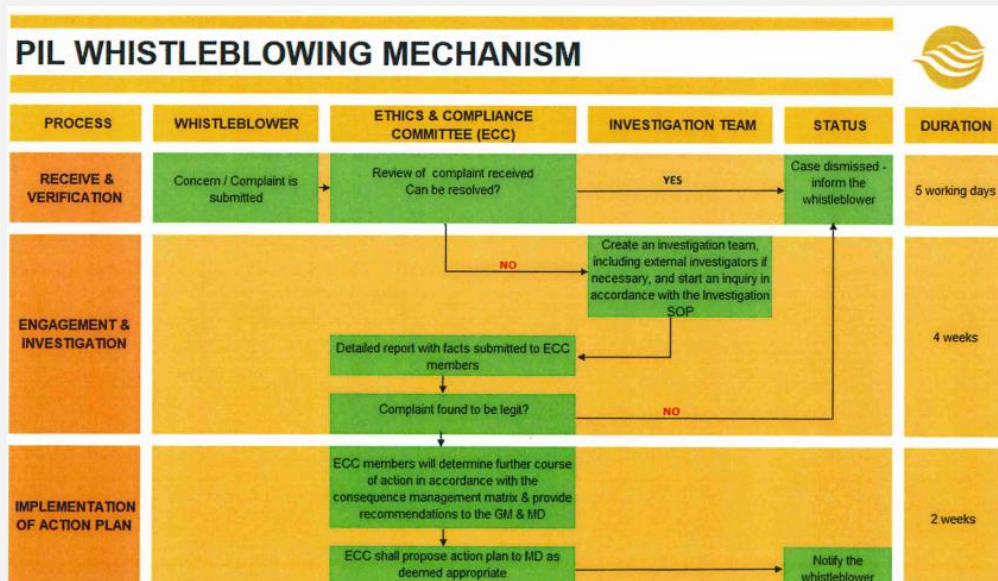
- Email: speakup@pilgroup.com
- Letter:
 - ✓ Vice President – Human Resources
 - ✓ Director – Risk and Business Process Optimization
- In Person:
 - ✓ To Supervisor, Manager, HOD
 - ✓ Or directly to COO, VP – HR, or Director – Risk & Business Process Optimization

Whistleblowing Governance (Procedure No. 7, Clause 7.1)

To ensure all reports are addressed with confidentiality and transparency, an Ethics and Compliance Committee (ECC) has been established. The committee comprises:

- General Manager / Chief Operating Officer
- Vice President – Human Resources
- Director – Risk and Business Process Optimization
- Any additional business representative deemed necessary, as agreed upon by the ECC based on the nature of the complaint

PIL Whistleblowing Policy:



Progress on a commitment to respect all workers' rights (Indicator 155)

Labour Rights Commitment and Verification – PIL Group

Comprehensive,
externally verified

Based on the verification conducted, the company has demonstrated compliance with **Clause 34** of its Sustainability Policy, which outlines its commitment to **labour rights**. PIL Group is committed to ensuring that the rights of all workers under this policy are upheld in accordance with local and national laws, and aligned with the five fundamental conventions of the International Labour Organization (ILO). Where legal frameworks are not yet established, PIL Group adopts **international best practices**.

The following principles form the core of PIL Group's Labour Rights Policy:

- **Child Labour**
The company shall not knowingly engage in or support the use of child labour and will implement appropriate measures to prevent its occurrence within operations or supply chains.
- **Forced Labour**
PIL Group shall not knowingly use or promote forced, bonded labour, or human trafficking. Preventive measures are in place to ensure such practices are eliminated from operations.
- **Non-Discrimination and Harassment**
All workers are protected from harassment, abuse, and discrimination, including gender-based discrimination. The company upholds equal treatment and respect for human rights in employment practices.
- **Ethical Recruitment**
Workers shall not bear recruitment fees at any stage of the recruitment process. The company ensures the provision of decent work conditions and upholds the right to freely resign from employment.
- **Document Retention**
The company shall not withhold wages, identification cards, passports, or other personal belongings without the worker's consent, except as required by law.
- **Wages**
All workers shall be paid wages equal to or exceeding the legally mandated minimum wage.
- **Employment Contracts**
Workers shall receive written contracts in a language they understand. These contracts will include terms of employment such as job responsibilities, pay rate, payment arrangements, working hours, leave entitlements, and other employment benefits.
- **Working Hours**
The company ensures that workers do not exceed legally permissible working hours per week, including overtime. Overtime must be voluntary, and workers are entitled to at least one day off per week.
- **Record Keeping**
Transparent and accurate records of working hours and wages are maintained for all workers.
- **Accommodation**
Provided accommodation must be decent, safe, and adequate. Separate and secure living arrangements are ensured for male and female workers, with no restrictions on movement.

Training and Policy Dissemination

Verification confirmed that training sessions have been conducted in conjunction with the PIL Sustainability Policy, led and coordinated by the Sustainability Team under the leadership of

Mr. Shakir. The training ensured that relevant teams and stakeholders were fully briefed on the labour rights standards and policy implementation.

Refresher Module Schedule:

Date	Time
6 th June 2024	3.00- 4.00 Pm
	4.30-5.30 Pm
12 th June 2024	3.00 – 4.00 pm
	4.30 – 5.30 pm
13 th June 2024	3.00-4.00 pm
	4.30-5.30 pm
19 th June 2024	3.00-4.00 pm
27 th June 2024	4.30-5.30 pm
18 th July 2024	3.00-4.00 pm
	4.30 – 5.30 pm
8 th August 2024	4.30 – 5.30 pm

Whistleblowing Policy and Committee Structure

The **committee and governance structure** for managing whistleblowing reports is established under the **Whistleblowing Policy**. This policy aims to facilitate the early detection, reporting, and resolution of misconduct or irregularities within the organization. Reports made under this policy may include, but are not limited to, the following areas of concern:

- Accounting irregularities, including non-compliance with regulatory requirements, fraudulent accounting entries, or misstatements of financial accounts
- Violations of statutory laws or government regulations
- Workplace harassment, including sexual harassment and workplace violence
- Conflicts of interest
- Immoral, illegal, or unethical conduct
- Corruption and bribery
- Criminal offenses, including embezzlement and fraud
- Use of deception to obtain unlawful or unfair financial advantages
- Falsification or destruction of company records
- Discrimination in any form
- Unauthorized disclosure of proprietary or confidential information
- Concealment of internal control deficiencies
- Privacy violations
- Misrepresentation or misinterpretation of facts
- Health and safety risks, including those posing a danger to employees or the public
- Environmental violations, such as non-compliance with environmental regulations

<ul style="list-style-type: none"> • Abuse of power or authority for personal gain or unauthorized use • Misuse of company assets or gross mismanagement • Any other violations of PIL's Code of Business Ethics <p>Policy Documentation and Committee Oversight</p> <p>The Whistleblowing Policy is formally documented under Document No. QP-HRGA-027, Revision 00, dated 27 July 2016. It has been reviewed by the Head of Human Resources, Indonesia and approved by the Managing Director.</p> <p>A review of the Code of Conduct and Conflict of Interest Policy confirmed alignment between the Indonesian operational level and the Headquarters-level policies. Notably, a clause emphasizes the importance of fair enforcement, stating:</p> <p><i>"To ensure that penalties for violations of the Code of Conduct or Conflict of Interest are applied fairly, and to facilitate the reporting of such violations, the company must establish a Code of Conduct Committee."</i></p> <p>Composition of the Code of Conduct Committee</p> <p>The Code of Conduct Committee has been established with the following members:</p> <ol style="list-style-type: none"> 1. Human Resources Unit 2. Corporate Human Resources 3. Corporate Legal Department 4. Corporate Audit 5. Internal Audit 6. Relevant Department Head <p>This multi-disciplinary composition ensures a holistic and objective approach to the handling of whistleblowing reports, reinforcing the company's commitment to accountability, transparency, and ethical business conduct.</p>	
Progress on a commitment to eliminate gender related discrimination with regards to employment (<i>Indicator 158</i>)	
<p>Based on interviews and document verification, it was confirmed that Gender Policy provisions are embedded within the Sustainability Policy, specifically under Clause 3.4: Fair Labour.</p> <p>PIL Group is committed to upholding the rights of all workers in accordance with local and national legislation, as well as aligning with the five fundamental conventions of the International Labour Organization (ILO). Where legal frameworks are absent or insufficient, PIL adheres to international best practices to ensure the protection of workers' rights.</p> <p>PIL Group Policy on Discrimination and Sexual Harassment</p> <p>At PIL Group, we value the diversity of our workforce as a core strength, and the company recognize that every employee plays a vital role in the company's success. PIL are firmly committed to providing equal employment opportunities and a respectful, inclusive work environment free from any form of discrimination or harassment. The company do not tolerate any discrimination or harassment based on race, color, religion, gender, age, nationality, sexual orientation, marital status, or disability. All recruitment, selection, and promotion decisions are made strictly on the basis of professional merit.</p> <p>The key principles listed under the Gender and Fair Labour Policy:</p>	<p>Comprehensive, externally verified</p>

1. No Discrimination:

The company ensures that all workers are protected from any form of harassment, abuse, or discrimination, including gender-based discrimination. This protection is a core element of the company's human rights commitments.

2. Sexual Harassment Complaints – Reporting Channels:

PIL maintains a **zero-tolerance policy** toward sexual harassment. Employees can report incidents through the following official channels:

- ✓ Email: speakup@pilgroup.com
- ✓ Written Letter Submission: Addressed to the Vice President – Human Resources or Director – Risk & Business Process Optimisation
- ✓ In-Person Reporting: To a Supervisor, Manager, or Head of Department (HOD)
- ✓ If the individuals involved are senior-level staff, reports may be escalated directly to the COO, Vice President – HR, or Director – Risk & Business Process Optimisation

The company had combined both the group policy on gender discrimination and sexual harassment in Code of Business ethics (COBE). Verification confirmed that training sessions have been conducted in conjunction with the PIL Sustainability Policy, led and coordinated by the Sustainability Team under the leadership of Mr. Shakir. The training ensured that relevant teams and stakeholders were fully briefed on the labour rights standards and policy implementation. It was verified the training has been conducted together including the COBE Policy Trainign which consist of gender elimination training as per details below:

Refresher Module Schedule:

Date	Time
6 th June 2024	3.00- 4.00 Pm
	4.30-5.30 Pm
12 th June 2024	3.00 – 4.00 pm
	4.30 – 5.30 pm
13 th June 2024	3.00-4.00 pm
	4.30-5.30 pm
19 th June 2024	3.00-4.00 pm
27 th June 2024	4.30-5.30 pm
18 th July 2024	3.00-4.00 pm
	4.30 – 5.30 pm
8 th August 2024	4.30 – 5.30 pm

These provisions demonstrate PIL Group's strong commitment to creating a safe, inclusive, and respectful workplace for all employees

Progress on commitment to pay a Living Wage (*Indicator 163*)

Minimum Wage Determination – North Sumatra Province (2024)

Reference is made to Circular Letter No. 500.15.14.1/15696 Year 2023, supported by Governor of North Sumatra's Decree No. 188.44/991/KPTS/2023 dated 20 November 2023, regarding the

Comprehensive,
externally
verified)

determination of the Minimum Wage for the Province of North Sumatra and for all Districts/Cities within the province for the year 2024.

The circular and governor's decree establish the official minimum wage rates applicable throughout the province for the year 2024, serving as a legal framework to ensure fair and standardized labor compensation in accordance with regional labor regulations. These include both the Provincial Minimum Wage (UMP) and the District/City-Level Minimum Wages (UMK). These wage benchmarks are critical for guiding employers in maintaining compliance with local labor standards. For instance, in Kabupaten Deli Serdang, the minimum wage has been set at IDR 3,505,076.00, as stipulated in Governor's Decree No. 188.44/998/KPTS/2023, dated 30 November 2023.

Facilities	Payroll Samples
PIL – Summary Report	<p>Period: May 2025 Company: PIL Reported by: Vice President, PIL Inter-Link Sdn Bhd</p> <p>The group payroll for May 2025 was verified and found to be well-documented and properly managed by the HR Department. Key payroll data includes:</p> <ul style="list-style-type: none"> • Employee Details: Name, Basic Salary, NPL (No-Pay Leave), NPL Payback • Earnings: Overtime, Claims, Food/Transport/Phone/Housing/Dispatch Allowances • Other Documentation: Payroll Reports, Claim Records, Exchange Rates, GMP Trainee Info, Summary Reports, Verification/Comparison Reports <p>After reviewing several frameworks, Pacific Inter-Link (PIL) has adopted the Department of Statistics Malaysia (DOSM) Basic Living Needs (Perbelanjaan Asas Kehidupan Wajar – PAKW) data as the primary benchmark for establishing a living wage, specifically referencing the RM 1,755 monthly estimate for Kuala Lumpur.</p> <p>By aligning with this DOSM benchmark, PIL demonstrates a practical, evidence-based, and locally grounded approach to responsible wage setting. This initiative is part of PIL's broader commitment to promoting decent work, strengthening supplier accountability, and supporting sustainable livelihoods within Malaysia's palm oil value chain.</p> <p>Compliance Confirmation: All employees received a monthly wage exceeding RM2,500.00, which is above the national minimum wage. This reflects the company's commitment to fair compensation and social responsibility.</p>
PALMINDO – Payroll Samples	<p>Sample #1</p> <ul style="list-style-type: none"> • Month: August 2024 • Department: Quality Control • Position: Skilled Worker Lab • Level: 2

	<ul style="list-style-type: none"> • Basic Salary: IDR 4,988,124.00 • Incentive: IDR 200,000.00 • Shift Allowance: IDR 35,000.00 • Attendance Bonus: IDR 20,000.00 • Seniority Allowance: IDR 20,000.00 • Gross Salary: IDR 5,263,124.00 • Net Salary: IDR 4,963,600.00 <p>Sample #2</p> <ul style="list-style-type: none"> • Employee ID: 4450108 • Department: Human Resources (H1) • Position: Worker • Level: 2 • Basic Salary: IDR 4,217,272.00 • Shift Allowance: IDR 18,200.00 • Attendance Bonus: IDR 20,000.00 • Seniority Allowance: IDR 20,000.00 • Gross Salary: IDR 4,277,472.00 • Total Deductions: IDR 168,691.00 • Net Salary: IDR 4,106,800.00 	
PAMIN – Payroll Samples	<p>Sample #1</p> <ul style="list-style-type: none"> • Month: April 2024 • Employee ID: 2209231 • Department: Planning & Material / Warehouse (Log A) • Position: FG Worker Pamin 1 • Level: 1 • Basic Salary: IDR 3,505,076.00 (<i>compliant with minimum wage</i>) • Overtime: IDR 121,563.00 • Shift Allowance: IDR 23,800.00 • Attendance Bonus: IDR 15,000.00 • Gross Salary: IDR 3,665,439.00 • Net Salary: IDR 3,525,200.00 <p>Sample #2</p> <ul style="list-style-type: none"> • Month: April 2024 • Employee ID: 0406371 • Department: Planning & Material / Store Pamin (LOG C) 	

	<ul style="list-style-type: none"> • Position: Forklift Operator • Level: 3 • Basic Salary: IDR 4,658,324.00 • Overtime: IDR 538,535.00 • Previous Month Correction: IDR 1,126,000.00 • Performance Incentive: IDR 350,000.00 • Shift Allowance: IDR 30,800.00 • Attendance Bonus: IDR 30,000.00 • Seniority Allowance: IDR 85,000.00 • Gross Salary: IDR 6,820,659.00 • Total Deductions: IDR 266,332.00 • Net Salary: IDR 6,534,300.00 	
Oleochemical and Soap Industry (OSI) – Payroll Samples	<p>Sample #1</p> <ul style="list-style-type: none"> • Month: June 2024 • Position: Worker (Sapon 2) • Level: 1 • Basic Salary: IDR 4,362,344.00 • Transport Allowance (Shift): IDR 33,600.00 • Attendance Bonus: IDR 20,000.00 • Gross Salary: IDR 4,515,944.00 • Deductions: IDR 174,493.00 • Net Salary: IDR 4,341,500.00 <p>Sample #2</p> <ul style="list-style-type: none"> • Month: June 2024 • Position: Skilled Worker (Sapon 2) • Basic Salary: IDR 4,893,902.00 • Overtime: IDR 1,885,897.00 • Transport Allowance (Shift): IDR 23,800.00 • Gross Salary: IDR 6,903,599.00 • Deductions: IDR 195,756.00 • Net Salary: IDR 6,707,800.00 <p>Sample #3 – Forklift Operator</p> <ul style="list-style-type: none"> • Basic Salary: IDR 5,034,095.00 • Level: 3 • Overtime: IDR 4,903,312.00 • Attendance Bonus: IDR 30,000.00 • Shift Transport Allowance: IDR 39,200.00 	

	<ul style="list-style-type: none"> • Seniority Allowance: IDR 26,500.00 • Gross Salary: IDR 10,374,607.00 • Deductions: IDR 202,954.00 • Net Salary: IDR 10,171,700.00 	
Provision of personal protective equipment and related training (<i>Indicator 167</i>)		
Facility: PAMIN Location: Medan Document No.: M-PAMIN-E Date: 18 June 2024 Revision: 03 <p>The Occupational Health and Safety (OHS) Policy of PAMIN affirms the company's belief that a safe and healthy workplace is a fundamental right for every individual. The policy commits the company to ensuring a productive and secure working environment across all its operations.</p> <p>The following key obligations have been identified to implement and uphold this policy:</p> <ol style="list-style-type: none"> 1. Compliance with Regulations: Adhere to all applicable health and safety laws, regulations, and standards—and exceed them where internal company standards are more stringent. 2. Internal and Customer Standards: While maintaining strict compliance with relevant health and safety legislation and the business rules of our customers, the company has also established its own Standard Operating Procedures (SOPs) to continuously elevate our safety and health management practices. 3. Hazard Identification and Risk Management: Systematically identify and manage workplace hazards, reduce Occupational Health and Safety (OH&S) risks, and integrate safety considerations into the evaluation of all processes and product development activities. 4. Continuous Improvement: Continuously enhance the OH&S management system and overall safety performance through regular reviews, with the long-term goal of fostering a "zero-accident culture" among employees, contractors, and other stakeholders. 5. Training and Awareness: Promote awareness and understanding of safety and health among all employees through appropriate and ongoing training programs. 6. Safety Program Implementation: Plan, develop, and communicate a comprehensive safety program, while ensuring the provision of necessary equipment and facilities to maintain a safe and healthy work environment. 7. Contractor and Partner Alignment: Ensure that all contractors and partners comply with the company's safety standards. Recognizing that everyone working on behalf of the company can impact both operations and reputation, all parties share a collective responsibility for maintaining workplace safety. 		Comprehensive, externally verified
PPE Safety Policy <p>The PPE Safety Policy PAMIN is dated 18 June 2024 and has been officially signed by Mr. Ali Saleh Ali Sulaiman (Operational Director). The policy underscores the company's commitment to providing and maintaining appropriate personal protective equipment (PPE) for all employees to ensure workplace safety.</p>		

PPE Procedure Document

- Document No.: PR-SFT-005
- Revision: 02
- Date: 4 June 2025
- Prepared by: HSE Superintendent
- Approved by: Chief of HSE

This document outlines the detailed procedures for PPE issuance, maintenance, and replacement, ensuring that employees have access to the correct safety equipment based on job risk levels and equipment lifecycle.

PPE Replacement Procedure (Clause 5.11 – 5.14)

- 5.11: PPE is distributed to employees based on the validity period outlined in the PPE Matrix.
- 5.12: If PPE is damaged before the end of its expected lifespan (especially those with a 1-year usage cycle), employees may request a replacement by submitting proof of damage to the Safety Department. PPE with a daily or monthly usage period can be replaced immediately without formal documentation.
- 5.13: In the event of lost PPE with a 1-year validity, the employee must submit an official loss report, endorsed by the relevant Department Head.
- 5.14: PPE with daily or monthly usage may be reissued directly upon approval from the Department Head.

PPE Matrix Coverage

The PPE Matrix for PT Pacific Medan Industry includes specific PPE requirements for the following departments and operational areas:

- Production
- Quality Control (QC)
- Plant & Machinery (P&M)
- Human Resources Department (HRD)
- Information Technology (IT)
- Refinery
- Hydro 1 & Hydro 2
- Safety Department

The matrix outlines the PPE types, duration of use, and frequency of replacement applicable to each functional unit.

Evidence of PPE Replacement – 2024

Evidence of PPE issuance and replacement has been sighted for the **Production – Filling Unit, PAMIN-2**, covering the period from 29 February 2024 to 19 November 2024.

The PPE change records include:

- Employee name
- Shoe size
- Type of safety shoes
- Condition of shoes
- Employee signature

This log demonstrates compliance with PPE tracking and replacement protocols, ensuring that employee safety equipment remains in good condition and fit for purpose.

Facility: PALMINDO

Location: Medan

OSH Policy Statement

The Occupational Safety and Health (OSH) Policy of PALMINDO has been officially approved by the Management Representative, Mr. Abdullah Abu Muqbil (Operational Director), on **2** January 2024 in Medan.

Management holds the strong belief that all accidents and losses are preventable, enabling the achievement of production and quality targets in a safe and responsible manner. The company's production philosophy is built on the principle of "Safe Quality Production."

PPE Procedure Overview

Document No.: SFP-PPI-001

Revision: 02

Date: 4 June 2025

Approved by: Management Representative

The Personal Protective Equipment (PPE) procedure outlines the requirements for providing PPE to employees to protect them from significant occupational hazards that could cause accidents or long-term health issues. This document also includes guidelines on PPE usage, maintenance, and replacement to ensure longevity and effectiveness.

The scope of this procedure applies to all employees and contractors operating within the factory premises of PALMINDO.

Types of PPE Provided:

The following PPE is issued based on job risk assessments:

1. Safety Helmet
2. Hand Gloves
3. Full Body Harness
4. Safety Glasses, Goggles, and Face Shield
5. Safety Shoes
6. Ear Plugs / Earmuffs
7. Respirator / Mask
8. Apron

Each item includes descriptions of its intended use, limitations, and the types of projects or tasks it is associated with.

PPE Maintenance and Replacement Procedure:

Sections 5.11 – 5.14 detail the process for PPE replacement:

- 5.11: PPE is distributed to employees according to its validity period, as specified in the PPE Matrix.
- 5.12: Damaged PPE (especially those with a 1-year usage cycle) can be replaced by submitting proof to the Safety Department. PPE with daily or monthly usage cycles may be replaced directly.
- 5.13: For lost PPE (with 1-year usage), employees must file an official loss report with approval from the relevant Department Head.
- 5.14: For daily/monthly-use PPE, replacements can be issued directly with the Department Head's approval.

PPE Replacement Matrix (Matriks Penggantian APD)

The PPE Replacement Matrix outlines the types of PPE, materials used (e.g., safety shoes, ear plugs, masks), and replacement frequency (annually or semi-annually), categorized by work departments and areas, including:

- Maintenance (Electrical, Civil, Workshop)
- Production (Fractionation, Refining, Bleaching, Forklift Operations)
- Logistics (Store, Tank Farm, Weighbridge, Fuel Loading)
- Utilities and Power Plant (Process, WWTP, Forklift)
- HRD, Safety Department, Laboratory, Operational Office, and Visitors

This matrix ensures timely PPE replacement aligned with specific occupational exposure risks, supporting the company's commitment to employee health and safety.

Facility: OSI

Location: Medan

Safety Policy and PPE Management –Safety Policy Approval

The Safety Policy for OSI was officially approved by Mr. Ashish Sharma, General Manager, in September 2021. The policy reflects the company's commitment to ensuring a safe and healthy working environment through proper implementation of safety procedures and personal protective equipment (PPE) protocols.

PPE Suitability and Inspection Procedure

Based on the verification of Clause 4.3.11 (b) of the safety procedure:

- The HSE Department is responsible for conducting a comprehensive annual inspection to assess the suitability and condition of all PPE used by employees. Based on the inspection results, it is determined whether the PPE remains safe and fit for continued use.
- Premature Damage: If any PPE is found to be damaged before its scheduled replacement period, employees may request a replacement from the HSE team. Workers are expected to maintain the cleanliness and integrity of the PPE provided by the company.
- Loss of PPE: In the case of lost PPE, the employee is fully responsible for reporting and replacing the missing equipment, in accordance with company policy.

PPE Matrix

A **PPE Matrix** has been established for PT OSI, detailing the PPE requirements across all departments and operational areas. These include:

- Maintenance
- Mechanical & Electrical
- TSP
- Mixer
- Cutter
- Stamping
- Perfume
- Safon 1 & Safon 2
- Glycerin Plant
- Logistics and Warehouse

The matrix specifies the types of PPE required per activity and department, ensuring consistent implementation of safety standards throughout the organization.

PPE Replacement Record – 2024

Evidence of PPE replacements for the year 2024 was sighted, covering the period from 2 May 2024 to 26 December 2024. A total of 124 personnel received PPE replacements during this timeframe.

The distributed PPE items included:

- Body Harness
- *Baju Bongkar Caustic* (Caustic-resistant suits)
- Gloves (*Sarung Tangan*)
- Masks (*Masker*)
- Blue Caps (*Topi Biru*)
- Yellow Helmets (*Helmet Kuning*)
- Face Shields
- Safety Shoes
- 3M Filter Masks (*Masker Filter 3M*)
- Safety Goggles

This record reflects the company's active monitoring and timely replacement of PPE to uphold a safe and compliant working environment.

Number or percentage of suppliers assessed and/or engaged on compliance with company's policy and/or legal requirements (*Indicator 176*)

PIL sources palm oil not only through its own operations but also from third-party refineries and trading suppliers. To uphold traceability standards, PIL collects traceability-to-mill (TTM) data biannually, specifically requesting the mill name, geo-coordinates (latitude and longitude), and UML ID for each supplying mill.

Comprehensive,
externally verified

Additionally, PIL conducts a cross-check of the NDPE (No Deforestation, No Peat, No Exploitation) policies of its supplying refineries and traders, which is a core requirement under PIL's internal NDPE commitments and external legal obligations.

All supplying mills are also monitored via the Palmoil.io platform, powered by MapHub, where risk and compliance assessments are conducted against PIL's Sustainable Palm Oil Sourcing Policy. This ensures continuous oversight and alignment with the company's sustainability expectations.

PIL, through Palmindo's Supplier Code of Conduct (COC) – *Document No. SCC-PPI-001, Revision 00 dated 1 February 2021* – requires all suppliers to formally commit to ethical, sustainable, and responsible sourcing practices. This initiative aligns with PPI's objectives to promote environmental sustainability, social responsibility, and economic profitability throughout its supply chain.

The scope of the COC covers all suppliers, including producers, manufacturers, and other stakeholders. These entities are required to adopt and comply with the Responsible Sustainable Palm Oil Policy (RSPOP) to support PIL in building a transparent, traceable, and responsible palm oil supply chain.

Key Components of the Supplier Code of Conduct.

The COC outlines expectations in the following areas:

- a. Compliance with laws, regulations, and international conventions
- b. Effective management systems
- c. Respect for human and labor rights
- d. Occupational health, safety, and security
- e. Environmental protection and impact management
- f. Business integrity and ethical conduct
- g. Grievance mechanisms and reporting of non-compliance
- h. Ongoing supplier engagement
- i. Verification – documentation must be made available upon request from PPI

1) INDONESIA

COC (Code of Conduct) adherence for non-smallholder suppliers in Indonesia was verified through the NDPE Supplier 2023 documentation. This document contains comprehensive records on key compliance indicators, including the names of parent companies and their subsidiaries, mill names, and SAP/Delivery Order (DO) holder details. It also tracks the status of NDPE Policy and Code of Conduct signatures, participation in policy socialization efforts and webinars, and the submission status of the Traceability to Plantation (TTP) 2023. In addition, the document includes information on the NDPE Implementation Reporting Framework (IRF) rollout, as well as supplier risk levels and engagement history.

COC Compliance Rate:

- **82 of 89 suppliers signed (Indonesia Mill List) = 92% compliance**

Facilities	Evidences
Sample COC Signatories – PALMINDO:	Sample #1 <ul style="list-style-type: none">Supplier: PT Tanako Palm Oil IndonesiaSigned by: Mr. Ongku Sanjaya (Director)Date: 2 December 2024Represented by General Manager – Abdu Muhammad Mohammed Mugbil Sample #2 <ul style="list-style-type: none">Supplier: PT Sumber Bumi Sawit Jadi JayaSigned by: Pratiwi Eka SariDate: 16 May 2025Represented by General Manager
Sample COC Signatories – PAMIN:	Sample #1 <ul style="list-style-type: none">Supplier: PT Bumi Tamiang SentosaSigned by: DirectorDate: 16 May 2025Represented by General Manager – Ali Saleh Ali Sulaiman Sample #2 <ul style="list-style-type: none">Supplier: PT Agro Serasi LestariSigned by: Trading and Logistics OfficerDate: 16 May 2025Represented by General Manager – Ali Saleh Ali Sulaiman
Sample COC Signatories – OSI (Since OSI sources from PALMINDO and PAMIN, the suppliers of PALMINDO and PAMIN are also considered suppliers of OSI):	Sample #1 <ul style="list-style-type: none">Supplier: PT. Sentosa Sawit PerkasaSigned by: Mr. Andreas Patricia (Director)Date: 9 February 2023Represented by OSI: General Manager – Ashish Sharma
2) MALAYSIA	
i) PACOIL Sdn Bhd – Supplier COC Compliance Location : Kulai, Johor Malaysia	<ul style="list-style-type: none">Direct Mills Supplying : 72 MillsIndirect Suppliers (Traders): 46 MillsTotal Mills Assessed: 118 MillsCOC Compliance Rate: 77 of 118 = 65% compliance

Sample Signatories – PACOIL (Johor, Malaysia):	<p>Sample #1</p> <ul style="list-style-type: none">• <i>Company:</i> Achi Jaya Plantations Sdn Bhd• <i>Designation:</i> Commercial Manager• <i>Date:</i> 21 September 2020 <p>Sample #2</p> <ul style="list-style-type: none">• <i>Company:</i> Classic Counters Sdn Bhd• <i>Designation:</i> Operations Executive• <i>Declaration Date:</i> 5 February 2025 <p><i>Declaration:</i> “We, as suppliers to Pacific Oils and Fats Industries Sdn Bhd, agree to comply with their Sustainable Palm Oil Sourcing Policy and this Supplier Code of Conduct.”</p>
ii) PACIFIC Inter-Link (Traders) - Malaysia	<ul style="list-style-type: none">• Direct Suppliers: 20 (traders & refineries)• Total Suppliers Assessed: 20 (traders & refineries)• Compliance Rate: 18 of 20 = 90% compliance <p>The PIL Supplier Master List 2024 has been updated in year 2025.</p>

Sighted the mill list and confirmation in which the company that Is comply to NDPE is adherence to PIL Code of Conduct as follows :

Parent Company	Category	Country	NDPE Policy	RSPO SCC Certified	NDPE IR Status
PT. PACIFIC INDOPALM INDUSTRIES	Processor	Indonesia	Yes	Yes	Completed
PT. PACIFIC PALMINDO INDUSTRI	Processor	Indonesia	Yes	Yes	Completed
PACIFIC OILS & FATS INDUSTRIES SDN BHD	Processor	Malaysia	Yes	Yes	Completed
AAA OILS AND FATS PTE LTD	Trader	Singapore	Yes	Compliant - Traders License	Completed
MEWAH OILS FATS PTE LTD	Trader	Singapore	Yes	Yes	Completed
INTER-CONTINENTAL OILS & FATS PTE. LTD. (ICOF)	Trader	Singapore	Yes	Yes	Completed
WILMAR TRADING PTE LTD	Trader	Singapore	Yes	Yes	Completed
PT. LINGGA TIGA SAWIT	Processor	Malaysia	Yes	Yes	Completed
FGV KERNEL PRODUCTS SDN BHD	Processor	Malaysia	Yes	Yes	Completed

PREMIUM VEGETABLE OILS SDN BHD	Processor	Indonesia	Yes	Yes	Completed
KECK SENG (M) BERHAD	Processor	Malaysia	Yes	Yes	Pending response
DELIMA OIL PRODUCTS SDN BHD	Processor	Malaysia	Yes	Yes	Completed
INTERCONTINENTAL SPECIALTY FAT SDN BHD	Processor	Malaysia	Yes	Yes	Completed
SIME DARBY PORT KLANG REFINERY	Processor	Malaysia	Yes	Yes	Pending response
IOI PAN CENTURY EDIBLE OILS SDN BHD	Processor	Malaysia	Yes	Yes	Completed
BUNGE LIPID ENZYME SDN BHD	Processor	Malaysia	Yes	Yes	Completed
BUNGE LODERS CROKLAAN OIL SDN BHD	Processor	Malaysia	Yes	Yes	Completed
IOI GLOBAL SERVICES SDN BHD	Processor	Malaysia	Yes	Yes	Completed
SIME DARBY PASIR GUDANG REFINERY	Processor	Malaysia	Yes	Yes	Completed
PALMAJU EDIBLE OIL SDN BHD	Processor	Malaysia	Yes	Yes	Completed
PT. PACIFIC INDOPALM INDUSTRIES	Processor	Malaysia	Yes	Yes	Completed
Programme to support high-risk mills to become compliant with sourcing policies (<i>Indicator 181</i>)					
<p>The company has implemented a program to support the high impact mills through Supplier Outreach & Engagement Programme (SOEPro) for both direct and indirect suppliers. The programme discussion with senior management starts on May 2024. Throughout 2024, the company has been focused on planning the programme, which includes developing strategies for supplier identification, engagement, implementation and monitoring.</p> <p>SOEPro is a strategic initiative by PIL Group aimed at strengthening suppliers' sustainability compliance and focusing on engaging high impact mill suppliers through targeted communication and performance monitoring. The objectives of this programme :</p> <ul style="list-style-type: none"> a) Socialize PIL Group's sustainability commitments b) Provide necessary support to mills to ensure compliance with sustainability standards c) Enhance traceability and transparency across the supply chain d) Support mill compliance in line with SPOTT assessment criteria e) Build long-term responsible supplier relationships 					
Comprehensive, externally verified					

According to SOEPro, definition of high-impact suppliers is those that pose a potential risk of non-compliance with the company's sustainability standards or the NDPE commitments. The criteria used to identify high-impact suppliers include :

- a) Failure to submit TTP data
- b) Failure to respond to deforestation alerts detected via satellite monitoring tools
- c) Lack of traceability or supply chain transparency
- d) Classification as high-impact by third-party assessments (Earthworm Foundation)

The programme framework details as follows:

Target Audience	High-impact mill suppliers
Engagement Approach	<ol style="list-style-type: none"> 1. On site visits 2. One-on-one support & follow-ups
Key Topics Covered (Support)	<ol style="list-style-type: none"> 1. PIL Sustainability commitment 2. NDPE 3. TTP 4. Guided data population (TTP & IRF)
Duration	Ongoing engagement guided by structured six-month plan

Programme Timeline

Phase	Activity	Timeline
Phase 1: Preparation	<ul style="list-style-type: none"> • Develop proposal • Supplier selection • Supplier communication 	2 months
Phase 2: Engagement	<ul style="list-style-type: none"> • Field visits • Capacity building 	4 months
Phase 3: Monitoring	<ul style="list-style-type: none"> • Follow up performance • Active communication 	4 months
Phase 4 : Evaluation	<ul style="list-style-type: none"> • Capture progress • Report progress • Highlight risks & challenges • Provide suggestions & solutions 	2 months

From DCF Earthworm Foundation, the company has identified high-impact suppliers, both direct and indirect. For the direct supplier, SOEPro is still in the planning phase. PIL planned to conduct a field visit to the high-impact mills in July 2025.

For indirect high-impact suppliers, PIL has already started with the engagement activities. The details of the engagement are as follows :

Date	26 May 2025
Supplier	Keck Seng
Contents	<ul style="list-style-type: none">a) PIL explained on the SOEPro objectivesb) PIL highlighted their sustainability commitment -NDPEc) Supply chain monitoring platformd) Traceability to Mill/Plantations (TTM/TTP) requirementse) Sharing the score from DCF Earthworm Foundationf) List of high-impact mills under Keck Sengg) Sharing sample of deforestation alert
Shared Expectations	<ul style="list-style-type: none">a) Active alignment and continuous compliance with NDPE principlesb) Activa collaboration on monitoring alerts and grievance cases across supply chainc) DCF target of 80% for PIL by December 2025 across the supply chain
Point of Discussion (not limited to)	<ul style="list-style-type: none">a) KS sharing the TTM and TTP data and targetsb) KS working with EF on VDF & TTPc) KS working with EQ for supplier mapping for EUDRd) PIL will do a follow up on 9th June 2025

Conclusion

The company has a program to support both its own and third-party high-risk mills, including the provision of technical assistance. Although implementation began this year, project discussions and planning started in 2024. As the company has taken clear steps to support high-risk suppliers, through assistance and a clear engagement plan, a comprehensive level of assurance is concluded in the verification.

Regularly assesses and categorises the risk level of all their own and third party supplying mills (Indicator 184)

PIL, PALMINDO, PAMIN & OSI

The facilities have conducted a self-reported risk level assessment since 2020. These assessments are updated annually and by each facility. All mills supplying to the refineries have been assessed. The facility’s personnel have made the assessment files available for the verifier’s review.

The assessment report titled "Suppliers Master List" contains comprehensive supplier information essential for evaluating compliance and risk. Key details recorded include the Group Company, Parent Company, Mill Name, UML ID, Purchase Period, and Contact Details. In addition, the report outlines criteria used to determine supplier risk levels, which include the supplier’s RSPO certification status, MSPO/ISPO certification, presence of an NDPE (No Deforestation, No Peat, No Exploitation) Policy, participation in Traceability to Plantation (TTP) programs, and their commitment to the Code of Conduct (CoC). This structured documentation supports effective supplier monitoring and reinforces responsible sourcing practices.

Conclusion

The facilities have assessed the risk level of all supplying mills annually since 2020. Each facility updates its assessment yearly, and the records are compiled in the "Suppliers Master List."

Comprehensive, externally verified

which includes key criteria such as certification status, NDPE policy, and traceability. Based on the consistent annual assessment, the verification concludes with a comprehensive level of assurance.

Regularly reports the risk level of all own and third party supplying mills identified in its supply chain (*Indicator 185*)

Mill Categorization Using Master List 2024

PIL Group has utilized the **Master List 2024** to categorize both its own mills and third-party mills. The Master List includes comprehensive details such as:

- Group company and parent company names
- Mill supplier information
- UML ID
- Contact details and email addresses
- RSPO and MSPO certification status
- Availability of NDPE policy
- Geocoordinates
- Status of Code of Conduct signing
- NDPE IRF (Implementation Reporting Framework) availability
- Traceability to plantation-level data

This categorization supports improved supply chain monitoring, compliance tracking, and transparency across the group's operations.

The company using three assessment records to evaluate and report the risk levels of its suppliers:

- 1) DCF Earthworm Foundation (Quarterly)
- 2) NDPE IRF (Annually)
- 3) Suppliers Master List (Annually)

To determine the final risk classification of suppliers for engagement purposes, the company cross-references data from all three assessments. High-risk suppliers are primarily identified using the **DCF Earthworm Foundation** assessment.

However, in cases where internal data from the **NDPE IRF** or **Suppliers Master List** classifies a supplier as low or medium risk—but DCF classifies them as high risk—the PIL team will initiate a review. This involves investigating the specific criteria used by Earthworm Foundation to justify the high-risk rating.

If the investigation confirms the supplier poses a high risk, their classification will be updated accordingly. Conversely, if the findings do not support the high-risk rating, the risk level may be adjusted downward.

For formal reporting of aggregated risk levels, the company adopts the figures from the **NDPE IRF**. The NDPE IRF data for 2023 has been finalized and made available by the PIL team. Data collection for 2024 is currently in progress.

Group Risk 2023:

High Risk	39%
Medium Risk	18%
Low Risk	43%

Conclusion

Comprehensive,
externally verified

<p>The company evaluates and reports on the risk levels of all its suppliers using three tools, with final reporting based on the NDPE IRF. In 2023, the group risk breakdown was 39% high, 18% medium, and 43% low. Since the company reports aggregated risk levels annually, the verification concludes with a comprehensive level of assurance.</p>							
Progress on commitment to ethical conduct and prohibition of corruption (<i>Indicator 188</i>)							
<p>At the group level, PIL's employees have access to the Intranet (Employee Portal), where they can view all company policies, including but not limited to the Code of Conduct and Whistleblowing Policy.</p> <p>In addition, Anti-Bribery and Corruption was included in the Pacific Inter-Link Group Sustainable Palm Oil Sourcing Policy (Version 2, 1 October 2022). Under Sub-Section 1.1, it was stated that they do not tolerate any forms of corruption or bribery, and the suppliers shall comply with this.</p> <p>Facility-Level Policies</p> <p>Furthermore, each facility site has its own policies in place, including the Code of Conduct, Conflict of Interest, Whistle Blowing Policy. These policies apply to all employees within the company group. The detail of the policy as follows:</p> <table border="1" data-bbox="156 813 1157 963"> <tr> <td>Document No</td><td>QP-HRGA-027</td></tr> <tr> <td>Revision No</td><td>00</td></tr> <tr> <td>Revision Date</td><td>27th July 2016</td></tr> </table> <p>The Code of Conduct policy aims to guide employees to obey the law external and internal, act with integrity and honesty and be responsible for their actions.</p> <p>The Whistle Blowing policy aims to assist management and employees work together in addressing fraud, abuse, and other misconduct in the workplace, all while cultivating a positive work environment.</p> <p>Section 4 of the policy highlights several key points, including but not limited to the following:</p> <ul style="list-style-type: none"> a) The Code of Conduct is applicable and mandatory to all employees. b) Employees are not allowed to have personal interests with suppliers, customers, or others who can influence the judgment or ability in the best interests of the company. c) Employees are obliged to report any conflicts of interest that occur or will occur. d) Employees are not allowed to take money, gifts, any form of hospitality, and entertainment from any supplier, customer, colleague, or other parties related to the job. <p>Sub-Section 4.8 of the policy states that the Whistleblowing Policy can lead to the detection of, not limited to, the following:</p> <ul style="list-style-type: none"> a) Violations of government regulations b) Harassment c) Unethical conduct d) Corruption e) Discrimination <p>In Sub-Section 4.10, the Code of Conduct Committee consists of the HR Unit, Corporate HR, Corporate Legal, Corporate Audit, Internal Audit and the Department Head concerned.</p>	Document No	QP-HRGA-027	Revision No	00	Revision Date	27th July 2016	<p>Comprehensive, externally verified</p>
Document No	QP-HRGA-027						
Revision No	00						
Revision Date	27th July 2016						

Section 5 focused on the procedures of the rapporteur. It stated that the confidentiality report will be guaranteed unless disclosure is necessary in order to implement the investigation by the police and for the benefit of the company.

Training Records (PALMINDO, PAMIN, OSI and PIL)

The training records, including attendance lists, have been made available to the vérifier for review. The details are as follows:

Details	PALMINDO	PAMIN	OSI	PIL
Title	Sustainability Awareness Talk			
Place	Meeting Room Palmindo	Training Room Pamin	Conference Room OSI	Meeting Room PIL
Date	15.11.2024	31.05.2024	21.06.2024	Multiple Slots (June – Aug)

TRAINING MATERIAL of Sustainability Awareness Talk:

A total of 5 modules has been briefly trained to the employees. The module as follows:

Module 1: Introduction to Sustainability

Module 2: Environmental Sustainability

Module 3: Social Sustainability

Module 4: Economic Sustainability

Module 5: PIL Group Sustainability Commitments. Under Legal Compliance, it highlighted that "prohibits corruption and bribery".

Conclusion

The company has policies in place to prevent bribery and corruption, including a Code of Conduct and Whistleblowing Policy, which are accessible to all employees. A dedicated committee oversees these policies.


In 2024, training sessions were held at several facilities, and anti-corruption was covered as part of the company's sustainability commitments. With evidence of policy implementation, oversight, and employee training, the verification concludes with a comprehensive level of assurance.

3.2 Signing by the Client

I, the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document.


I also confirm:

- Acceptance of liability in the execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative, pending review and decision making by the duly designated representatives of Control Union Certifications.
- That during the closing meeting, all agenda items were covered by the Lead Verifier.

Acknowledged by:		
Name:	Nagendran Selvanathan	
Position:	Manager, Corporate Communication & Sustainability	
Date:		
		Signature


3.3 Signing by the Lead Verifier

I the undersigned, being the Lead verifier, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report is a true representation of the actual findings of the audit team.

Acknowledged by:		
Name:	Ebnul Holdoon Shawal	
Position:	Lead Verifier	
Date:	17 th June 2025	
		Signature

3.4 Signing by the Reviewer

I the undersigned, being the Certifier, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information.

Acknowledged by:		
Name:	Jasmandy Syahrul	
Position:	Certifier	
Date:	23.07.2025	
		Signature