

WIPOLIMEX RAYA GROUP

Jl. S. Parman No.41, Medan

Sustainable Procurement Policy

Wipolimex Raya Group (PT. Wipolimex Raya and PT. Poly Bangkinang Raya) is committed to conducting its business in an honest and professional manner and uses the Code as its guide to promote compliance with applicable governmental laws, rules and regulations. PT. Wipolimex Raya shall monitor its working environment and business conduct and will update the Code with new and amended laws and regulations as required. PT. Wipolimex Raya shall encourage our subcontractors and suppliers to adopt similar labor and ethics policies and practices. PT. Wipolimex Raya shall establish and implement objectives, targets, and programs to improve our working environment and conduct audits and reviews, when appropriate, to ensure adherence to this policy. PT. Wipolimex Raya will integrate environmental and social considerations into its procurement policies and practices. We recognize that improving our procurement performance is an ongoing process and that our suppliers, both large and small, are important partners in our journey to becoming more sustainable.

Introduction :

Good procurement is essential in order for our organisation to deliver its strategic aims and day to day operations efficiently. All staff involved in procurement have a responsibility to conduct the procurement legally and ethically and to secure value for money.

Responsibility for Procurement :

Department manager is responsible for the procurement of items under their revenue budget control. Directors are involved in the procurement of capital budget items.

Policy :

When judging value for money we will consider economy, effectiveness and efficiency. Achieving value for money does not always mean accepting the lowest price. Considerations are given to quality of product /service, fit of product, reputation and capacity of provider, responsiveness, reliability and sustainability.

Our Commitment:

1. Minimise our environmental impact and deliver community benefits through better selection.
2. Foster innovation in our supply markets to increase the availability and effectiveness of sustainable solutions that meet our organisational requirements.
3. Encourage our suppliers to adopt practices that minimise their environmental impact and deliver community benefits in relation to their own operations and throughout the supply chains in which they operate.
4. Work in partnership with suppliers to achieve our common goals and continually improve performance over time.

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5. Elimination of Discrimination in Respect of Employment.

Discrimination based on factors non-relevant to the terms of employment is prohibited. Examples of non-relevant attributes include race, religion, gender, sexual orientation, disability, ethnicity, height, weight and age.

6. Abolition of Child Labor

Work undertaken by people of 18 years or under without consideration for their personal development, safety, education or health is prohibited. This will be supported by policies and programmes, which promote the development of any employed child. Placing children in employment deemed to be hazardous (in accordance with ILO definitions) shall not be tolerated.

7. Environment

We strive to consider about the environment in our daily business activities to ensure that we clearly identify the impacts and find solutions to improve. We communicate with our business partners and suppliers in hoping that they will share our commitment to the conservation of the environment. We strive to and urge our suppliers to comply and adhere to all the applicable environmental laws in Indonesia. We seek to promote initiatives that enhance greater environmental responsibility such as :

- Responsible waste management and disposal
 - Reduction of greenhouse gas and other emissions harmful to the environment
 - We prohibit sourcing natural rubber from deforested areas or where High Conservation Values (HCVs) have been degraded after 1 April 2019
 - Supporting natural rubber traceability to an appropriate jurisdictional level to ensure GPSNR compliance
 - If a supplier doesn't meet GPSNR standards, we create a time-bound plan to help them comply and address any
- The company commits to prohibiting the sourcing of natural rubber from areas deforested or where High Conservation Values (HCVs) have been degraded after 1 April 2019, in alignment with GPSNR policy requirements.

8. Labor practices and human rights.

We work with our suppliers to eliminate enslaved labor or human trafficking. Should we find evidence of such practice, we report this to the relevant authorities. If the use or enslaved labor or human trafficking cannot be eliminated, we will not continue business relationship with these suppliers. Our company respects fundamental human rights, such as worker representation. We support decent living conditions for local communities by providing. Our CSR efforts include donations, infrastructure support, and job opportunities.

We are also supporting food security in local communities by engaging in CSR initiatives, prioritizing local hiring, and contributing to programs that enhance livelihoods and access to essential resources.

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We are committed to supporting the economic, social, and cultural rights of local communities by facilitating access to education and employment opportunities, contributing to their long-term well-being and development

9. In a cycle of continual improvement, we have also aligned our Sustainable Procurement Policy with the principles of Global Platform for Sustainable Natural Rubber.

10. We share the commitment of our customers in building a sustainable supply chain by establishing and communicating expectations to our suppliers.

11. We invest in supplier engagement through strengthening the natural rubber supply chain by providing training and technical support to producers, including smallholders. Our goal is to enhance productivity, improve yield and quality, and promote sustainable agricultural practices, set clear, time-bound goals with measurable targets for each geographic area to ensure our commitments are effectively implemented, tracked, and continuously improved through key performance indicators (KPIs) and regular evaluations.

12. We are committed to maintaining active, ongoing communication with all stakeholders, including suppliers and buyers, to share relevant information and gather feedback for continuous improvement in fulfilling our commitments and goals, also supporting multi-stakeholder efforts that uphold GPSNR principles at landscape, jurisdictional, and spatial levels.

Commitment to Community Wellbeing

We are committed to supporting the wellbeing and decent living conditions of local communities around our operations. This includes initiatives such as providing access to clean drinking water, improving housing and sanitation, offering employment opportunities, and donating building materials and other essential resources.

13. We support natural rubber traceability to an appropriate jurisdictional level to ensure GPSNR compliance.

Food Security and Local Livelihoods

We support the right to food and promote food security for local communities by engaging in community-based CSR initiatives. These include supporting food-related activities and prioritizing the hiring of local community members, thereby improving livelihoods and enhancing access to essential resources.

14. We (Company & our Supplier) commit to producing and sourcing natural rubber in a way that does not contribute to deforestation or degrade High Conservation Values (HCVs). Identification and management of areas for development and conservation

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follow the methodology and guidance consistent with the HCV Approach and with the High Carbon Stock Approach (HCSA).

15. Support for Economic, Social, and Cultural Rights

We are committed to upholding the economic, social, and cultural rights of local communities by promoting access to education and employment these efforts are aimed at enhancing individual and community well-being, fostering inclusive development, and respecting local cultures

16. Capacity Building for Natural Rubber Producers

We are committed to supporting smallholders and other natural rubber producers through training and capacity-building programs aimed at improving production efficiency, yield, and product quality. This contributes to a more sustainable and resilient supply chain.

17. Support for Multi-Stakeholder Landscape Initiatives

We support multi-stakeholder efforts that promote the GPSNR principles at the landscape, jurisdictional, or spatial level as part of our commitment to sustainable natural rubber sourcing.

18. We are committed to the long-term protection of natural forests and other ecosystems and their conservation values, and to restoring or supporting the restoration of deforested and degraded rubber landscapes

19. We are committed to protecting wildlife, including rare, threatened, endangered, and critically endangered species, from poaching, over-hunting, and habitat loss in areas under company management. We also commit to supporting wildlife protection activities in areas of influence

20. We do not source natural rubber from plantations established on peatlands, regardless of their condition (wet, dry, or drained)

Updated by the management of Wipolimex Raya Group

31 July 2025