

WHISTLEBLOWER PROTECTION

1. Purpose

The Whistleblower Protection Policy (“Policy”) is integral to fostering transparency, promoting integrity, detecting Misconduct and implementing Speak Up Policy. The aim of this Policy is to protect Employees and other Stakeholders from Retaliation resulting from raising or reporting concerns when voicing their concerns through the Whistleblower Channel regarding misconduct, fraudulent and illegal activities, and unethical conduct that could potentially be harmful to the Company – including any violations of the Company policies and Business Code of Conduct (BCOC), through the Speak Up Channel.

2. Policy Statements

PT. Indah Kiat Pulp & Paper Tbk (hereinafter referred as the “Company”) upholds high standard of integrity and ethics and is committed to conducting business in an honest, respectful and fair environment. The Speak Up Policy sets forth the principles and framework for reporting of concerns.

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

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

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

The Policy protects every Company employee, and other Stakeholders, when raising a concern of a fraud or Wrongdoing. It is the practice of Company not to allow Retaliation for the Reporter who reports of Wrongdoing, fraud, or corruption made in good faith and it is the duty of every Company employee to report suspected improprieties. It is, at the same time, unacceptable to file a report knowing it is false.

3. Scope

The Policy applies to all Employees of the Company and other Stakeholders.

4. Definitions

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

Company: PT. Indah Kiat Pulp & Paper Tbk

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

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

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

Misconduct: unacceptable or improper behavior or unprofessional manner.

Retaliation: negative action against a Whistleblower or Reporter who files a formal complaint/concern related to the Misconduct or Wrongdoing with the good faith.

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

Reward: monetary incentive offered by the Company to reward a Whistleblower's disclosure of original information that leads to a successful enforcement action.

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

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

Wrongdoing: action(s) or omission(s) that can cause harm.

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

Speak Up Channel : Channel that provides by Company for employees, third parties or stakeholders to raise their concerns and questions regarding misconduct, fraudulent and illegal activities, and unethical conduct that could potentially be harmful to the Company – including any violations of company policies and Business Code of Conduct (BCOC).

Relevant interested parties: Can include witnesses, others who assisted or involved in reporting Wrongdoing, internal investigators, family members or others supporting the Whistleblower, or those who are wrongly suspected of reporting Wrongdoing.

5. General Principles

5.1 Protecting and Supporting the Whistleblower

The Company provides protection and practical support to the Whistleblower. Protection and support will begin as soon as a report of Wrongdoing is received and continue throughout and following the reporting process. Responsibility will be clearly assigned within the Company for protection and support.

The Company protects the Whistleblower from Retaliation for reporting Wrongdoing internally through the Speak Up Channel. Company's Speak Up Policy have made it clear that seeking to identify the Whistleblower or Retaliation in connection with a whistleblower report is not tolerated and is a disciplinary matter.

The Company will identify and implement strategies to Whistleblower/ Reporter of the report, through the following:

- a) protecting identity (to the extent possible);
- b) conducting investigations in a manner that preserves confidentiality to the extent possible and appropriate to ensure that the subject(s) are not exposed to reputational harm (information is shared on a strictly need-to-know basis);
- c) ensuring due process, including a timely, fair, impartial, confidential investigation and assistance;
- d) providing support throughout the process, including regular communication;
- e) if no evidence of Wrongdoing was found, additional remedial measures can be considered, e.g. reputational, financial, employment status.

Protection involves taking all reasonable steps to prevent Retaliation from occurring or contain identified Retaliation to prevent further harm. The strategies implemented will depend on the likely sources of harm identified through the *assessment of Retaliation risk* (see Section 6).

Practical support involves encouraging and reassuring the Whistleblower of the value of reporting Wrongdoing and taking steps to assist their wellbeing. Support can be in form of emotional support, financial, legal or reputation restoration

Company's management is accountable for ensuring support and protection. Corporate Risk & Integrity ("CRI") Division is responsible for ensuring that support and protection measures are implemented in the organization.

5.2 Protecting relevant interested parties

Relevant interested parties can include witnesses, others who assisted or involved in reporting Wrongdoing, internal investigators, family members or others supporting the Whistleblower, or those who are wrongly suspected of reporting Wrongdoing. They should be protected from Retaliation, to the extent possible in the capacity, capability, and competence of the Company.

5.3 Addressing Retaliation conduct

Whistleblowers or Reporters can report Retaliation conduct via the available Whistleblower Channels/ Speak Up as well as to the personnel responsible for supporting and protecting them.

If the Company becomes aware of, or suspects that a Whistleblower is facing Retaliation conduct, an assessment will be conducted to decide what action should be taken. Such assessment will take into account special consideration towards vulnerable people (e.g. children, young people, older persons).

An unbiased investigation, conducted by CRI or other objective and independent personnel/function/division/department (e.g. Internal Audit department, Corporate Security Division, Legal), if required to prove a Retaliation conduct.

If it is established that a Retaliation is occurring or has occurred, the Company should take reasonable steps to stop and address the Retaliation conduct and support the Whistleblower and other relevant interested parties.

When remediation is needed, to the greatest extent possible, the Whistleblower will be restored to a situation that would have been theirs had they not suffered Retaliation, which includes:

- a. reinstating the Whistleblower in the same or equivalent position, with equal salary, responsibilities, working position and reputation;
- b. fair access to promotion, training, opportunities, benefits, and entitlements;
- c. restoration to the previous commercial position relative to the Company;
- d. withdrawing litigation;
- e. apologies given for any Retaliation suffered;
- f. compensation for damage.

The Company will take appropriate disciplinary action up to termination against anyone found to be responsible for any Retaliation conduct.

6. Assessing and Preventing Risks of Retaliation against Whistleblower

When a report is made, CRI Division will assess the risk of Retaliation to the Whistleblower and other relevant interested parties. In the assessment CRI Division should consider the following matters:

- a. What is the likelihood of confidentiality being maintained? (e.g. *Who else knows? Who else have they told? Does the nature of the information reveal their identity? Are they the only person who has access to the information? Is this a criminal offence where evidence will need to be revealed as well as the Whistleblower's identity?*).
- b. Is the Whistleblower anxious about Retaliation? Has Retaliation conduct already occurred or are they aware of any immediate threat?
- c. Is the Whistleblower involved in the Wrongdoing or is it directed at them?
- d. Does the report involve multiple types of Wrongdoing?
- e. How did the Whistleblower obtain the information?
- f. What is the Whistleblower's relationship with the subject of the report?

- g. what is the Whistleblower's relationship with the Company or Company.

Depending on the identified risks, the Company will identify and implement strategies and actions to prevent Retaliation against the Whistleblower and other relevant interested parties. Implemented actions cover:

- protecting Whistleblower identity;
- sharing information on a strictly need-to-know basis;
- providing support throughout the process, including regular communication, with special consideration and systems towards vulnerable people (e.g. children, young people and older persons);
- changing workplace or reporting arrangements;
- warning subject(s) of the report or interested parties that Retaliation conduct, or breach of confidentiality will be considered as a disciplinary offense.

The level of protection and related actions taken are dependent on the type and timing of whistleblowing and the potential consequences of Wrongdoing(s) (*e.g. on subject(s) of the report and other relevant interested parties*).

Risks will be monitored and reviewed at various points in the process, such as when a decision is made to investigate, during the investigation into the report and once the outcome of an investigation is known, as well as, where appropriate, after the case has been closed.

6. Physical protection against Retaliation

Reporter who make reports using Company Speak Up Channels will be guaranteed effective protection from Retaliation after reporting.

One of the most important protections for Whistleblowers is that CRI Division will ensure to protect the identity of the Reporter by providing the ability to report *confidentially* or *anonymously*.

Whistleblower protections in Company can take a wide range of forms. These include:

- sanctions against perpetrators of Retaliation,
- the right to refuse to participate in Wrongdoing, and, in some cases,
- *physical protection* for Whistleblowers and affected family members.

In the case where a Whistleblower or Reporter believe that a physical protection is required, he/she can ask for protection to CRI Division. CRI's whistleblower protection officer will be assigned to liaise between the Reporter and Human Resource function and/or Security function to ensure protection from Retaliation is taken place effectively.



CRI will subsequently conduct an investigation to prove whether a Retaliation has truly taken place. If Retaliation is proven, then Whistleblower protection protocol will kick-off by HR function and/or Security function.

Jakarta, 31 May 2023

REFERENCE

STANDARD

APP's Business Code of Conduct (BCOC)

Whistleblowing Management System ISO 37002:2021