

# Sustainable Procurement Policy



# **Lippo Karawaci**

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*For detailed guidelines on the standards to which we hold our suppliers,  
please refer to our Supplier Code of Conduct.*

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## Introduction

At Lippo Karawaci, we view sustainability as core to our mission and value proposition. It is a critical aspect in our transformation journey as we strive to enhance business resilience and deliver greater value to all our stakeholders. We are committed to integrating Environmental, Social, and Governance (“ESG”) principles into our business strategy, policies and procedures, including by upholding the highest standards of business ethics and compliance, as well as the United Nations Global Compact (“UNGC”) principles on human rights, labour, environment, and anti-corruption.

We believe that we have an important role to play in shaping the sustainability landscape in Indonesia, given that we work closely with a myriad of suppliers, vendors, contractors, and service providers. Our approach to responsible procurement includes ensuring that our business partners understand and adhere to our ESG standards, procuring goods and services locally where feasible, increasing transparency and accountability in our procurement processes, and reducing our environmental footprint and enhancing our social impact throughout our value chain. We understand that procurement performance improvement is a continuous process and recognize the contribution of our suppliers in our journey to become more sustainable.

## Objectives

Through this procurement policy, we intend to make our operations more sustainable by working with our supply chain to:

- Uphold the laws and regulations of the jurisdictions in which we operate in
- Aspire towards the highest standards of economic, social, ethical, and environmental practices
- Identify and mitigate risks associated with our procurement process
- Act responsibly to minimise the impacts of our business and supply chain to the environment and local communities
- Apply the policy across our value chain and operations, and raise awareness among our business partners and stakeholders

## Principles

We expect our suppliers to aspire to the same principles and commit to social responsibility and ethical business practices in their business operations, including but not limited to:

### Business Ethics

- Commit to upholding good business ethics and professionalism in line with all applicable laws and regulations, and the basic principles of integrity and accountability
- Demonstrate existence of procedures to prevent:
  - Bribery, corruption, fraud
  - Conflicts of interest
  - Confidentiality and intellectual property issues
  - Insider trading

### Labour and Human Rights

- Comply with all applicable labour and human rights laws
- Prohibit slavery and the use of forced or child labour across the supply chain
- Prohibit unlawful discrimination and harassment to provide a safe and inclusive work environment

### Health and Safety

- Comply with all applicable health and safety laws and regulations, including to align with industry best practices
- Provide workers with a safe working environment and prevent workplace injuries, illnesses and diseases through risk mitigation from identified hazards
- Provide the appropriate resources and training to foster a healthy and safe work environment

### Social and Community Development:

- Provide fair compensation in accordance with the applicable laws and regulations
- Partner with local governments and communities to improve the education, cultural, economic, and social well-being of communities which we operate in

### Environment

- Comply and adhere to all applicable environmental laws
- Undertake initiatives to promote greater environmental responsibility such as:
  - Responsible waste management and disposal
  - Reduction of greenhouse gas and other emissions harmful to the environment
  - Conservation of non-renewable natural resources

## Implementation

Our Sustainable Procurement Policy serves as an umbrella policy for Lippo Karawaci and its subsidiaries. This policy applies to our supply chain, including any third-party business entity or individual that provides goods and/or services to us, or undertakes any activity for or on our behalf, either directly or indirectly.

This policy is supported by our Supplier Code of Conduct, which sets out the standards of business ethics and compliance expected of any supplier doing business with us.

## Communication and Review

We will communicate this policy to all suppliers and employees. We will also review and update this policy on a regular basis to ensure that it is aligned with our sustainability goals and industry best practices.

We provide information and resources that support ethical business practices. For detailed guidelines on the standards to which we hold our suppliers, please refer to our Supplier Code of Conduct.

If you have any compliance, legal or ethical concerns, please make a report through the Whistleblowing Committee channel ([Whistleblower@lippokarawaci.co.id](mailto:Whistleblower@lippokarawaci.co.id)). To submit any suggestions, feedback or complaints regarding our Supplier Code of Conduct, please reach out to [sustainability@lippokarawaci.co.id](mailto:sustainability@lippokarawaci.co.id). Strict confidentiality will be maintained.