



# LABOUR PRACTICE ON HUMAN RIGHTS

PT Great Giant Pineapple

2024



# HUMAN RIGHTS COMMITMENT

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PT Great Giant Pineapple (GGP) upholds the principle of respect for human rights by ensuring that GGP operations are carried out without violating the fundamental rights of workers as stated in the Universal Declaration of Human Rights and international human rights agreements. GGP has adopted a policy regarding respect for human rights in its internal company policies.



# HUMAN RIGHTS RISK IDENTIFICATION

SA8000 is evaluated and assessed periodically in a year and implemented in GGP operational business including new business relations (if any).

## SA8000 – Child Labor

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Recruitment	X	X	Recruitment of workers under 18 years old		hindered operational activities	Ensure that the KTP, KK and Education Certificate have the same date of birth
		X	Internships students working on dangerous working site		Incident occurred in company area	Ensure that no internship students are employed in dangerous areas





# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Forced Labor

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Recruitment		X	Recruitment Fees / Brokers Recruitment		Worker paid certain amount of money and will hurt reputation of company	Application submission is done via post office
	X		Withhold personal documents prospective employees		<b>There is an element of compulsion to work</b>	It is stipulated in the SA8000 Manual that employee documents must not be lost.
Worker Contract Extension	X		Worker haven't working agreements		Unclear contract agreement for worker	Workers contract monthly monitoring



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Freedom of Associations

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Voluntary registration of workers to become SPSI members	X		Workers are charged SPSI (workers union) membership fee		Benefits received by workers are reduced	Form of willingness to pay memberships fee to become a member of SPSI
					SPSI not protecting the worker that not registered as worker union member	Socialization of SPSI membership benefits
	X		SPSI cash flow transparency		Worker doesn't get feedback from their membership fee in SPSI	Ensure that there are regular cash flow reports and the reports are communicated to workers.



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Discriminations

Activity	Risk Issue		Classifications		Dampak	Operational Control
	I	E	Risk	Opportunity		
Recruitment	X		Recruitment carries out pregnancy tests and virginity tests for new job candidates		There is discrimination against job candidates	It is stipulated in the SA8000 Manual that pregnancy tests and virginity tests can not be carried out.
	X		Request classification includes gender.		There is an element of discrimination against workers	It is stipulated in the SA8000 Manual that gender discrimination must not be carried out.
		X	Inequality in Access to Economic Opportunities for local communities or indigenous communities around the company.		If companies use more labor from outside the operational area, local communities may feel neglected or not getting economic benefits. This can cause dissatisfaction among local communities and trigger protests or social conflicts.	In the recruitment process, the company prioritizes local people who live around the company operational area.
	X		Inequality in the recruitment process for migrant workers		There is discrimination against migrant job candidates	According to the SA8000 manual, the recruitment process must not discriminate against employee candidates based on nationality.



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Discriminations & Human Trafficking

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk (Risiko)	Opportunity		
Human Trafficking		X	Recruitment processes that are not transparent or involve fraudulent agents can make individuals going into human trafficking situations.		Unethical recruitment can result in worker exploitation, human rights violations, psychological trauma, and negative impacts on a company's reputation and social stability.	There is a clause regarding forced labor in the SA8000 manual to mitigate recruitment and discrimination related to human trafficking.
Work Promotion dan Assessment for women	X		There are differences in sentiment, assessments and job promoting towards women.		There is injustice in women workers in getting the same rights to work evaluation and promotion as men.	Issuing diversity and inclusivity related policy



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Disciplinary Practices

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Imposing Working Sanctions	X		The Reprimand Letter is not in accordance with the Collective Labor Agreement	There was a reduction in the weight of the sanctions after BIPARTITE negotiations were held.	Reprimand Letter does not match worker misconduct	BIPARTITE negotiations regularly are held whenever there is a worker misconduct/violations case.
	X		Late worker sanctioning		Bonuses and severance pay still to be paid to workers who are get late sanctioned.	Coordinating with Factory HR to immediately provide the results of BIPARTITE negotiations so the working sanctions are not given too late
	X	X	Lay off process not going through bipartite stage		<b>Against the rules of the Employment Act, and spending money on the conference process at the PHI (Industrial Relations Court) if the case is handled by the worker</b>	Coordination with the Workers Union whenever there is a worker misconduct/violations that lead to the termination of employment





# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Working Hours

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Inputting worker attendances into SAP systems	X		Overtime is inputted into SAP system not according to the actual condition		Overtime is not paid or overpaid	After being inputted into SAP system, the attendance sheet is printed and submitted to payroll.
	X		Unpaid leave, leave, sick leave not input into SAP system		Unpaid leave, leave, sick leave not well recorded into SAP system	Input attendance according to the leave, unpaid leave, and sick leave application letters



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Remunerations

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Worker Termination	X		Former worker still registered in SAP system		Former Workers are still paid	Perform termination checks before the salary payment process, and before inputting the contract into the SAP system and ensuring that the contract end date has been well input into the system.
BPJS Registration		X	Does not have E-KTP (ID Card) for BPJS registration		BPJS card cannot be issued	The BPJS registration process is still being carried out while waiting for the E-KTP issuance process to be done.



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Remunerations

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
BPJS Kesehatan (Social-Health Insurance Agency) Registration		X	Cannot register because still registered on previous company		Failed to register	Workers are asked to deactivate registered BPJS from their previous company.
		X	Cannot register because have BPJS individual payment dues		Failed to register	Workers are asked to pay individual BPJS payment dues
		X	Cannot register because have government-sponsored BPJS		Failed to register	Continue using the existing BPJS or deactivate the government-sponsored BPJS
Fixed-Term Employment Agreement (PKWT) Termination	X		Fixed term employee doesn't get compensations after contracts ends.		According to Article 15 Paragraph (2) of PP 35/2021, the company must pay compensation when the PKWT contract ends.	The company pays PKWT compensation in the last payroll period.



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Remunerations

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Outsourcing Employee Compensations	X	X	Outsourcing employee compensations not paid accordance their rights by outsourcing agency		Outsourcing employee productivity decrease	The company coordinates intensively with the outsourcing party to ensure that the rights of outsourcing employee are fulfilled.



# HUMAN RIGHTS RISK IDENTIFICATION

## SA8000 – Management Systems

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Training	X		Training participant not well recorded		<b>HR Training is constrained in knowing employee training biodata</b>	Training data input is carried out using the training evaluation application.
	X		Training evaluation		Training Effectivity cannot be measured	HR Training conducts evaluations using level 1, 2, & 3 evaluation forms.
		X	Vendor training standards have not been met		<b>Mismatch of expected competencies from training vendors</b>	Coordinate with vendors regarding training needs.





# HUMAN RIGHTS RISK IDENTIFICATION

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## SA8000 – Management Systems

Activity	Risk Issue		Classifications		Impact	Operational Control
	I	E	Risk	Opportunity		
Worker Performance Assessments	X		Subjectively worker performance assessment		Workers who are close to their superiors will always get good opinion, and vice versa.	Socialization to supervisors to be able to provide objective and fair performance assessments.



# HUMAN RIGHTS ASSESSMENT BOUNDARIES

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Category	% of total assessed in last three years	% of total assessed (column A) where risks have been identified	% of risk (column B) with mitigation actions taken
<b>Own Operations (including Joint Ventures where the company has management control)</b> (as a % of FTEs)	75	100	100
<b>Contractors and Tier I Suppliers</b> (as a % of contractors or Tier I Suppliers)	78	100	100



## Complaint Management (Due Diligence)

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Through the union and the company's COC hotline, the company receives any complaints, comments, or recommendations regarding the workplace, industrial relations, and non-compliance with agreed labor practice standards. The People Partner Team and the Head of the Trade Union ensure the confidentiality of the identity of those giving suggestions, complaints and recommendations, and ensure that the reporter does not receive disciplinary action, discrimination or retaliation for their report. The company develops a due diligence and risk assessment process for every human rights issue on a regular basis. Issues covered in the risk assessment include underage workers, forced labor, occupational safety and health, discrimination, disciplinary action, working hours and compensation.



# Bipartite Bargaining Procedures

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## Background

- Litigating industrial and employment issues based on applicable laws and regulations.
- Settling industrial and employment issues through negotiation process.
- Finding the best way to solve industrial and employment issues.
- Forum for consensus, communication, consultation regarding industrial and employment issues.

## Objective

- Guideline for companies and all workers in resolving industrial and employment problems.
- Ensure that the resolution of industrial and employment issues is carried out by the Collective Labor Agreement (PKB), applicable Regulations, and Laws.



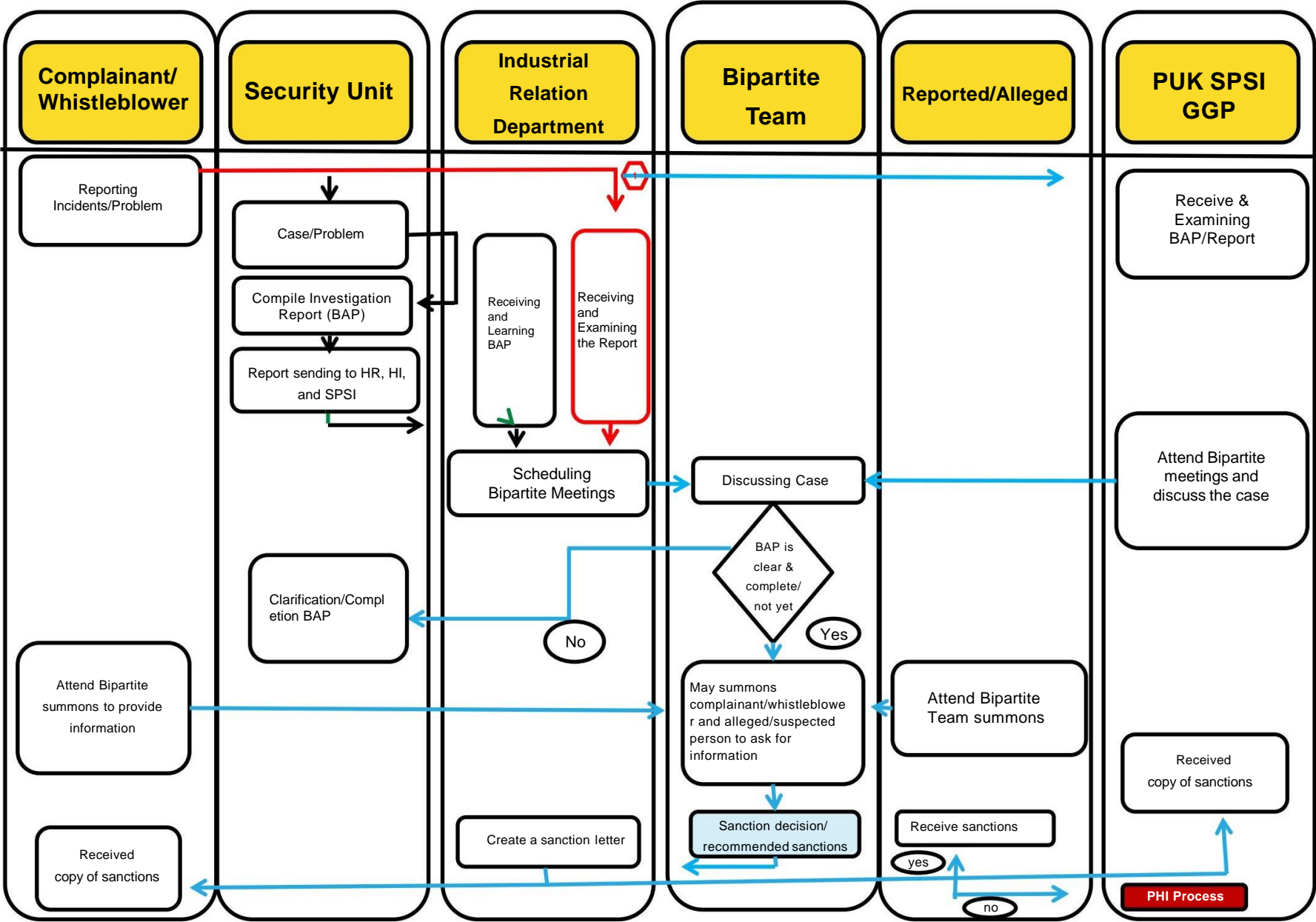
# Policy

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1. Industrial Relations (HI) is a system of relations formed between actors in the production and/service process consisting of elements of entrepreneurs, workers/laborers and the government which is based on the values of Pancasila and the 1945 Constitution of the Republic of
2. Trade Union/Labour Union is an organization formed from, by and for workers/laborers at Great Giant Pineapple (GGP), which is free, open, independent, democratic and responsible in order to fight for, defend and protect the rights and interests of workers/laborers and improve the welfare of workers/laborers and their families.
3. Bipartite Cooperation Institutions are communication and consultation forums regarding matters relating to industrial relations in a company whose members consist of employers and trade/labor unions that have been registered with the agency responsible for employment or workers/labor elements.
4. The Bipartite Team is a team consisting of the Company (Industrial Relations Dept. and Regional HRBP) and the Worker Party / PUK SPSI GGP which in its authority acts as a negotiating team for industrial relations disputes and decides on sanctions.
5. The reporter/conveyor of information is the party who reports or informs about a problem or incident to the person/ security section/ Industrial relations Dept/PUK SPSI GGP. Included in the scope of the reporter/conveyor of information are all workers in the company.
6. Bipartite negotiations are negotiations between workers/laborers or workers/labor unions and entrepreneurs to resolve industrial relations disputes within a company.
7. Legal Basis:
  - a. The 1945 Constitution of the Republic of Indonesia
  - b. Law Number 13 of 2003 concerning "Employment"
  - c. Law Number 2 of 2004 concerning "Settlement of Industrial Relations Disputes"
  - d. Company Collective Labor Agreement (PKB).



# Bipartite Bargaining Procedures





## Bipartite negotiation of reports/complainments

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- Litigating industrial and employment issues based on applicable laws and regulations.
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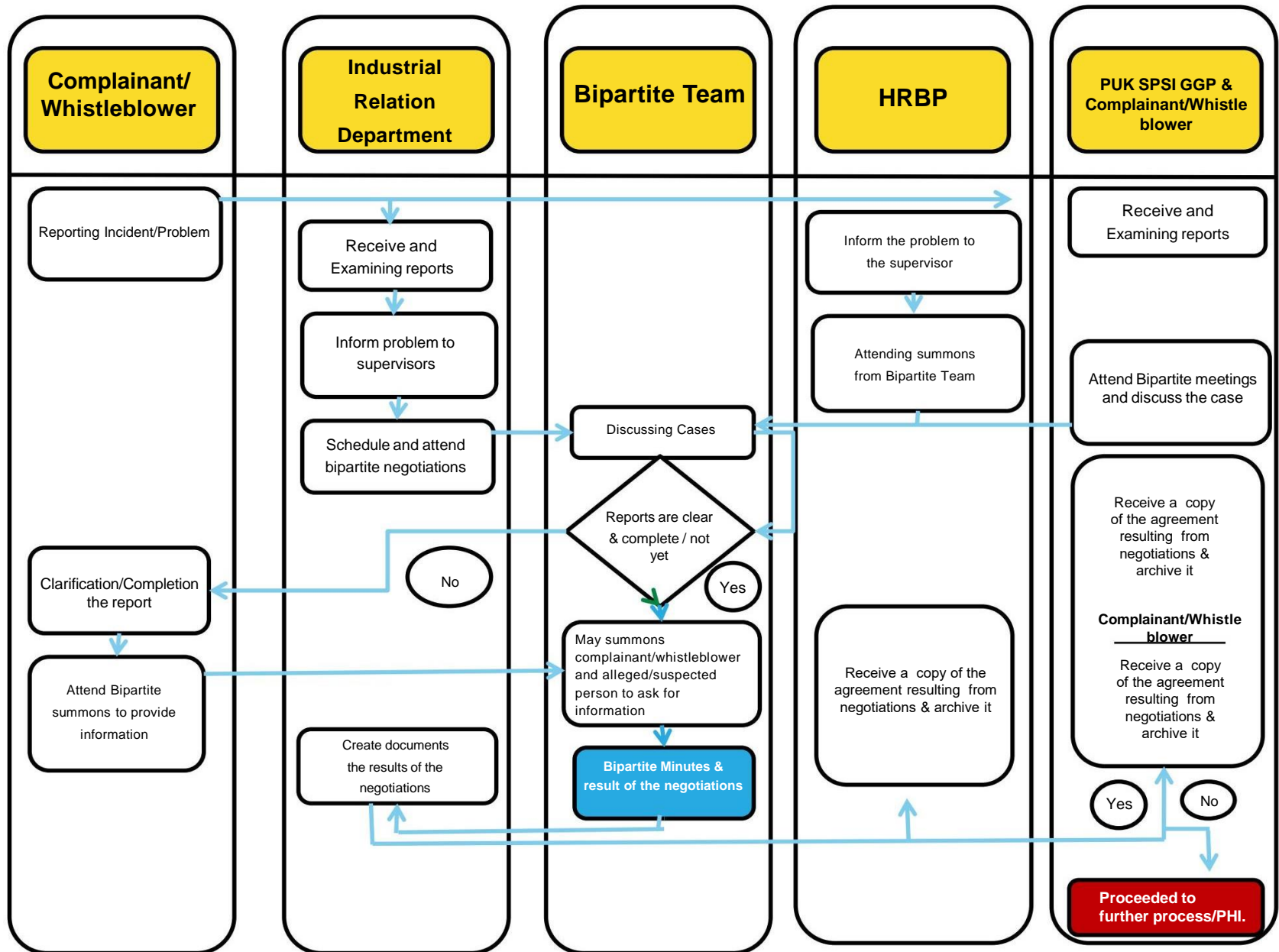


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# Bipartite Reporting/Complaint Procedures





# Bipartite Bargaining Procedures

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- **Number of Sites with Mitigations Plans**

Based on the risk assessment conducted, mitigation actions have been implemented in accordance with the risks identified in the SA8000 evaluation. The risk assessment covered the scope of PT. Great Giant Pineapple across factory site (5 sites or departments).

The mitigation plans that have been implemented include the creation of a manual or procedures related to SA8000, covering aspects of human rights mitigation.

- **Type of Remediation Action**

Taken On the issue of remedies for victims of discrimination, a bipartite negotiation will be conducted with SPSI and HR. Rules and consequences regarding human rights discrimination are stipulated in the company's Code of Conduct, and violations will result in sanctions according to the Collective Labor Agreement and management decisions.

The types of remedies typically applied include apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as harm prevention measures, such as injunctions or guarantees of non-repetition. The specific remedy will depend on the outcome of the bipartite negotiation and management decisions based on the particular incident.