

The Palm Oil Commitment to Implementation Plan

1 Objective:

Ensuring palm oil supply chain realizes Zero deforestation, zero peatland development, zero exploitation (NDPE), protect biodiversity and water resources, reduce carbon emissions and respect the human rights of communities. Through this program, companies can systematically reduce the environmental and social risks of palm oil production, while enhancing brand reputation and market competitiveness. The details need to be adjusted to the specific size of the operation and to ensure the continued support of senior management.

2 Deforestation and transformation (Deforestation & Conversion-Free)

2.1 Policy formulation

2.1.1 The floral pledge not to exploit high carbon reserves (Forests, high conservation value (HCV) areas and peatlands (regardless of depth).

2.1.2 Require all suppliers (including third parties) to sign The NDPE agreement goes back to the plantation level.

2.1.3 100% of the palm derivatives used in flower language reach R in 5 years SPO MB Level level.

2.2 Supply Chain Traceability and Transparency

2.2.1 Achieved by 2028 100% supply chain can be traced back to the oil mill, 2030 Cover to Plantation.

2.2.2 Use of satellite monitoring tools (such as Global Forest Watch, Radar Alerts for Detecting Deforestation) monitor land cover changes in real time.

2.3 Third party verification

adopt RSPO certification or other independent audits (e.g. SPOTT, POIG) verify compliance.

3 Human rights and social responsibility (Human Rights)

3.1 Labour rights

3.1.1 Prohibit child labour, forced labour and discriminatory practices, ensure minimum living wage and the right of association (in accordance with ILO standards).

3.1.2 Periodically review working conditions on plantations, including outsourcing labour.

3.2 Community rights

3.2.1 Implementation The principle of free, prior and informed consent (FPIC) ensures indigenous and local communities' decision-making power over land use.

3.2.2 Establish complaints mechanisms to resolve land conflicts and community complaints (e.g. through RSPO Complaints Platform).

3.3 Gender Equality

Ensure equal pay for female employees and provide a safe working environment.

4 Climate change (Climate)

4.1 Carbon emission management

4.1.1 Prohibition of the development of peatlands by direct and indirect suppliers (avoidance CO₂ emissions), restoration of existing peatlands and waterlogging management.

4.1.2 Measure supply chain lifecycle carbon emissions (using tools such as PAS2050 or GHG Protocol).

4.2 Carbon Neutrality Objectives

Carbon-neutral by protecting existing forests, rehabilitating degraded land and investing in renewable energy sources such as biogas plants.

5. Biodiversity (Biodiversity)

5.1 Protection of critical ecosystems

5.1.1 Identify and protect habitats of endangered species (e.g. orangutans, Sumatran tigers) and establish ecological corridors.

5.1.2 Ban in biodiversity hot spots (e.g. Leuser Ecosystem) to carry out new planting.

5.2 Ecological restoration

Implement restoration plans for degraded land, prioritizing the use of indigenous tree species.

6. Water resource management (Water Stewardship)

6.1 Pollution Reduction

6.1.1 Wastewater from Vocabulary's own operations and direct and indirect suppliers is prohibited (POME) directly into the river, requiring a closed-loop treatment system.

6.1.2 Reduce pesticide and fertilizer use and promote organic farming practices.

6.2 Community rights to water

Lotus owns and direct and indirect suppliers do not encroach on community water sources and regularly assess impacts on watersheds (e.g. quantity and quality).

7 Implementation and oversight

7.1 Timeline

Short term (Within 1 year: Complete supply chain mapping and risk assessment.

Mid-term (2-3 years): achieve 100% traceability To the factory Compliance with key suppliers.

Long term (5 years +): the whole supply chain NDPE standard, and obtain third-party certification.

7.2 Stakeholder engagement

and NGOs (e.g. WWF, Forest Peoples Programme), governments and smallholder farmers work together to transform the industry.

7.3 Reporting and improvement

Publish annual sustainability reports that reveal progress and challenges (follow) GRI or SASB standards).

8 Resource support

Special funds were set up for supplier capacity-building and smallholder support schemes.

Collaborate with research institutions to develop sustainable farming technologies (e.g., precision agriculture).

Sichuan (Guangzhou) Flower's Song Fine Chemical Co., Ltd.

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