SUSTAINABILITY POLICY

Agricultural development is necessary for sustaining and improving livelihoods but has to be balanced within the larger ecosystems that are vital for maintaining life on earth. With this belief, Goodhope is committed to providing a path for agricultural commodities that is environmentally sustainable, socially responsible, and economically viable.

This policy strengthens and expands upon our commitments to reinforce the position of Goodhope as a leading environmentally sustainable and socially responsible company. The policy applies to all Goodhope’s direct operations and subsidiaries, including all our mills, refineries and plantations, and includes provisions for associates and third-party suppliers. It supersedes Goodhope’s Sustainability Policy May 2017; Social Policy 2017 and Environmental Health and Safety Policy 2017.

Compliance with Standards for the Sustainable Palm Oil
Goodhope commits to implement industry best practices for the production, sourcing and use of vegetable oils. The Group became a member of the Roundtable on Sustainable Palm Oil (RSPO) in 2014 (subsidiaries since 2006) and shall apply that RSPO Principles and Criteria (P&C) 2018 and all related guidance and requirements as applicable. We will also continue to move towards attaining certifications under the Indonesian Sustainable Palm Oil (ISPO) and the Malaysian Sustainable Palm Oil (MSPO) certification schemes.

Respect for Human Rights
Goodhope sets the respect of human rights at the foundation of all its operations. We respect internationally recognized human rights wherever we operate and encourage the application of these principles across our supply chain. All Management units shall recognize and respect principles, rights and freedoms as stated in Goodhope’s Human Rights Policy.

Ethical Conduct and Fair Working Conditions
Business is conducted with honesty, integrity and openness, respecting the rights and interests of our employees and other stakeholders. Goodhope and its suppliers will provide fair working conditions for all workers, in full compliance with national and local laws and standards including those on health and safety, working hours, minimum wages and overtime. All Management units shall conduct business in compliance with Goodhope’s Ethical Conduct and Employment Standards Policy.
Environmental and Occupational Health and Safety

Each Management unit shall maintain a safe and healthy workplace and environment for its employees, visitors, contractors and surrounding community members. We will protect workers from exposure to occupational health and safety hazards that pose a risk of illness injury or death and will protect the environment from negative impacts. All Management units shall implement management systems as stated in Goodhope’s Environmental and Occupational Health and Safety Policy.

Conservation and Sustainable Land Use

Goodhope will not conduct any new development on High Carbon Stock (HCS) Forest, High Conservation Value (HCV) Areas, or peatland of any depth, and will progressively moderate the negative environmental impact of its operations, including actions that reduce greenhouse gas emissions. Land-use planning for the development of oil palm plantations or associated infrastructure follows the RSPO Procedures for New Plantings (NPP) and the company shall implement measures to protect biodiversity and conserve natural resources in accordance with the Group’s Conservation and Sustainable Land Use Policy. We will utilize best agronomic practices on soil, waste and pest management and promote these practices within our supply chain and the broader industry.

Community Welfare

We encourage sustainable social and economic development and support the welfare of local communities in and around our operating locations. Our aim is to mitigate potential negative impacts of our operations and contribute to the progressive realization of access to fundamental needs; food security; income security; adequate access to healthcare; and improved education. For the purpose of narrowing the inequality gap, we shall make every effort to ensure that the social welfare programs promote equal opportunities and participation. Any program shall be planned, developed and undertaken through open, constructive and collaborative discussions with local communities and other stakeholders, and shall fully consider the needs of beneficiaries.

Smallholder Support

The company actively supports independent smallholders by facilitating their inclusion into our supply chain and by promoting the implementation of practices to increase the productivity, profitability, and sustainability of smallholder supplied commodities. Furthermore, Scheme smallholder (PLASMA) plantations are provided to increase the income and living standards of the communities local to company oil palm plantations.
We provide educational and technical assistance for smallholders within our supply base to support the development of entrepreneurial and managerial competencies, and to increase the implementation of responsible and sustainable agricultural practices.

We operate with the understanding that smallholders retain the right to make their own decisions regarding the use of their land, their participation in commodity supply chains, and their interests in balancing livelihood and conservation considerations. We engage with smallholders in a fair, transparent and accountable manner to and will form greater partnerships with them in order to effectively implement this policy.

**Responsible Sourcing and Supply Chain Management**

No Deforestation, No Peatland and No Exploitation (NDPE) commitments apply to all associates, contractors and third-party suppliers with whom we work with. We aim to promote sustainable practices by all business partners and suppliers. All Management units shall ensure that any suppliers, contractors and associates comply with Goodhope’s Responsible Sourcing and Supply Chain Management Policy.

**Risk Management and Mitigation of Impacts**

In all aspects of business planning and operation, we will assess risks and set measures to mitigate impacts that may affect economic, social and environmental sustainability. We shall identify the potential negative social and environmental impacts of planned developments by conducting relevant assessments and commit to implement appropriate mitigation measures.

**Monitoring, Evaluation and Reporting**

We commit to set and review corporate goals, targets and objectives and will monitor, evaluate and report our performance regularly in a transparent manner. Accurate records shall be maintained and we will use the outcomes of regular reviews to inform adaptive management decisions and drive continuous improvement.

We use recognized monitoring techniques to ensure the credibility and comparability of observations and findings, including processes to incorporate relevant information and perspectives from stakeholders.

Sustainability performance will be disclosed in an adequate, transparent and timely manner to demonstrate corporate commitment towards sustainability. Our reports shall clearly communicate accurate and factual data and information to update concerned stakeholders of the company’s operations and progress.
Verification of Performance

Verification processes are conducted according to norms of good practice for credibility, rigor, and independence to validate company claims regarding progress or performance.

Stakeholder Feedback

We encourage stakeholder participation in business planning and decision-making processes. We will provide opportunities that enable stakeholders to raise their concerns and shall sufficiently consider stakeholder feedback when making business decisions. Responses to all queries and concerns shall be provided in a timely, open and honest manner.

Continuous Improvement

This policy will be continuously interpreted and implemented in a consistent manner in line with or exceeding the best management standards and practices of industry leaders in environmental sustainability and social responsibility. We commit to continuously improve the performance of our activities by the development and implementation of adaptive management plans according to monitoring and evaluation outcomes. We will continue to analyse and review this policy and will update it as needed in order to maintain the highest industry standards for sustainability and responsibly produced commodities.

Collaborations and Partnerships

Goodhope will continue to be an active member of the RSPO and will engage in dialogues and collaborations with multiple stakeholders to help promote wider implementation of sustainable systems in a more impactful manner.

We embrace partnership approaches to managing landscape level community development and conservation programs and will contribute to promoting sustainable development of the palm oil sector through collaborative programs that seek to address key social and environmental challenges and facilitate implementation of improved practices.

We will consult with stakeholders on the implementation of this policy and work towards building stronger partnerships with local communities, governments, industry partners and other stakeholders to promote actions that will make sustainably and responsibly produced goods and services the norm.
HUMAN RIGHTS POLICY

Goodhope sets the respect of human rights at the foundation of all its operations. We respect internationally recognized human rights wherever we operate and encourage the application of these principles across our supply chain.

Universal Rights
We recognize all rights and freedoms as expressed in the Universal Declaration of Human Rights (UDHR) including the rights to privacy, association, social security and culture; freedom of expression; freedom from interference; and equal rights to work, health and education.

Labour Rights
We respect and promote all principles and rights expressed in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Fundamental ILO Conventions:

- We recognize the rights of our employees to join associations and unions and to collectively bargain.
- We do not tolerate any form of forced, bonded or child labor.
- We prohibit discrimination and provide equality of opportunity and treatment in employment and occupation.

We engage with major suppliers and contractors to enforce the application of these principles across our supply chain.

Child Rights
We shall continue to make active efforts to protect children’s rights, to help meet the basic needs of children living in and around our concessions, and to expand opportunities to reach their full potential in line with the Guiding Principles of the UN Convention on the Rights of the Child.

Rights of Indigenous Peoples
We respect the inherent rights of indigenous peoples and their fundamental freedoms as expressed in the Articles of the UN Declaration on the Rights of Indigenous Peoples.

Land Tenure Rights
All legal, communal and customary rights to land ownership are recognized, respecting the rights to use, manage and control land. We act with due diligence to avoid infringing on the legitimate tenure rights of others and identify, prevent and address adverse impacts on legitimate tenure rights in accordance
with the UN Food and Agriculture Organization (FAO) Voluntary Guidelines on the Responsible Governance of Tenure.

**Free, Prior and Informed Consent**

We fully respect the right of landholders to reject plans for development or conservation on their land and allow stakeholders to make objective decisions regarding proposed conservation and land-use plans by adopting the principles of Free, Prior and Informed Consent (FPIC). Potentially affected landowners are provided accurate and factual information relating to the impacts and benefits of project proposals before any corporate actions that affect land and resource rights.

**The Right to Lodge a Complaint**

We respect any justified claims and entitlements of right-holders and will address any grievances in a fair, responsible and consistent manner, allowing stakeholders to express their concerns and working with concerned parties to seek solutions and reach a mutually agreed settlement.

**The Right to Defend Human Rights**

We recognize that any individual has the right to defend human rights and prohibit intimidation and retaliation against Human Rights Defenders and whistleblowers.

**Addressing Human Rights Impacts**

We avoid infringing on the human rights of others and will implement processes to identify, prevent, mitigate, and remedy human rights issues and impacts as outlined in the UN Guiding Principles on Business and Human Rights.
ETHICAL CONDUCT AND EMPLOYMENT STANDARDS POLICY

Business is conducted with honesty, integrity and openness, respecting the rights and interests of our employees and other stakeholders. Goodhope and its suppliers will provide fair working conditions for all workers, in full compliance with national and local laws and standards including those on health and safety, working hours, minimum wages and overtime.

Standards of Business Conduct
All employees and members shall comply with the guidelines specified in the Standards of Business Conduct as well as related effective policies, regulations and announcements.

Equal Opportunities
Workers are selected for employment based on their ability to fulfil the respective roles with no distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin.

No Forced, Bonded or Child Labor
We do not tolerate any form of forced, bonded or child labor, or any form of harassment, abuse or violence.

Freedom of Association
Employees shall have the freedom of joining any form of association and the company will not intervene in any manner that is likely to inhibit workers from exercising their union rights. In instances where laws limit the rights of workers to freely associate and collectively bargain, we will work to identify and provide comparable means of associating and bargaining consistent with the law.

Working Hours and Wages
All company operations and subsidiaries, associates, suppliers, and contractors are required to comply with national and local laws and standards on working hours, minimum wage, overtime and annual leave. Consistent records of worker hours and wages shall be maintained and we will conduct living wage assessments using a credible methodology with the goal of providing all workers a fair and decent living wage.
Employee Engagement

Goodhope is committed to maintain good communications with employees. We strive to engage our employees in open and honest dialogues and value their contributions in generating ideas and solutions through involvement and participation.

Welfare and Wellbeing

Working conditions are monitored and assessed and we will continue to make provisions to support the welfare and wellbeing of our employees and their families. This includes promoting initiatives and procedures to protect the rights of women in all the Group’s workplaces.

Anti-Corruption

We are against bribery or other improper advantages for business or financial gain. We provide information and guidance for our employees on how to recognize and prevent corruption or bribery issues and discourage all forms of conflicts of interest, manipulation, interference, coercion or intimidation.

Grievances

Any employee who suspects wrongdoing within the company is strongly advised and encouraged to raise their concerns. We have in place whistleblowing procedures to allow complaints to be raised while offering assuring confidentiality and protection from victimization or harassment. Grievances and complaints are addressed in a fair, responsible and consistent manner, through our standard Grievance procedures.
ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY POLICY

Each Management Unit shall maintain a safe and healthy workplace and environment for its employees, visitors, and surrounding community members.

Protection from Hazards

Environmental health and safety risk assessments are conducted, and the appropriate measures implemented to protect from exposure to hazards and prevent accident, injury or ill health caused by working conditions. All employees, visitors, contractors and suppliers who enter our premises shall be provided with the necessary information on environmental health and safety matters such that they are aware of the risks and precautions to be taken. Protective working restrictions shall be in place and appropriate personal protective equipment (PPE) shall be provided to sufficiently protect from identified hazards.

Monitoring Compliance and Performance

The company shall ensure that its operational activities are run in compliance with national regulations and International Standards in Environmental and Occupational Health and Safety Management. Performance against set indicators shall be monitored and reviewed on a regular basis and procedures and actions shall be introduced to address any identified issues and improve the management system to ensure improved performance.

Chemical Handling and Hazardous Materials Management

Goodhope shall ensure that measures are implemented to protect against the public and environmental health hazards associated with the handling and use of hazardous chemicals. Hazardous chemicals and materials shall be properly stored, handled and transported according to recognized best practices and specific product information following the respective Classification, Labelling and Safety Data Sheet of Hazardous Chemicals.

Programs shall be in place to train personnel in the safe use, storage, handling, and potential hazards of chemical materials. Sanitation facilities shall be available for those applying pesticides and alternative equivalent work to applying pesticides shall be made available for pregnant or breastfeeding women or other people that have medical restrictions.
We prohibit the use of paraquat and adopt recommendations and guidelines by the World Health Organization (WHO) for the exclusion of highly hazardous pesticides listed as Class 1A or 1B chemicals, or those subject to the Stockholm or Rotterdam Conventions. In the rare instances when it is absolutely necessary to use such pesticide, we will seek authorisation from relevant authorities, ensure that the application is only carried out under strict supervision, and work with stakeholders and experts to identify ways to avoid future applications.

**Waste Management**

Each Management Unit must have a program for managing the waste that it generates. All waste shall be managed responsibly according to the type of waste, the handling, storage and disposal requirements of the waste, and training requirements for personnel managing the waste.

**Air Quality Management**

Each Management Unit is required to ensure compliance with national regulations on air quality.

**Water Quality Management**

Each Management Unit is required to implement a water quality management program and ensure compliance with national regulations.

**Hygiene and Sanitation**

Emplacements shall meet the accepted standards of hygiene and sanitation by promoting good housekeeping practices, waste management, safe food preparation, availability of clean water, insect and rodent control.

**Driving Safety**

Driving safety programs shall be implemented to increase awareness and safety and reduce road accidents.

**Fire Safety**

Each Management Unit must develop and implement programs to protect life and minimize the risk of injury and property damage from fire. Facilities and equipment shall be inspected, maintained, occupied, and operated in compliance with applicable regulations and accepted standards for fire protection and safety.
CONSERVATION AND SUSTAINABLE LAND USE POLICY

Goodhope will not conduct any new development on High Carbon Stock (HCS) Forest, High Conservation Value (HCV) Areas or peatland of any depth, and will progressively moderate the negative environmental impact of its operations, including actions that reduce greenhouse gas emissions. Land-use planning for the development of oil palm plantations or associated infrastructure shall follow the RSPO Procedures for New Plantings (NPP) and the company shall implement measures to protect biodiversity and conserve natural resources. We will utilize best agronomic practices on soil, waste and pest management and promote these practices within our supply chain and the broader industry.

No Development on HCS Forest or HCV Areas

The development of conservation and land use plans is determined according to the outcomes of High Conservation Value (HCV) and High Carbon Stock Approach (HCSA) Assessments that are carried out by accredited bodies and licensed assessors before new land development. High Carbon Stock (HCS) forest and High Conservation Values are identified in a manner that fulfills the applicable requirements of the HCSA, HCVRN, RSPO P&C 2018 and integrated RSPO-endorsed methods. Assessments are made public and Goodhope will not conduct any new development on identified HCS forest or HCV areas.

No Development on Peatland

Goodhope will not conduct any new development on peatland of any depth. We define peat according to the country specific classifications and shall map peat soils prior to new land clearing. All areas of unplanted peatlands in our concessions shall be protected as peatland conservation areas.

Monitoring and Management of Conservation Areas

Goodhope will engage with local communities to safeguard HCV, HCS forest and peatland set aside as conservation areas. We will engage with relevant stakeholders and experts to determine the most practical, economical and sustainable approaches to maintain conservation areas while recognizing the rights of local communities. Management plans shall be developed, implemented, monitored and reviewed regularly through a participatory approach in consultation with relevant stakeholders.

Protection of Rare, Threatened or Endangered (RTE) Species

We will take strong action to protect native animals and plants, especially Rare, Threatened or Endangered (RTE) species, i.e. those species classified in the IUCN Red List as Vulnerable, Endangered and Critically Endangered at a global or regional level, or whose trade is regulated under international agreements (e.g. CITES), as well as nationally protected species.
Awareness programs shall be implemented to educate the workforce and local communities about the status of RTE species, the importance of biodiversity conservation and responsible measures to mitigate and resolve human-wildlife conflicts.

The poaching, hunting, capturing, extracting and trafficking of wild animals on our concessions is prohibited. However, we will respect the rights of indigenous peoples to engage in traditional and customary forms of hunting which are sustainable and we will work with them to ensure there is a designated time, place and manner for such hunting and that it is legal, noncommercial, and does not threaten ecosystems or harm RTE species.

**Zero Burning and Fire Mitigation**

Goodhope will maintain its strict zero burning policy, which prohibits open burning on any of its premises. Fire prevention and control plans are implemented to mitigate the occurrence of land fires in and in the vicinity of our concessions.

**Pollution Control**

The company will implement measures to prevent and reduce the release of pollutants or contaminants into the environment to avoid pollution or contamination to air, land and water.

**Responsible Application of Agrochemicals**

Agrochemicals (pesticides and fertilizers) are applied in a sparing and responsible manner to protect crops from pests and to enhance crop yields. We utilize integrated pest management systems and implement fertilizer efficiency programs with targets to minimize and reduce the application of chemical pesticides and fertilizers.

We prohibit the use of paraquat and adopt recommendations and guidelines by the World Health Organization (WHO) for the exclusion of highly hazardous pesticides listed as Class 1A or 1B chemicals, or those subject to the Stockholm or Rotterdam Conventions. In the rare instances when it is absolutely necessary to use such pesticide, we will seek authorisation from relevant authorities, ensure that the application is only carried out under strict supervision, and work with stakeholders and experts to identify ways to avoid future applications.

**Soil Conservation**

Good agricultural practices shall be implemented to minimize soil erosion and nutrient losses. We will maintain maps of peat soils within concessions and shall implement water and soil management and
monitoring systems to minimize the subsidence of peat in existing planted areas in accordance with the current RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat.

**Forest Rehabilitation**
We commit to progressively restore the ecological functions of degraded habitats within our concessions when and where it is necessary and viable to do so.

**Water Conservation**
We actively seek and implement approaches and measures to reduce water use, sustainably manage and protect water resources and ensure the continued availability of water resources for future generations.

**Energy Conservation**
Across all operations we encourage measures that improve energy efficiency and reduce energy use, waste and losses as a means to contribute to environmental sustainability and the avoided depletion of natural resources.

**Mitigation of Greenhouse Gas Emissions**
We identify sources of Greenhouse Gas (GHG) emissions from our plantations and mills and calculate estimated GHG Emissions from land cover conversion and palm oil production using RSPO GHG Assessment Procedure for New Plantings and the latest guidelines for the RSPO Palm Oil GHG Calculator. Targets shall be defined for the reduction of net emissions and we will continue to search for viable approaches for emissions reduction and mitigation in order to contribute to limiting global climate change.
RESPONSIBLE SOURCING AND SUPPLY CHAIN MANAGEMENT POLICY

No Deforestation, No Peatland and No Exploitation (NDPE) commitments apply to all associates, contractors and third-party suppliers with whom we work with. We aim to promote sustainable practices by all business partners and suppliers.

Traceability

Goodhope commits to maintain a fully transparent and traceable supply chain in which all third parties with whom we work adhere to the principles of No Deforestation, No Peatland Development and No Exploitation (NDPE).

The Group will maintain 100% traceability from our refinery to supplying mills and will continue to work towards attaining 100% traceability to plantation for all Fresh Fruit Bunches (FFB) sourced by our palm oil mills.

We work with collection centres, agents, or other intermediaries and engage with smallholders to attain geographical coordinates of FFB origins down to the level of plantation and proof of the ownership status or the right/claim to the land by the grower/smallholder.

Supplier Engagement and Evaluation

We will work to provide information in appropriate formats such that all suppliers, including smallholders, are aware of company responsible sourcing commitments and NDPE requirements.

Core Requirements will be communicated during third party engagement processes and will encompass the relevant commitments defined in this Sustainability Policy. Engagement is conducted in a fair, transparent and accountable manner such that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Signed agreements shall serve as declaration that the third-party commits to comply with the stated requirements.

Fulfilment of the Core Requirements and compliance against our Sustainability Policy shall be assessed primarily by supplier evaluations. We will use risk assessment tools to determine the risk of each third-party supplying mill in our supply chain and set priorities for monitoring and evaluation activities in order to assess and verify compliance.
Grievances

Breaches in compliance by third parties shall be considered and handled on a case by case basis. Our aim is not to exclude suppliers from our supply chain, but to provide constructive feedback and guidance to suppliers as appropriate and encourage the implementation of timebound action plans for suppliers to build compliance with our sourcing commitments. Advices or trainings are offered to suppliers and contractors to assist them to meet environmental, health and safety, and social requirements.

We will review our business dealings with suppliers who refuse to comply with NDPE commitments or who fail to satisfactorily demonstrate a genuine willingness to work towards meeting agreed milestones.