



**Goodhope**

# SUSTAINABILITY POLICY IMPLEMENTATION REPORT

2019/20

3<sup>rd</sup> Management Report



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# Section I.

## Introduction

Goodhope Asia Holdings Ltd. (Goodhope) operates in the oil palm plantation and processing industry and supports sustainable production and trade. The Group manages 130,700 hectares of oil palm concessions (69,244 hectares planted area<sup>1</sup>) across four provinces in Indonesia (Central Kalimantan, East Kalimantan, West Kalimantan and Papua). Our six palm oil mills in Indonesia provide a total processing capacity of 450 tonnes of fresh fruit bunches (FFB) per hour for the production of Crude Palm Oil (CPO) and Palm Kernel. Palm kernel solvent extraction capabilities at the Group's manufacturing facilities in Malaysia allow for the production of specialty oils and fats.

Goodhope adopts international standards across the Group's operations and is committed to apply the principles of No Deforestation, No Peatland development, and No Exploitation (NDPE) across its supply chain. Our Sustainability Policy applies to all operations of Goodhope, including all our mills, refineries and plantations, with clauses extending to our associates and third-party suppliers. Since the launch of the policy in May 2017, we have been working towards its full implementation, including a fully transparent and traceable supply chain to the mill and plantation for all levels, subsidiaries, associates and third-party buyers and suppliers (including smallholders).

Our management and monitoring systems are designed to ensure that all appropriate measures are put in place to continually improve our practices and create positive benefits in our operating areas in accordance with the Group's Sustainability Policy.

To guide efforts to fulfill commitments defined in our Sustainability Policy, we have in place a Sustainability Policy Implementation Plan (SPIP).

- Our first SPIP was published alongside our Sustainability Policy on 5<sup>th</sup> May 2017. This initial plan defined key aims and objectives for policy compliance and provided a framework for more detailed action plans to guide our activities.
- Our second SPIP was published in our Sustainability Policy Implementation Report June 2018. The aims and objectives were defined according to the terms of our policy statements and our progress towards meeting the aims set out in our first implementation plan.

Through community participation and collaboration with partner organisations, we have developed strong partnerships with various parties in order to support the development and implementation of projects as we aim to maintain levels of biodiversity, safeguard the beneficial services provided by natural ecosystems, maintain the resources valued by local communities at our concession locations and ensure the rights and livelihoods of local people are respected.

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<sup>1</sup> Includes planted area allocated to communities (plasma smallholder scheme)

**Table 1. Sustainability Commitments 2019/20**

<b>Safeguarding HCV and HCS</b>	1. To develop integrated conservation and land use plans (ICLUP) for proposed new developments.
	2. To implement conservation management and monitoring programs to safeguard High Conservation values and High Carbon Stock Forest.
<b>Protection of Peatland</b>	3. To evaluate the management of existing plantations on peat and review and revise our procedures to ensure that best management practices as defined by the RSPO and peat experts are adopted.
<b>Fire Mitigation</b>	4. To implement Fire Awareness Programs for employees and local communities to mitigate the outbreak of fires and to improve fire response and emergency plans.
<b>Reducing Our Environmental Impact</b>	5. To implement mitigation plans to progressively reduce the environmental impact of our operations, and maintain a comprehensive system for the monitoring and evaluation of environmental impacts.
<b>Respecting Community Rights</b>	6. To meet our obligations to respect the rights of local communities and to implement adequate community engagement processes to enable communities to either give or withhold their consent to integrated conservation and land-use plans.
<b>Handling of Complaints, Grievances and Conflict Resolution</b>	7. To further improve our capacity to handle complaints and to work with relevant stakeholders to ensure fair and mutually agreed settlement is reached to resolve grievances.
	8. To improve transparency relating to grievances, including providing up-to-date information on the complaint and resolution processes and progress.
<b>Promoting Community Empowerment</b>	9. To develop collaborative and integrated community empowerment programs that support our environmental stewardship commitments and that aim to improve the education, welfare and wellbeing of people living in and around our operating locations.
<b>Smallholder Support</b>	10. To develop and implement a Smallholder Support Program to actively support smallholders and facilitate their inclusion into our supply chain by capacity building.
<b>Supporting Worker Rights, Health and Well-Being</b>	11. To continue to set clear standards for occupational health and safety performance and to ensure that appropriate actions are taken to mitigate risks.
	12. To promote the application of relevant guidelines on Human Rights.
<b>Traceability and Supplier Engagement</b>	13. To develop improved monitoring systems to trace the supply of FFB.
	14. To implement a comprehensive supplier engagement plan, delivering awareness and training sessions to ensure that all suppliers have sufficient understanding of NDPE policy, and facilitating supplier reviews to evaluate compliance.
<b>Continuous Improvement and Disclosure</b>	15. To continue to monitor and evaluate policy implementation, communicate our performance and progress, and invite independent and credible experts to peer-review our sustainability performance.

Our collaborative projects include work with Environmental Leadership and Training Initiative (ELTI) and Swaraowa, Aidenvironment and IDH Sustainable Trade Initiative to facilitate the delivery of capacity building initiatives and the development of livelihood programs.

As we continue to work towards full NDPE compliance across our supply chain, we are increasingly engaging with suppliers to promote and evaluate compliance with our responsible sourcing commitments consistent with our Sustainability Policy. We are rolling out robust responsible sourcing and supplier engagement procedures and improving our supply chain monitoring and evaluation systems. Risk assessment tools including spatial data and remote sensing information is being increasingly used to determine the risk of each third-party palm oil mill in our supply chain and we continue to step up our engagement with suppliers to encourage compliance with our policy requirements.

Section II.

Progress Report

## 2.1 Safeguarding HCVs and HCS Forest

### Key Commitments

- To develop integrated conservation and land use plans (ICLUP) for proposed new developments.
- To implement conservation management and monitoring programs to safeguard High Conservation Values and High Carbon Stock Forest.

### **Identification of Conservation Set-Aside Areas**

Conservation set-aside areas have been identified by High Conservation Value (HCV) and High Carbon Stock Approach (HCSA) assessments with the involvement of local communities. The HCV and HCSA assessments have been conducted by accredited consultants at each of our new development sites: PT Nabire Baru (NB), PT Sariwana Adi Perkasa (SAP), PT Agrajaya Baktitama (AJB), PT Batu Mas Sejahtera (BMS), PT Sawit Makmur Sejahtera (SMS), PT Sinar Sawit Andalan (SSA) and PT Sumber Hasil Prima (SHP). HCV assessment were completed by HCVRN ALS registered assessors as per our commitment to use only HCVRN ALS registered assessors. HCV assessment reports have been declared satisfactory having passed HCVRN Quality Panel Review process.

The conservation set-aside areas identified with the involvement of local communities have been excluded from our oil palm plantation development plans and include:

- Forested areas that support high levels of biodiversity, and that provide habitats for rare, threatened, or endangered (RTE) species, as well as RTE ecosystems, habitats or refugia
- Areas that are important for the provision of ecosystem services, e.g. riparian zones
- Areas of social or cultural importance
- Peatland forest

### **Threat Mitigation**

Using the HCV/HCS management and monitoring recommendations available as a result of HCV and HCSA assessments, we engage with relevant stakeholders and experts to determine the most practical, economical and sustainable approaches to maintain and enhance conservation areas and the values they contain. Through engagement including participatory mapping and land use planning, the company, communities and other stakeholders work together to develop agreed management and monitoring plan for the site.

Conservation awareness campaigns are regularly conducted among employees and local communities. We place emphasis on the protection of RTE species, including those species classified in the IUCN Red List as Vulnerable (VU), Endangered (EN) and Critically Endangered (CR) at a global or regional level, or whose trade is regulated under international agreements (e.g. CITES), as well as nationally protected species. Importantly, our engagement and capacity building activities focus not only on the importance of the forest as habitat for RTE species and biodiversity, but also on: i) the benefits that it can provide to human wellbeing and economic growth, and ii) the significance of species diversity in contributing to the health of the forest.

### **Conservation Monitoring Program**

Routine monitoring of HCV Areas is conducted to maintain biodiversity inventories and to facilitate the development of improved conservation management. Our Conservation Monitoring Program combines:

1. Spatial monitoring of land cover to check land clearance and identify any non-compliant deforestation;
2. Monitoring of disturbances in the HCV and surrounding areas by ground patrols;
3. Monitoring species diversity of flora and fauna;
4. Monitoring of area boundary marks and signboards to allow for repair and replacement as necessary;
5. Monitoring of water quality;
6. Monitoring of social cultural values.

The findings of our monitoring programs are used to identify the areas at greatest risk, priorities for addressing threats, and areas for rehabilitation projects. Over time we plan to increasingly implement software applications and automated electronic devices to more effectively collect, store, and evaluate data on biodiversity, threats, and conservation efforts.

### **Collaborative Conservation Projects**

Our partners play important roles in helping to advance conservation efforts and strengthen programs. Organisations such as Swaraowa, Earthworm, Aidenvironment help us to promote conservation in combination with sustainable development to meet needs. We aim to encourage the development of systems and solutions through community engagement and participatory planning to develop improved approaches that provide economic opportunities for local communities and support conservation efforts.

We have been working in collaboration with Earthworm Foundation's Centre of Social Excellence (CSE) to conduct a review of sustainability programs and initiatives in Central Kalimantan and to build capacity among employees and local communities while supporting the CSE Internship program. The program was conducted from 6th January-28th February 2020 and included:

1. Monitoring of HCV areas and evaluation of land-use, vegetation, wildlife species and river quantity in and around concession areas.
2. Review of company CSR program and the management of social impacts to local stakeholders.
3. Training of Participatory Conservation Planning and Social Impact Management in order to improve employee knowledge and capability in implementing company environment and social commitment.
4. Conservation Awareness and education for teachers and students at schools on environmental issues such as pollution, GHG emission and deforestation.
5. Following involvement with Centre of Social Excellence (CSE) – Earthworm Foundation internship program, we are now further building capacity of employees and local communities through training on Participatory Conservation Planning, HCV/HCS monitoring and Social Impact Studies.

Following on from scoping visits to PT Agro Wana Lestari back in March 2018, the potential for beekeeping opportunities has been identified and further explored as a livelihood initiative with potential to support and contribute to conservation efforts. Around the HCV area of Bukit Santuai, seven species of stingless bees (*Trigona spp*) have been identified, some of which are known to be suitable for cultivation (Meliponiculture). The opportunity for beekeeping is being explored as a potential means to build resilient livelihoods for people around HCV Areas. Capacity building programs on the cultivation of stingless bees have helped participants to establish colonies in vilages near to Goodhope's plantations.

Goodhope continues to collaborate with Aidenvironment for the implementation of Landscape Conservation, Spatial Planning and Social Forestry project in Ketapang Regency, West Kalimantan, Indonesia. In this agreement, Goodhope has joined key stakeholders including other palm oil companies, the Green Trade Initiative Foundation (YIDH) and the Ketapang Regency Government in making an important step in sustainable development. The project commits to protect and restore forest cover, increase the productivity of independent smallholder plantations, support sustainable palm oil certification and contribute to economic sustainability through a jurisdictional landscape approach. Furthermore, through our collaboration with IDH Sustainable Trade Initiative, we are working to support the development of a sustainable landscape management model in Nabire, Papua.

## **2.2 Protection of Peatland**

### **Key Commitments**

- To evaluate the management of existing plantations on peat and review and revise our procedures to ensure that best management practices as defined by the RSPO and peat experts are adopted.

Goodhope manages four sites with areas of peatland identified within the concessions: PT Agro Bukit and PT Rim Capital in Central Kalimantan and PT NB and PT SAP in Papua. The Group manages 8,037 ha of oil palm on peat, planted prior to the Group's no development on peat policy. We are working to prevent the degradation of peat soil and associated carbon loss in existing planted areas by the implementation water and soil management and monitoring systems in accordance with the RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat. This includes



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monitoring program to measure water levels and peat subsidence rates. Goodhope does not conduct any new plantings on peatlands, regardless of depth.

In accordance with the RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat (2012) we aim to prevent the degradation of peatland and associated carbon loss in existing planted areas by the implementation of water and soil management and monitoring systems. A water management and monitoring program for areas planted on peat has been established and is being implemented at PT ABCK and RCCK while our program at PT NB and SAP is in development and capacity building activities have been conducted to promote best management practices.

Our procedures have been reviewed and we continue to improve the implementation of our peatland management and monitoring programs by keeping up to date on current best practices. In May 2019, Goodhope attended Best Practice Sharing with Ministry of Environment and Forestry regarding water management on peatland area to review commitments and practices and get further recommendation from the key stakeholder (Ministry of environmental) to improve current practice to prevent peat subsidence and to ensure compliance with the newest regulations/standards.

## 2.3 Fire Mitigation

### Key Commitments

- **To implement Fire Awareness Programs for employees and local communities to mitigate the outbreak of fires and to improve fire response and emergency plans.**

Goodhope has enforced its strict zero burning policy since 2010 —prohibiting open burning on any of its premises— and implements fire prevention and control plans to mitigate the occurrence of land fires within and in the vicinity of its concessions. Our management procedures for landfire fire mitigation include stakeholder engagement, capacity building, monitoring and response protocols:

- We fostering multi-stakeholder cooperation with government agencies, local communities, including establishment of KTPA (Kelompok Tani Peduli Api).
- Regular inspection of fire-fighting equipment is conducted to ensure that adequate fire-fighting equipment is available to extinguish fires.
- We make sure that fully trained emergency fire fighting response teams are on hand in all plantation sites, and to ensure that the procedures for handling emergency fire situations are fully understood and properly implemented.
- Information from the ASEAN Specialized Meteorological Centre (ASMC) and Global Forest Watch (GFW) is used monitor the risk of potential wildfire and identify hotspots.
- Trained teams respond to any fire outbreaks within and in the vicinity of concessions.

As part of our fire risk management program, we regularly check information from the ASEAN Specialized Meteorological Centre (ASMC), which provides regional data on fire threats by defined indices, and also check information from the Indonesian Ministry of Environment Kementrian Lingkungan Hidup dan Kehutanan (KLHK).

We use the Global Forestwatch information system to monitor hotspot data in order to determine the location of any potential fires within or in the proximity of a concession area. This system uses satellite imagery to map areas that have significantly higher temperature, indicating a high possibility of forest / land fire. The hotspot map acquired from the WebGIS site is downloaded and overlaid with maps of Goodhope's concession areas to identify whether there is a hotspot within or in the proximity of a concession area. Furthermore, the RSPO fire monitoring system provides alerts to support members.

A daily hotspot report is submitted to the management of each of our concessions. In this way, on-site field verification teams are notified of any hotspot located within our concessions or within 3 km from our concession boundaries. The teams conduct ground verification at the location. In cases where fires are confirmed, our fire response teams are immediately dispatched to extinguish the fires.

Desk-based monitoring is complemented by regular patrols conducted in and around plantation sites during the dry season, including checks from fire towers. A daily hotspot report is submitted to the management of each of our concessions and if there is any hotspot identified within or in the proximity, a field team is sent to verify the information and ensure effective response according to the verification result.

In 2019 there were a total of 402 hotspots detected in our concessions and 22 fires recorded, impacting 23.3 hectares of land. Within the proximity of our concessions, a total of 847 hotspots were detected and 32 fires were recorded. The fires impacted 41.5 hectares community-owned land within concessions. The principal cause of fires both inside and outside concession was due to clearance for agricultural purposes on land owned by local communities.

As part of our efforts to prevent future losses due to land fire, Goodhope is implementing a more comprehensive community engagement campaign, including demarcation of fire-prone areas and high risk areas; mapping land ownership and working together working with the local communities and local authorities on more effective approaches for the conservation of forest areas and mitigation of threats.

To address the degradation of forest due to fires in 2019, a forest rehabilitation program is underway by PT Rim Capital, involving planting local tree species in areas impacted by fires.

**Table 2. Fires in and around Goodhope concessions**

	FIRES INSIDE CONCESSIONS		FIRES IN PROXIMITY	
	2018	2019	2018	2019
Central Kalimantan	0	16	7	29
East Kalimantan	1	0	0	0
West Kalimantan	19	6	0	0
Papua	0	0	0	4
<b>Total</b>	<b>20</b>	<b>22</b>	<b>7</b>	<b>33</b>

## 2.4 Reducing Our Environmental Impact

### Key Commitments

- To implement mitigation plans to progressively reduce the environmental impact of our operations, and maintain a comprehensive system for the monitoring and evaluation of environmental impacts.

We ensure that key measurements for environmental monitoring are regularly conducted by third party, providing data to evaluate performance and to implement mitigation plans to progressively moderate the environmental impact of our operations. Routine environmental monitoring activities include: air emission measurements, ambient noise levels and water sampling (including river, ground and treated water).

### Monitoring and Mitigation of GHG Emissions

We identify sources of GHG emissions from our plantations and mills and calculate GHG emissions according to RSPO guidelines. Estimated Greenhouse Gas Emissions from land cover conversion and palm oil production are calculated using RSPO GHG Assessment Procedure for New Plantings (2014) and the latest guidelines for the RSPO Palm Oil GHG Calculator (V.4 November 2019).

The GHG data presented in this report is attained by use of the RSPO Palm Oil GHG Calculator (V.4 November 2019) to assess our RSPO certified palm oil mills (Terawan POM, Sungai Purun POM, Sungai Binti POM, Bukit Santuai POM) our RSPO certified palm kernel processing plant and the plantations of PT Agro Indomas, PT Rim Capital, PT Agro Bukit, PT Agro Wana Lestari and PT Karya Makmur Sejahtera. In addition, GHG assessments have been completed for new development sites (NB, SAP, SHP, SSA, AJB, BMS and SMS) using RSPO GHG Assessment Procedure for New Plantings (2014).

In 2019 net GHG emissions reached 1,016,118 MT CO<sub>2</sub>e (2.51 MT CO<sub>2</sub>e per MT of CPO produced) from our RSPO certified management units as measured by RSPO Palm Oil GHG Calculator (V.4 November 2019).

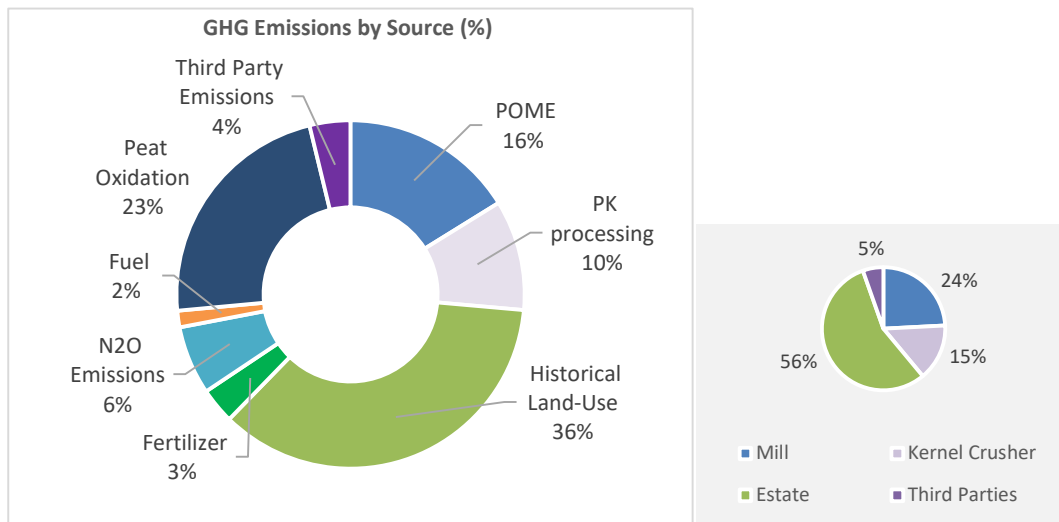
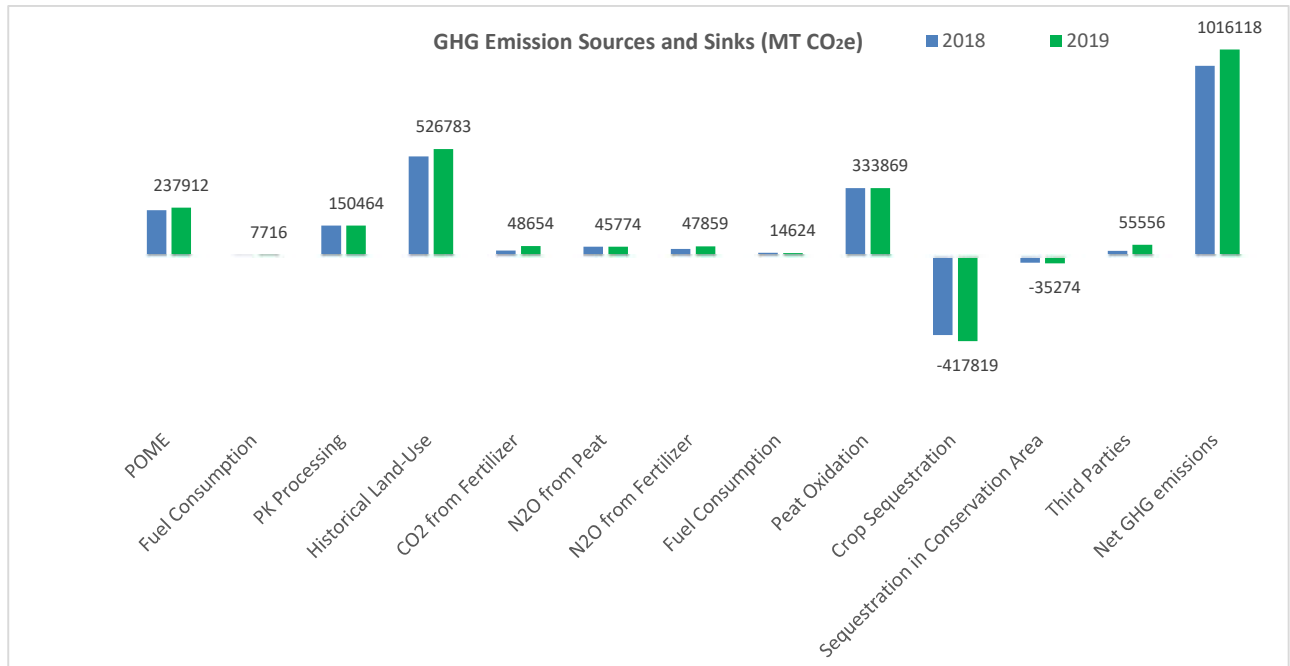


Figure 1. Greenhouse Gas Emissions

**Mitigation of GHG Emissions**

Identification of the main GHG emission sources and sinks using allows us to develop mitigation plans to reduce the Group's net GHG emissions. In 2019, net GHG emissions reached 1,016,118 MT CO<sub>2</sub>e (2.51 MT CO<sub>2</sub>e per MT of CPO produced) from our RSPO certified management units as measured by RSPO Palm Oil GHG Calculator (V.4 November 2019). We aim to decrease the intensity of GHG emissions per MT of crude palm oil (CPO) produced by 10% by 2022. Aspects of our mitigation plan are as follows:

**1. Reducing Emissions from Land-use Change**

The largest component of Goodhope's emissions comes from land conversion to oil palm (526,783 MT CO<sub>2</sub>e). To minimize the release of stored carbon from any future land clearing, we do not undertake any new developments on High Carbon Stock (HCS) forests or peat areas at any depth.

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## 2. Reducing Emissions from Peat Oxidation

Peat oxidation at PT Agro Bukit and PT Rim Capital contributes 333,869 MT CO<sub>2</sub>e). To minimize the release of stored carbon in cultivated peatlands we implement measures as defined in the RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat. This includes establishing a system to monitor and control water levels to prevent over-drainage and reduce greenhouse emissions from peat oxidation. To ensure the long-term viability of drainage, we will carry out the necessary drainability assessments prior to replanting.

## 3. Reducing Emissions from POME

Methane emissions from POME remain a source of 237,912 MT CO<sub>2</sub>e. As part of our GHG emissions reduction plans, we aim to implement methane capture facilities which convert the biogas to provide electricity. We will begin the installation of methane capture facilities in 2021 and continue to explore opportunities that will support our commitments to increasingly implement renewable energy approaches and reduce greenhouse gas emissions from our operations.

## 4. Reducing Emissions from Fertilizer Application

The application of fertilizers for oil palm maintenance contributes an estimated 96,514 MT CO<sub>2</sub>e. Emissions of nitrous oxide derived from nitrogen content in fertilizer amounted to 47,859 MT CO<sub>2</sub>e and CO<sub>2</sub> from fertilizer amounted to 48,654 MT CO<sub>2</sub>e. To reduce GHG emissions from fertilizer use without affecting FFB yields, Goodhope has begun a long-term organic fertilizer program with field data collection underway to optimize fertilizer use. Nutrient recycling by composting practices using waste produced from oil palm mills does not completely replace the use of chemical fertilizers but can reduce the amount used. In the selected implementation areas of our organic fertilizer programs we achieve an average 29% reduction in chemical application.

## 5. Reducing Emissions from the use of Fuel

The use of fossil fuels namely diesel for all our field operations constitutes 14,624 MT CO<sub>2</sub>e in the plantations and 7,716 MT CO<sub>2</sub>e in processing. These emissions are generated from fuel consumption by equipment, vehicles and machinery used in the transportation of materials and workers, field maintenance, fertilizer application and FFB harvest. To minimize emissions, Goodhope utilizes energy from waste systems including using palm kernel shells and palm fiber as boiler fuel, thereby reducing the consumption of fossil fuel. The company also routinely ensure that N<sub>2</sub>O and SO<sub>2</sub> emissions from boilers are well within the quality standards set by the government regarding Stationary Source Emission Quality Standards for Boilers.

## 6. Carbon Sequestration

Plantations and conservation areas absorb an estimated 453,093 MT CO<sub>2</sub>e (92% from crop sequestration and 8% from conservation area). To ensure continued sequestration from remaining areas of forest, conservation areas are managed to reduce the threats of degradation, such as due to land clearance by burning. Within and around our concessions, we take measures to ensure that we can quickly and effectively respond to any fire outbreaks. Fire awareness training is regularly conducted to increase the awareness and understanding of our staff about fire hazards and efforts to take preventative measures.

### **Waste Management**

We aim to reduce, reuse, and recycle the waste produced by our operations where possible and prevent the pollution of waterways. At our Palm Kernel extraction plant and refinery, wastewater is treated and 20% is recycled for cleaning purposes. The main waste products from our palm oil mills are organic wastes such as empty fruit bunches (EFB), mesocarp fibres, palm kernel shells and palm oil mill effluent (POME). We aim to reuse and recycle 100% of the organic waste generated:

- 100% of palm kernel shells and fibre from FFB is used to fuel boilers in our mills.
- In FY 2019/20, 35% of EFB underwent composting treatment for use as organic fertilizer; 65% was applied as mulch for weed control, prevention of soil erosion, and maintaining moisture in the soil.
- 100% of POME is treated for land application rather than being discharged to waterways.

The biological oxygen demand (BOD) and the chemical oxygen demand (COD) of treated POME is kept well below the legal limits for land application in Indonesia. Our POME pond management program—including di-silting works and

new pond construction— is in progress to reverse any upward trends in either BOD and COD levels. This year we report a 14% reduction in BOD levels and 35% reduction in COD levels when compared to 2018/19.

Table 3.

Palm Oil Mill Waste						
	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
POME (m <sup>3</sup> )	1,504,962	1,246,593	1,013,303	1,174,406	1,089,466	982,267
EFB (MT)	249,677	268,045	184,482	179,822	172,064	161,377
Fibre (MT)	163,737	180,839	130,316	86,083	123,166	118,068
Palm Kernel Shell (MT)	74,478	78,307	60,933	71,246	58,520	55,766
Boiler Ash (MT)	20,392	21,263	17,966	31,231	15,987	12,536

Treated POME						
	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
Average BOD (mg/L)	963	1,264	1,115	933	763	592
Average COD (mg/L)	2,130	3,301	3,205	2,402	2,257	1,725
Average pH	7.90	7.93	7.99	7.97	8.08	8.10

To prevent fertilizer run-off, we plant cover crops, implement riparian zone management to maintain natural vegetation in riparian areas and on sloped areas permissible for planting we plant oil palms in terraces to trap rainwater, thereby reducing sediment run-off caused by erosion to help safeguard the in quality of natural water resources.

Our first Waste Bank Program was established at PT Agro Indomas in 2013 and Waste Bank programs have since been replicated across our sites in Central Kalimantan. Each program provides a Waste Recycle Center set up at a designated area within the plantation for use by villagers and employees.

#### **Water Use**

In FY 2019/20 water consumption totaled 1,436,006 cubic metres for the processing of fresh fruit bunches (FFB) at our palm oil mills. A further 555,596 cubic metres was used for domestic purposes and offices.

At all mills, turbine cooling water is recycled and the use of condensate replaces the need for dilution water. Water is only used when condensate is insufficient. By the end of 2020 all mills will incorporate recycling of vacuum drier sealing water. By applying these water management systems in the mill we are able to achieve our target of water use intensity for palm oil processing: below 1.0 cubic metres of water per tonne of FFB processed.

We will maintain efficiency of water use for palm oil processing and progressively reduce the intensity of water use by domestic and offices to minimize our consumption and reduce overall water use by 10% by 2022.

Table 4.

Water Use						
	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
Water Use (m <sup>3</sup> ) – Mill	1,436,006	1,276,363	1,004,757	974,208	959,993	880,887
Water Use (m <sup>3</sup> per MT FFB) – Mill	1.01	0.86	0.94	1.03	0.95	0.88
Water Use (m <sup>3</sup> ) - Domestic and Offices	555,596	526,008	370,301	547,850	564,667	527,733
Total Water Use (m <sup>3</sup> )	1,991,603	1,679,864	1,375,058	1,522,058	1,524,661	1,408,621

#### **Energy Efficiency**

Boilers for palm oil processing are powered primarily by organic waste products (mesocarp fibres, palm kernel shells) but quantities are not sufficient to completely replace the use of diesel. We aim to maintain optimal efficiency in the generation of electricity by our mills by conducting regular monitoring and maintenance improvements to optimize boiler performance and prevent excess emissions. Emission levels from generators and boilers is maintained at 15% below government threshold. Furthermore, we encourage all our subsidiaries to adopt an ‘energy saving’ attitude by avoiding any wasteful or inefficient consumption of energy.

Table 5.

Boiler Energy Use						
	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
Palm Kernel Shells (MT)	78,995	78,307	60,933	71,246	58,520	55,766
Palm Fibre (MT)	174,184	180,839	130,316	86,083	123,166	118,068
Diesel usage (litres)	2,661,634	2,279,709	1,862,783	1,932,764	1,962,161	2,389,556

### Paperless Program

Goodhope has launched a paperless program currently applicable to all subsidiaries in Central Kalimantan Regions for environmental documents to be reported to Ministry of Environment. The program will be extended to all subsidiaries by the end of December 2020. In doing so, the total estimated reduction in paper use is about 76,162 pieces of paper/year. We will continue to support and promote the extension of paperless programs for other documents across our operations.

### Agrochemical Application

Agrochemicals (pesticides and fertilizers) are applied in a sparing and responsible manner to protect crops from pests and to enhance crop yields while minimizing risks to the health of the environment. We do not apply any chemicals in conservation areas and we ensure that our workers are sufficiently trained and equipped to ensure the safehandling of any chemicals.

Our Integrated Pest Management (IPM) systems combine compatible ecological, physical, biological, and chemical methods suitable for the field conditions to minimize the potential loss of yield due to pest damage. Recommendations and guidelines by the World Health Organization (WHO) are adopted for the exclusion of highly hazardous pesticides listed as Class 1A or 1B chemicals, or those subject to the Stockholm or Rotterdam Conventions.

We continue to seek alternatives to avoid the use of certain chemical pesticides and reduce overall use of pesticides. Measures include increasing barn owl populations to reduce the need for chemical rodenticides, manual weed management and planting of beneficial plants.

Our Fertilizer Efficiency Program is developed and implemented with the aim to reduce the use of chemical fertilizer per hectare of oil palm cultivated by increased use of organic options. In FY2019/20, monitored fertilizer programs in three of our concessions resulted in an overall 29% reduction of chemical fertilizer application in the program areas.

Table 6.

Application of Agrochemicals						
	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
Inorganic Fertilizer (MT per Ha oil palm cultivated)	0.85	0.68	0.85	0.76	0.46	0.81
Pesticides (MT per Ha oil palm cultivated)	1.79	1.85	2.20	2.61	2.03	2.30
Pesticides (L per Ha oil palm cultivated)	69,142	69,124	69,123	69,591	75,046	74,982

List of Herbicides Used			
Active Ingredient	Hazard Notes (WHO Class)	Total Used	Unit
2,4-D Dimethylamine	Class II: moderately hazardous	942	L
Glyphosate Isopropylamine	Class III: slightly hazardous	111,268	L
Metsulfuron methyl	Class III: slightly hazardous	4,215	kg
Triclopyr	Class III: slightly hazardous	11,412	L

### Environmental Remediation and Compensation

Goodhope is in the process of developing and implementing forest rehabilitation programs to strengthen the resilience of sites where forest has been lost or degraded. Our focus is in riparian areas and on steep hill slopes in recognition of the important role of natural vegetation cover in these areas for flood control, soil retention, preservation of water quality, and maintenance of biodiversity. Main objectives are to accelerate and assist the recovery of degraded land, for example by planting seedlings and by implementing appropriate protective measures to mitigate threats and enable regeneration. In doing so we aim to restore ecosystems and their values to their prior condition.



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One of our ongoing projects is to restore the ecological functions of forest degraded by fires surrounding PT Rim Capital concession. We are developing the program in association with the local government and community, planting native tree species in areas where restoration or rehabilitation is required. This replanting project is conducted in tandem with public awareness efforts to mitigate threats and promote the regeneration of forest further prevent fire threats in the future.

## 2.5 Respecting Community Rights

### Key Commitments

- **To meet our obligations to respect the rights of local communities and to implement adequate community engagement processes to enable communities to either give or withhold their consent to integrated conservation and land-use plans.**

Goodhope refers to RSPO guidance on Free Prior and Informed Consent (FPIC) as the basis for engaging with communities and seeking their consent for development plans. Seven subsidiaries have plans for new plantings (NB, SAP, SHP, SSA, AJB, BMS and SMS).

As part of FPIC requirements during New Plantings Procedure, community engagement activities were carried out to:

- Share information about the HCS and HCV assessment processes with communities;
- Seek community consent and participation for activities relating to Social Impact Assessment, HCSA assessment and HCV assessment;
- Seek information and knowledge on land use and land tenure systems by participatory mapping and FGDs as input into preparation of the Integrated Conservation and Land-Use Plan (ICLUP);
- Seek community informed consent to the final draft boundaries of conservation areas.

In NB and SAP, the proposed planting plan was developed to meet plasma obligations to local communities with the location of the smallholdings proposed based on maximum plantable area. The proposed planting plan was presented as being negotiable to be agreed upon. The finally agreed process on how and on what basis any planted areas will be allocated to community members has yet to be set out and mutually confirmed. Although there is community consent from the vast majority of the community, a significant minority opposes the project. The company will be working on how best to address the issues and to proceed to negotiations.

To improve the community engagement procedures and better ensure FPIC, we seek to improve the process of providing information, to better understand and support community discussions and decision-making, review the mechanisms to reach and verify collective consent and reach mutual agreements. To allow scope for flexible application to allow for community cultural preferences and choices about how they want to negotiate and engage with the company, SOPs and protocols will be presented as being negotiable to be agreed. In depth training of middle-level staff and field managers. To ensure that final plans are mutually agreed between company and community following a fully informed negotiation and community decision-making process.

## 2.6 Handling of Complaints, Grievances and Conflict Resolution

### Key Commitments

- **To further improve our capacity to handle complaints and to work with relevant stakeholders to ensure fair and mutually agreed settlement is reached to resolve grievances.**
- **To improve transparency relating to grievances, including providing up-to-date information on the complaint and resolution processes and progress.**

Goodhope recognizes a complaint as any concern or problem whereby an individual or group wants the Group to respond and seek solutions to it. This includes complaints from employees and complaints from external parties including individuals, government agencies and non-governmental organization.

Our Grievance Approach and procedures are designed to ensure that we adopt a transparent and participatory approach to address stakeholder concerns and to deal with all complaints in a fair, responsible and consistent manner, working with relevant stakeholders to reach a mutually agreed settlement. The Grievance Approach and procedures have been developed following the review of procedures in collaboration with Daemeter Consulting resulting in the final procedures in December 2019. We continue to conduct further employee engagement and capacity building to ensure implementation of these procedures for the resolution of any incoming grievances.

The procedures emphasize the need for adequate engagement and maintenance of documentary evidence relating to the settlement process and decisions reached. Through the procedure, Goodhope has continued to work with stakeholders to investigate complaints and to address and resolve complaints fairly. Key steps of our Grievance Procedure are presented on our website.

## 2.7 Promoting Community Empowerment

### Key Commitments

- To develop collaborative and integrated community empowerment programs that support our environmental stewardship commitments and that aim to improve the education, welfare and wellbeing of people living in and around our operating locations.
- To develop and implement a Smallholder Support Program to actively support smallholders and facilitate their inclusion into our supply chain by capacity building.

Individuals, families, and groups from more than 40 villages around the areas in which we operate benefit from company investment in community infrastructure, health, education and livelihood programs.

### **Strengthening Basic Infrastructure**

We help improve access to basic facilities and services within local communities, including strengthening road infrastructure to provide safer road access to and from villages and contributing support for clean water projects. Our aim is to support and enhance the basic needs and welfare of individuals, families and groups. Improving the physical infrastructure of villages in and around our concessions is an important pre-requisite for sustainable livelihood development.

### **Food Security**

Goodhope implements measures to ensure that local communities have access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life. Areas that are utilized as food resources by local communities have been surveyed on the ground and subsequently mapped as HCV 5 and set aside as conservation area. Access to these areas is enabled for community-use and management and monitoring approaches are adopted to prevent degradation of resources.

Goodhope also supports farming in the local communities, providing agricultural training and materials to promote sustainable food production. A collaboration established in 2016 between Goodhope and Al-Azhar Foundation, has initiated several community development programs designed to promote resilient and sustainable food production systems that contribute to the provision of socio-economic benefits and ensure that local communities are not impacted by food shortages. The programs focus on providing agricultural training, coaching and business opportunities, and support fish farming, vegetable farming, fruit farming and homestead gardening in the local communities.

Efforts to ensure access to sufficient nutrition are supported by investment in long term programs providing additional nutrients to children under five years old. The company also periodically donates food packages to local communities. During the COVID-19 pandemic, Goodhope has supported the extra provision of essential needs, including rice and cooking oil, in coordination with local governments.



### **Improving access to improved affordable healthcare**

In addition to company-owned clinics within concessions, we support 11 community clinics in collaboration with local health authorities. Programs include free healthcare checks; family planning services; blood donation campaigns; support for emergency services and health campaigns promoting healthy lifestyles and the prevention of disease.

### **Contributions to Community Health and Medical Services in Response to COVID-19**

Goodhope contributes to national and local measures to help protect local communities from the impacts of COVID-19. We have been working with local COVID-19 taskforces to conduct campaigns on the risks of the disease, to communicate prevention measures, to provide care packages and essential protective equipment, including face masks, hand sanitizers and soap, to facilitate regular spraying of disinfectants in public spaces, and to ensure health screening. Furthermore, to help ensure that the necessary equipment is available for the treatment of COVID-19 patients, Goodhope has donated five ventilator units, amounting to a cost of \$206,896 to enable intensive care treatment of patients. These critical care units have helped the recovery of patients in Central Kalimantan and Nabire, Papua.

### **Child Protection**

As part of our commitments to maximize welfare and wellbeing, Goodhope is making active efforts to create and maintain healthy and safe environments and provide equal opportunities for the children of employees and the children in neighboring communities. Since 2017, Goodhope has participated in the Children's Rights and Business Principles (CRBP) palm oil program. The CRBP study on oil palm plantation companies has been conducted as a collaborative project between UNICEF, Lingkar Komunitas Sawit (LINKS), RSPO and participating companies. Outcomes of the program to date include an overview of best practices observed to address the key areas of impact on children's rights on oil palm plantations: Maternity and breastfeeding rights; Childcare; Nutrition and health services; Housing conditions, water, sanitation, and cleanliness; Access to education; Child protection; Child labor and young workers.

Goodhope is acting on the results of the study to mitigate risks and promote positive impacts at our own plantation sites. Furthermore, to assist in the wider implementation of CRBP, Goodhope has joined the Business and Children's Rights Working Group, a learning platform supported by UNICEF, the UN Global Compact and Save the Children (the three organizations that developed the principles). The Group serves as a learning platform for business to understand and implement the CRBP with the aim to identify priorities and work towards developing and implementing business sector workplans.

### **Improving access to quality education**

Recognizing education as a key element in the drive for sustainable development, the Group has increasingly promoted advances in knowledge, skills and attitudes through our education programs. Goodhope's foundation for education (the Agro Harapan Foundation) was established in 2008 to independently manage general education programs and school operational activities in order to provide access to good quality education in and around Goodhope's concessions. The Foundation directly manages its own schools within concessions and furthermore supports schools in neighboring villages. Key objectives of our education program include: i) Ensuring all infrastructure to provide decent education opportunities; ii) Raising awareness of the importance of education and encouraging parents to send their children to schools

In 2019/20, the Foundation employed 131 teachers of which 63 were full-time internal teachers and 68 auxiliary teachers seconded to public schools. Total investment in FY2019/20 was \$1,014,189, providing education for 5,844 students, including 3,346 employees' children and 2,498 children from local communities.

Our education programs at our schools are delivered with the aim to equip students with the knowledge and skills needed for their future careers and endeavours. Our vision is to not only support the standard learning of subjects, but to promote educational activities that provide opportunities for students to creatively solve problems through critically thinking, collaborative working and effective communication.

Our Junior High School at PT Agro Indomas Central Kalimantan (AICK) has attained the highest accreditation rating level, setting a benchmark for all our other schools. It is expected that the recent training on quality assurance will provide educational managers and administrators with improved ability to promote the develop effective strategies for utilizing the funding to advance performance. Compliance with the national curriculum and standards set by the government is

assessed by local education officials and reach our targets to achieve at least B level national accreditation rating at each internally operated school by 2020.

Our flagship school SMP Tunas Agro at PT Agro Indomas Central Kalimantan (Junior High School) has achieved the top level of national accreditation “A-grade” since 2010. Having used the SMP Tunas Agro as a model for performance management, top grade national school accreditation has now been achieved for two of our internal elementary schools:

- SDS Tunas Agro 2 at PT Agro Wana Lestari (AWL): Score of 98 / A grade.
- SD Tunas Agro 1 at PT Agro Indomas (AICK) score of 91 / A grade
- TK Tunas Agro 4, one of our internal kindergartens at Agro Bukit Central Kalimantan (ABCK) has received national accreditation at “B” grade.

Among the objectives of our Sustainability Policy Implementation Plan is to 'educate for sustainability' by working with teachers and relevant organisations to embed sustainability into the teaching curriculum and to promote sustainability initiatives in schools. We aim to build awareness and knowledge on environmental, economic, and social components of sustainability, providing motivation to take action and encouraging values such as critical thinking and innovation, thereby empowering students to contribute to solutions for more sustainable ways of living.

Our school SMP Tunas Agro at PT Agro Indomas, Central Kalimantan implements environmental programs through which students learn how to plant fruits / vegetables for sale to local communities, establish minimal waste mechanisms, reduce electricity and water consumption, and implement other environmental initiatives alongside a learning curriculum that incorporates sustainability issues. Environmental programs have been in progress since 2014 and we are now seeking to achieve and participate as an Adiwiyata School accreditation, a national program by the Ministry of Environment and Forestry (KLHK).

PT Agro Indomas collaborates with local vocational school (SMKN 1 Danau Sembuluh) to support the implementation of a compost production and vegetable farming program. The compost is made from water hyacinth and other organic material. By extracting water hyacinth from Lake Sembuluh, the program is contributing to help control water hyacinth and provides a use for the plant material through nutrient recycling. The compost is being used as a planting medium for a school vegetable farming program at SMK 1 Danau Sembuluh. We are working on increasing the production efficiency of compost made from water hyacinth to support further small-scale organic farming initiatives.

Our internship program by PT Agro Wana Lestari and Agriculture Vocational High School (SMKN 1 Bukit Santuai) provides students with valuable working experience to enhance their skillset for future careers. Vocational High School students are assigned as interns in the company's estate, completing training and administration activities. The students are provided with a monthly allowance.

#### **Scheme Smallholder Programs (PLASMA)**

Goodhope has developed 7,304 hectares of oil palm as cooperative-owned scheme smallholder plantations (PLASMA) to support sustainable development among the local communities. Currently Goodhope has more than 4,000 members in its PLASMA schemes, in a total of 28 cooperatives. For each cooperative, we provide training to promote self-management, financial awareness and financial planning skills, to enhance the abilities of members to effectively manage their funds from the shares of profit, encourage and support entrepreneurship and contribute to long-term improvements in community welfare.

As a smallholder scheme, cooperative-owned plantations managed by the company provide local communities with a productive plantation area as an effective way to support sustainable development among the local communities. Under this type of smallholder scheme, the company manages cooperative-owned plantations, and in this way is able to generate above average returns for the cooperative members.

Currently Goodhope has more than 3,000 members in its plasma schemes, in a total of 26 cooperatives. For each cooperative, we aim to provide training to promote financial awareness and financial planning skills, encourage and support entrepreneurship and to enhance the abilities of members to effectively manage their funds from the shares of profit in such way it can sustain additional income and contribute to long-term improvements in community welfare.

Goodhope has established a collaborative partnership agreement with Perbanas Institute with the aim to promote self-management and sustainable livelihoods, in particular by providing training on topics such as Entrepreneurship, Management of Cooperatives, Tax and Financial Management, Marketing and Sales.

Monthly meetings are held between Cooperative Committees and company representatives to discuss financial reports, agronomy, and planning for the following months and years. Furthermore, an Annual Members Meeting is held each year for stakeholders.

### **Support for Independent Smallholders**

We support 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.

Our smallholder engagement programs are designed to promote the benefits of sustainable land management and build capacity for livelihood improvement. In collaboration with Daemeter Consulting, our Farmer Field School program aims to help smallholder farmers to improve crop productivity and adopt good agricultural practices. The program has become the first smallholder school model in Penajam Paser Utara (PPU) district, East Kalimantan. Topics of training are tailored to the needs of the farmers including:

1. Seed/planting material quality
2. Crop maintenance and plant nutrition
3. Fertilizer use, increase use of organic matter
4. Herbicide use, reduced dependency on chemical formulas
5. Harvesting techniques

The Farmer Field School program has seen 235 Farmers trained to date, of a total 1,279 Independent Smallholders engaged. We are working on expanding our smallholder support program to achieve progressive increase in the number of smallholders engaged, progressive increase in the number of training hours for smallholders and growth in the agricultural productivity of small-scale producers.

The continuation of our capacity building programs we will increasingly support progression towards eligibility for sustainable palm oil certification (ISPO and RSPO). We will progressively provide support for certification and aim to achieve 100% RSPO certification of scheme/associated smallholders and outgrowers by 2025.

### **Women's Empowerment Program**

As part of our efforts to promote the delivery of fair and equitable benefits, Goodhope has established programs to build the independence of women among local communities and promote equality in opportunities.

Our Women's Empowerment Program in Nabire, Papua, established in 2015, facilitates monthly Savings and Loans Cooperative Meetings for savings and borrowing activities, and encourages initiatives for improved economic income and enhanced welfare. The Women's Empowerment Program through Community Self-Help Groups is a program to build the independence of women among local communities. Since July 2015, monthly Savings and Loans Cooperative Meetings have been routinely held at Wanggar village, for savings and borrowing activities, and to encourage initiatives for improved economic income and enhanced welfare. Currently 23 members benefit from the program. It is intended that the initiative will become an independent program, fully handed over to the board and its members, with the company only monitoring the progress of the group.

### **Alternative Income Generating Opportunities**

Goodhope supports programs that aim to enhance the capacity of local communities to participate in, contribute to, and benefit from sustainable ways of earning incomes that do not rely on oil palm. Towards this, we foster partnerships to provide training and learning opportunities relating to activities that have the potential to support livelihoods, including farming and small business development, financial management and administrative activities.

Goodhope has been working with a number of partner organizations to facilitate the delivery of capacity building initiatives and the development of livelihood programs, supporting efforts to safeguard forests, secure food security and fulfil human rights.

Through partnerships with Environmental Leadership and Training Initiative (ELTI) and Swaraowa we invests in capacity building initiatives to support honey production as an income generating opportunity. The knowledge gained from our training program has been applied by participants to establish stingless bee colonies for honey production.

In collaboration with Aidenvironment, we aim to coordinate suitable community development programs to empower and improve the livelihoods of local communities around our concessions in Ketapang Region, West Kalimantan. Goodhope and Aidenvironment are collaborating to identify economic and local business potentials for the Social Forestry project Benua Krio village.

In collaboration with IDH Sustainable Trade Initiative, we support the implementation of Production-Protection-Inclusion (PPI) Compact Project in Ketapang District, West Kalimantan, and are looking to apply the approach to optimize community based conservation and economic development in Papua. We will continue to embrace partnership approaches and encourage alternative income generating activities designed to enhance community welfare in and around our operating locations and across the wider landscape

## 2.8 Supporting Worker Rights, Health and Well-Being

### Key Commitments

- To continue to set clear standards for occupational health and safety performance and to ensure that appropriate actions are taken to mitigate risks.
- To promote the application of relevant guidelines on Human Rights.

We place special emphasis on employee wellbeing in contributing to a sustainable business and believe that empowered and engaged employees make the difference towards driving positive change. The Group values teamwork and encourages engagement initiatives that foster a spirit of togetherness. Across all our operations we aim to support a healthy and diverse workforce with a collective commitment and common vision, driven by shared values and goals. We promote resilience and innovation, encouraging employees to adapt and ‘bounce back’ from difficult experiences, and encouraging the freedom to explore and create new ways of doing things. This positive working environment contributes to improved performance.

### Standards

Our management practices are conducted in line with international and local laws, statutory conditions and international standards and criteria including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the ILO Fundamental Conventions; the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

Working conditions are monitored and assessed on a continuous basis and we are committed to taking meaningful corrective action to address any identified issues and improve labor practices to better support the welfare and wellbeing of employees and their families. Our operational activities are run in compliance with national health and safety laws and International Standards in Environmental and Occupational Health and Safety Management Systems. All our mature plantation sites in Central Kalimantan are certified for Environmental and Occupational Health and Safety Management Systems ISO 45001:2018 and ISO 14001:2015.

### Risk Assessments

Environmental health and safety risk assessments are conducted in order to determine and implement appropriate measures to protect from exposure to hazards and prevent accident, injury or ill health caused by working conditions. We ensure the relevant work permits for all high-risk work, provide the necessary protective equipment and make sure that the necessary safety precautions are in place to prevent hazards and mitigate potential risks.

### **Recruitment Processes**

Our vision of “*Being the employer of choice to current and future employees*” stems from the need to attract and retain best in class talent and enhance business value. Employment opportunities are offered purely on merit, irrespective of gender, ethnicity, national origin, religion, political affiliation, union membership, age, social background, disability, sexual orientation or any other personal characteristics. Workers are selected for employment based on their ability to fulfil the respective roles and responsibilities. Individuals are selected through a structured recruitment process, which is focused on evaluating skills, competencies and alignment to the organization culture.

We are against child labor and have implemented a minimum age policy requiring that all workers meet the minimum age of 18 years old at the time of recruitment. The Group does not employ staff who are below 18 years of age keeping in line with the international labor laws and regulations. We extend this commitment to all business vendors with whom we work as a standard clause in all contracts.

### **Employment Contracts**

Working conditions and employment benefits are detailed in written contracts provided to employees. The conditions meet the requirements of national and local laws and standards on working hours, minimum wage, overtime and annual leave.

### **Housing and Amenities**

For those employees living on site at our plantations, we provide housing and amenities meeting national legislation and International Labor Organization (ILO) standards. Services and amenities are provided to our employees include:

- i. Housing facility meeting national legislation and International Labor Organization (ILO) standards with provision to electricity, clean water and semi furnished house and vehicle ownership scheme
- ii. Religious facilities such as mosques, churches and temples
- iii. Supporting facilities such as medical clinic, sports fields, gathering hall, schools, day care centers.

### **Ethical Conduct**

Business is conducted with honesty, integrity and openness, and with respect for the human rights and interests of our employees. All employees and members shall comply by the Standards of Business Conduct. The Standard of Business Conduct underpins Group’s commitment to the highest standards of corporate behavior; promote fair and ethical business practices while acknowledging the rights of our stakeholders. It sets clear expectations and principles to guide and inspire professional excellence among all employees of Goodhope while providing support to each employee as a guideline when making decisions and taking actions.

### **Grievance Mechanism**

Any employee who suspects wrongdoing within the Group is strongly advised and encouraged to raise their concerns. All grievances and complaints from any of the employee are normally resolved at the immediate superior level. If the immediate superior fails to settle the grievance/complaints, it can be then addressed to the higher levels including the HR Department. If required, the settlement of the complaint can be continued at through Bipartite Cooperation Institution forums and can also be escalated to the local manpower services office or can be settled in accordance with the applicable rules and regulations.

### **Cultural Diversity**

Diversity is embedded in our recruitment and employee development processes – and reflected in all HR-related initiatives. The Group follows practices of non-discrimination employment policy that offers equal opportunities of employment. Managers are responsible for fostering diverse capabilities and leading inclusively, as a result, our employees come from different ethnic background and cultures. More than 35% of our plantation employees are hired from the local communities to support local community development.

### **Worker Representation**

The Group recognizes the rights of its employees to collectively bargain and to give input to management. Employees have the freedom of joining any form of association. The company does not intervene in any manner that is likely to inhibit workers from exercising their union rights. The Bipartite Communication Forum (LKS Bipartite) serves as a means of communication between Company management and employees towards achieving and maintaining a common platform for effective communication, transparency and a conducive work environment.

### **Gender Equality**

Currently women represent 24% of the Group’s workforce. Continuous efforts are being made to increase women’s representation and leadership in all levels of the workforce including progressively increasing number of women in management positions. Gender Committees are in place to empower female members in the workforce, to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.

Through our Gender Committees and commitments, we are working to address key concerns and protect women’s rights in the workplace by:

- Providing training to employees to prevent gender-based harassment and discrimination.
- Ensuring access to a complaints system that specifically includes gender discrimination or harassment
- Encouraging the implementation of systems that protect the reproductive rights of all.
- Ensuring that the needs of new mothers are considered and that actions are taken to address the needs.
- Implementing women’s sexual health awareness programs, providing nursing stations, and day care opportunities.

Outside of the workplace, we are making further endeavors to integrate gender equality concepts into our education programs and avoid gender bias and the introduction of stereotyping.



Figure 2. Level-wise Gender Ratio

### **Personal Protective Equipment**

It is mandatory for employees, contractors and visitors to use Personal Protective Equipment when working in or visiting our plantations, mills and manufacturing facilities. Safety Officers are appointed and periodic audits and monitoring is undertaken to ensure that safety policies are adhered to by all.

### **Access to Medical Services**

Free medical care is given to all workers and their families living on-site at our plantations. The polyclinics in our concessions are established to deal with the treatment of injuries, illnesses and medical emergencies and provide employees with services such as medical tests, immunizations and family planning. Our clinic at PT Agro Bukit, Cental Kalimantan is equipped with a medical laboratory.

### **Safety Guidelines and Training**

We are continuously seeking to deliver fresh Safety Training and awareness campaigns to promote safety culture, mitigate health risks, and address issues that are identified through our safety monitoring program. Goodhope has developed a set of Safety rules applicable to all employees with general requirements, including the need to:

- Complete risk assessments
- Exercise safe driving practices
- Ensure correct use of Personal Protective Equipment
- Maintain clean and tidy work environments
- Report all accidents and near misses



- Attend safety trainings and briefings
- Attain valid work permits when required

Our safety induction and training programs ensure that each individual has the necessary information and skills they need to safely carry out their tasks at work. Training programs are implemented across all our departments and operations with a central training center based at PT Agro Indomas, Central Kalimantan. Topics of training are delivered according to identified risks and needs.

As part of our commitments, we are responsible for providing the necessary fire safety devices and training for fire prevention and response in workplaces, schools and other public areas within our concessions. Fire safety training is conducted to provide individuals living and working in concession areas with sufficient knowledge regarding fire prevention and safe fire response procedures. Our aim is to promote sufficient awareness and understanding regarding fire safety measures and how to avoid accidents in the home or school, as well as in the workplace.

The topics of Fire Safety Training and Emergency Response Procedures focus on: i) understanding the combustion process and the various fire types / classes; ii) potential sources of fire and prevention mechanisms; iii) understanding of the different types of fire extinguishers and correct use including practical experience of controlling a fire through the use of a fire extinguisher; iv) procedures related to fire extinguisher use, maintenance and inspection; v) basic knowledge of first aid techniques and types of injury; vi) drills for effective response to fire threats and emergency situation. Regular trainings are conducted on emergency response preparedness at our mills and factories with the aim to facilitate the early warning, detection and mitigation of fire threats and to ensure the capacity for effective response in case of emergency.

Regular fire drills and exercises are conducted to ensure the preparedness of employees in case of fire and training programs are implemented to establish and maintain fully trained emergency fire fighter response teams in all plantation sites.

#### **Response to air pollution and haze due to land fires**

The prolonged dry season in 2019 brought with it some of the worst haze levels in years as land fires persisted across Indonesia. In response to the haze emergency, Goodhope closely monitored the Air Quality Index (AQI) and facilitated the provision of face masks for employees and local communities living in and around its concessions.

#### **Protecting the health of our workforce during the COVID-19 Pandemic**

Goodhope has been pro-actively supporting efforts to curb the spread of COVID-19 and minimize impacts due to the disease. Preventative measures and supporting initiatives are conducted across all operating units, protecting our workforce and serving the local communities. Our COVID-19 protocols are aligned with the guidelines of the national government and World Health Organization (WHO) and enable our operations to continue safely.

Measures such as travel restrictions and remote working options are implemented and sanitization standards are adhered to all workplaces and at housing units. Personal protective equipment such as masks have been provided for all employees living on-site within concessions. Regular campaigns raise awareness of the disease and encourage preventative measures, including the critical importance of proper hand washing and hand sanitizing. Operations are implemented with physical distancing measures, controlled entrance and exit to and from estates, and quarantine measures. Health screenings, including regular checks of body temperature, are conducted prior to entrance to estates and workplaces. Procedures are in place to deal with any suspected case of COVID-19, we provide guidelines for employees that display symptoms and fully support our Doctors and nurses as the frontliners to safely provide treatment if needed.

All locations continue to track the health and wellbeing of our employees and their families. A task force is established to monitor the progress and take swift decisions on a daily basis. Such proactive action and close monitoring and swift response to this pandemic, has helped all our operating units to be able to function without any business disruption.

#### **Monitoring and Evaluation of Safety Performance**

Across all plantations and mills we routinely measure and evaluate key health and safety indicators including the number of Lost Time Accidents; Lost Work Days; Total Reportable Incident Rate; Lost Time Accident Rate; and Severity Rate. Our established accident / near miss hotline provides an open means for reporting any observed hazards,

supplementing the systematic checks for possible hazards that are carried out through regular health and safety inspections of operational units and activities. By improving risk identification through these two channels – near miss hotline and routine health and safety inspections – we can reduce the accident occurrence by implementing appropriate corrective actions according to risk evaluation.

Since May 2019 we have achieved our fundamental target of zero fatalities and report a 12% reduction in the severity rate of work-based accidents when compared to 2018/19. Lost work days due to work-based injuries reduced by 17%. In contrast, increased numbers of Lost Time Accidents were reported and the rate of lost time injuries increased almost two-fold when compared to 2018/19. The observed increases are partly due to improved reporting of accidents. Thorough evaluation of the causes of accidents allows us to ensure that appropriate actions are taken to address concerns and ensure the health and safety of our workforce.

**Table 7. Health and Safety Indicators**

Indicator	Definition	Year			
		2016/17	2017/18	2018/19	2019/20
<b>Near Miss</b>	An occurrence that did not result in injury, illness, or damage, but had the potential to do so.	523	1426	2931	4280
<b>Reportable Incident</b>	Any workplace-caused injury or illness that comes under one or more of the following categories: i) requires medical treatment; ii) results in “Lost Time” due to injury or illness; iii) results in “Restricted Duty” or “Job Transfer” due to injury or illness; iv) Cases of work related hearing loss as defined by local regulations; v) Work related loss of consciousness or “Significant Diagnostic Injury or Illness”.	665	539	509	822
<b>First Aid</b>	Typical injury as a result of an accident in the workplace and receives on-site first aid assistance, and no lost working days or restricted work days due to incident.	413	365	316	433
<b>Lost Time Accident</b>	Any work related injury or illness that results in an employee’s inability to work one or more calendar days based upon a medical determination.	252	174	193	389
<b>Minor Accident</b>	Any lost time injury causing up to a maximum 2 (two) lost work days.	236	162	173	362
<b>Major Accident</b>	Any lost time injury causing more than 2 (two) days lost work days.	16	12	18	27
<b>Fatalities</b>	Any accident which causes death or total permanent disability.	0	0	2	0
<b>Lost Work Days</b>	The number of calendar days that an employee is unable to work because of a work related injury or illness. Days counted would include schedule workdays, nonscheduled workdays, weekends, vacation and holidays. Note: the count of days does not include the date of the injury or onset of illness.	341	252	620	517
<b>Total Reportable Incident Rate</b>	= $\frac{(\text{Total reportable incidents} \times 200,000)}{\text{Total Hours Worked}}$	4.46	4.09	3.65	2.52
<b>Lost Time Accident Rate</b>	= $\frac{(\text{Total Lost Time Accidents} \times 200,000)}{\text{Total Hours Worked}}$	1.71	1.31	1.32	2.51
<b>Severity Rate</b>	= $\frac{(\text{Total Lost Work Days} \times 200,000)}{\text{Total Hours Worked}}$	2.27	1.89	3.79	3.35



### **Promoting Respect for Human Rights**

To help emphasize the respect of human rights at the forefront of our practices, Goodhope is engaging with the Indonesian Global Impact Network to learn how to better align our strategies and operations with the UN Guiding Principles on Business and Human Rights, UN Convention on the Rights of the Child (UNRC) and the Children’s Rights and Business Principles.

Guidance and case examples developed by the UN Global Compact and its partners provide direction to support the continuous improvement of our business practices in line with corporate commitments and global Sustainable Development Goals (SDGs). The framework complements the various certification systems implemented (see the February issue of our monthly report) to meet commitments and improve performance.

We have to implement strengthened procedures for the respect and support of human rights, particularly for the better protection of vulnerable groups (e.g. migrant and contract workers, women and children), improved implementation of equal opportunities and implementation of improved grievance mechanisms that better protect complainants.

### **Pay Equality**

All employees and workers are paid equally based on the nature of their work. The remuneration is based on prescribed salary scales, taking into account various factors such as responsibilities, scope, skills and experience required to perform the role, span of control, criticality of the role, location etc. The scales are reviewed on a periodic basis to ensure parity with the market standards.

**Table 8. Minimum Wages and Starting Salaries (oil palm plantations)**

Location	Minimum Wage	Starting Salary*	Ratio*
Central Kalimantan - Seruyan (AICK, RIM)	2.930.000	2.930.000	1:1
Central Kalimantan - Kotim (ABCK, AWL, KMS)	2.776.460	2.776.460	1:1
East Kalimantan - Penajam (AIEK)	3.100.000	3.100.000	1:1
West Kalimantan - Ketapang (AJB, BMS, SMS)	2.638.000	2.638.000	1:1
West Kalimantan - Sintang (SHP, SSA)	2.393.000	2.393.000	1:1
Papua - Nabire (NB, SAP)	3.240.900	3.240.900	1:1

\*Entry level wage and ratio for male and female employees

### **Towards a decent living wage**

All employees and workers are paid at least the applicable local minimum wage prescribed by the statutory authorities. With the goal of providing a fair and decent living wage for all employees, we are committed to ensure that remuneration is sufficient for the worker and his/her family to afford a basic but decent lifestyle. In order to do so, we have begun to conduct living wage assessments using a credible methodology and will work towards closing any identified gaps.

## **2.9 Traceability and Responsible Sourcing**

### **Key Commitments**

- **To implement a comprehensive supplier engagement plan, delivering awareness and training sessions to ensure that all suppliers have sufficient understanding of NDPE policy, and facilitating supplier reviews to evaluate compliance.**

In 2019 we launched our Traceability and Responsible Sourcing Roadmap (Table 5) outlining the key goals, objectives and targets as we aim to progressively ensure that compliance to the principles of No Deforestation, No development on Peatland, and No Exploitation (NDPE) is extended throughout our entire supply chain.

In line with our Sustainability Policy, our responsible sourcing commitments require that all third parties, including associates, suppliers, and contractors who work with us, shall adhere to Core Requirements as relevant. Requirements include compliance with the applicable laws and regulations; no involvement in forest clearance; no use of fire for land clearance; no

development on peatland of any depth; commitment to identify and mitigate social and environmental impacts; commitment to respect human rights and operate using ethical labor practices including the prohibition of child labor and all types of discrimination.

Towards ensuring full compliance, we are increasingly engaging with suppliers to encourage the implementation of improved practices across our entire supply chain in line with industry standards for the production of sustainable palm oil. We aim to provide constructive feedback and guidance to suppliers and to support them in the implementation of improved practices in order to build compliance with our policy commitments.

We have gathered information on the mills that supply Crude Palm Oil (CPO) and Palm Kernel (PK) to our downstream refinery (Premium Vegetable Oils in Johor, Malaysia) and are now beginning to focus on extending our supplier engagement efforts to promote best management practices and full traceability to plantation for all our third-party supplier mills.

Risk assessment tools including spatial data and remote sensing information are being increasingly used to determine the risk of each third-party palm oil mill and plantation in our supply chain. This will enable the prioritization of our efforts, focusing on parts of our supply chain which pose the greatest risk, and where improvements will make the most impact. Systematic supplier evaluations will be completed to assess commitments and compliance against the requirements of our Sustainability Policy. Any complaints that involve third party suppliers are be handled in accordance with our grievance approach.

For our own mills, we have been working with Daemeter Consulting to improve traceability down to the level of the plantation. 77.8% of the fresh fruit bunches (FFB) supplied to Goodhope-owned mills in FY 2019/20 was cultivated in company owned plantations; 17.1% was sourced from third party suppliers and 5.1% came from scheme smallholders.

Through supplier engagement and mapping by survey teams, we have attained considerably improved understanding of the complex network of farmers and intermediaries that are involved in supplying FFB to our mills. Overall, 97.9% of all FFB sourced by our palm oil mills in FY 2019/20 is traceable given that:

- 100% of FFB sourced directly Goodhope plantations is fully traceable to plantation.
- 100% of FFB sourced from scheme smallholders is fully traceable to plantation.
- 100% of FFB sourced directly from third party company plantations is fully traceable to plantation.
- Information of the farm location or village name where the farm is located is known for 87.8% of FFB sourced directly or indirectly from smallholders.

We are now making steady progress in the process of smallholder mapping. A Data Management Platform for Smallholder Mapping provided by Cadasta organization is being used as a tool for data collection and mapping of suppliers. Digital data collection forms are used to collect supplier data using GPS-enabled smartphones for field visits. Survey teams have been collecting data by engaging with suppliers (farmers and intermediaries). In order to demonstrate full traceability to the plantation, we aim to identify all the plantations from which FFB is sourced, including ownership details and exact geographic location (coordinates or polygon). The mapping and data collection process involves visiting each individual smallholder, gathering information on the smallholders and plantation, including the coordinates / polygons of the supplier's plantation. The Cadasta 2.0 platform is being used to serve as a database to store supplier information.

During engagement with smallholders we aim to promote the benefits of sustainable land management, provide support for certification, and capacity for livelihood improvement programs. Furthermore, through the continuation of smallholder support programs, we aim to help smallholder farmers to improve crop quantity and quality through the provision of technical support, promoting the long-term productive potential of plantations and improve yields, while encouraging the reduced and responsible use of chemical fertilizer and pesticides.

**Table 9. Traceability and Responsible Sourcing Roadmap**

Aims	Objectives	Targets	
		By end 2020	By end 2024
<b>100% of FFB supply to our own mills is traceable to plantation.</b>	Apply Data Management Platform provided by Cadasta organization as a tool for data collection and mapping of the plantations from which FFB supplying to our mills is sourced.	90% of FFB supply to our own mills is traceable to plantation.	100% of FFB supply to our own mills is traceable to plantation.
<b>100% of FFB supply to third party supplying mills is traceable to plantation.</b>	Engagement with third party supplying mills to determine % traceability to plantations.	Receive information from 100% of supplying mills.	100% of FFB supply to third party supplying mills is traceable to plantation.
<b>Risk assessments enable prioritization of our efforts, focusing on parts of our supply chain which pose the greatest risk.</b>	Conduct supplier evaluations to assess the risk of non-compliances and develop risk management plans.	Level of risk (low, high) is determined for 100% of first tier suppliers.	Level of risk (low, high) is determined for 100% of first tier suppliers.
<b>Third parties with whom we work commit to compliance with the principles No Deforestation, No Peat and No Exploitation (NDPE).</b>	Dissemination of our Sustainability Policy; NDPE socialisation for suppliers and contractors; Contractual agreements specifying NDPE requirements.	Receive commitment by 100% of first tier suppliers to abide by NDPE principles.	Receive commitment by 100% of first tier suppliers to abide by NDPE principles.
<b>Third party suppliers operate in full compliance with our responsible sourcing requirements.</b>	Complete evaluations of the commitments and management systems of third-party suppliers.	30% of first tier suppliers are verified as compliant with our Responsible Sourcing Commitments.	100% of first tier suppliers are verified as compliant with our Responsible Sourcing Commitments.
<b>Issues of non-compliance involving third party suppliers are identified and resolved.</b>	We will deal with any complaints that involve third party suppliers in accordance with our grievance approach.	Procedures for dealing with issues of non-compliance involving third party suppliers are fully implemented.	Zero issues of non-compliance involving third party suppliers: all are effectively resolved.
<b>Independent smallholders are supported to enable inclusion in our supply chain.</b>	Engage with independent smallholders providing training and encouraging certification.	Provide training for 500 independent smallholders.	Provide training for 1,500 independent smallholders. Certification of 100 independent smallholders.

## 2.10 Disclosure and Continuous Improvement

### Key Commitments

- To continue to monitor and evaluate policy implementation, communicate our performance and progress, and invite independent and credible experts to peer-review our sustainability performance.

Components of our Sustainability Management Framework are designed to ensure that all appropriate measures are put in place to continually improve our practices and create positive benefits in our operating areas. Through our Sustainability Management Framework, we development and define Sustainability Commitments, drive collective action, Monitor, Verify and Evaluate Performance against set indicators.

### **Development and Definition of Commitments**

Our Goals, Targets, Objectives and Policies are reviewed and revised to align with international standards in sustainability, stakeholder expectations and our current performance. We have strengthened our commitments to align with RSPO P&C 2018 and clarified the scope of our Sustainability Policy to improve implementation. Annual Sustainability Management Review meetings were held between March and May 2020 to review the objectives, targets and management programs for FY2019/20 and to set new objectives, targets and management programs for FY2020/21.

We define four overall Sustainability Goals:

- Goal 1: Healthy Workforces
- Goal 2: Fully Engaged and Traceable Supply Chain
- Goal 3: Functioning Natural Ecosystems
- Goal 4: Positive Impacts on Community Welfare

These goals and related targets are set to drive improved performance and are aligned with the framework of the United Nations Sustainable Development Goals (SDGs) to enable indication of contributions to several of the Global Goals.

### **Collective Action**

We believe that empowered and engaged employees make the difference towards driving positive improvements. Sustainability commitments, targets and core values help create momentum to encourage collective action and co-operation in working towards the implementation of time-bound plans. Six core values “Engage; Respect; Support; Empower; Conserve; and Adapt” are promoted to encourage way that we perform as a Group. These values compliment our Group’s Philosophy “Exceeding expectations through operational excellence, management expertise, responsible stewardship of resources and a willingness to apply proven skills to new challenges”.

Our Standard Operating Procedures and Working Instructions will continue to be strengthened by the introduction of updates as necessary to maintain consistency with our Sustainability Policy and RSPO standards.

Capacity building through engagement and training activities will continue to be fundamental in order to communicate our policies, disseminate information and provide learning opportunities to enable and enhance policy implementation and compliance. We aim to engage and motivate groups and individuals to ensure that relevant standards are understood, to encourage implementation across operations, to equip designated staff with the knowledge and skills to perform regular internal audits according to the criteria defined by the standards, to develop stronger management systems and to ensure the alignment of all policies and procedures.

We utilize guidelines, collaborative partnerships and multi-stakeholder forums to help identify solutions, support the implementation of new approaches, address challenges and promote improvements.

### **Monitoring, Verification, Evaluation and Reporting**

We monitor impacts and performance against key indicators by regular data collection (surveys, inspections, assessments and audits) including stakeholder feedback. Internal assessments are conducted to measure compliance against company policies, standard operating procedures and criteria defined by standards including RSPO, ISO and

ISPO and Malaysian Sustainable Palm Oil (MSPO). The internal assessment process includes document review, field observation and interviews as a means to identify risks and promote better management.

The further development of our Integrated Sustainability Monitoring System will be used to more efficiently track performance, particularly in terms of Environmental Performance, Labor Practices and Working Conditions, and Community Welfare. Making use of guidance such as the "Practical Guide to business reporting on the SDGs" we intend to integrate key SDGs into our sustainability monitoring evaluation and reporting system, using selected associated targets and relevant indicators for each target to measure progress and performance.

Compliance against the criteria of sustainability standards is verified by independent third parties in accordance with our Certification Plan (incorporating standards such as RSPO, ISPO, MSPO, ISO and PROPER). In August 2019, our facilities in Malaysia (Premium Vegetable Oils) embarked on the Malaysian Sustainable Palm Oil (MSPO) Supply Chain Certification System.

Third party assessments of sustainability performance by the consultancy firm Environmental Resources Management (ERM) have been conducted on a biannual basis from April 2018 until October 2019. Report conclusions were reached through direct and indirect observations, including document reviews, interviews and site visit to assess performance against the statements of our Sustainability Policy.

We report on our progress and performance to fulfil our commitment to transparency, to allow stakeholder feedback and to drive continuous improvements. Through improved transparency and reporting systems we will continue to report on our progress and performance as an important means to fulfil our commitment to accountability, to allow stakeholder feedback and to promote continuous improvement. Our reporting framework includes quarterly reports on activities 'Sustainability Journey' and an annual Sustainability Report to demonstrate and communicate progress and performance.

Annual Sustainability Management Reviews are held to evaluate our performance by considering the results of key monitoring programs incorporating safety and accident reporting, environmental performances, fire occurrence and response, and waste management. Participants at each meeting included the General Manager, Plantation Manager, Heads of Departments and representatives from Regional Office Sustainability Team.

Through the review and evaluation of monitoring results and policy implementation we identify any gaps between planned and actual implementation, identify barriers and facilitators of implementation, and provide information for the development of policies, objectives, targets and management programs.

## Section III.

# Sustainability Policy Implementation Plan 2020/21

The purpose of our Sustainability Policy Implementation Plan is to provide Goodhope management teams and other stakeholders with a framework that is adopted by the Group to fulfil sustainability commitments. The activities, expected outputs and outcomes of our Policy Implementation Plan (Table 10) are defined according to the terms of our policy statements, evaluation of our performance and stakeholder expectations.

- I. ACCOUNTABILITY, TRANSPARENCY AND CONTINUOUS IMPROVEMENT
  1. Sustainability Governance
  2. Environmental and Social Risk Management
  3. Monitoring, Evaluation and Reporting
  4. Stakeholder Feedback
  5. Collaborations and Memberships
  6. Training and Development
  7. Verification of Performance
  8. Grievance Approach
- II. LABOR RIGHTS, ETHICAL CONDUCT AND FAIR WORKING CONDITIONS
  1. Respect of Fundamental Labor Rights and Principles
  2. Recruitment Processes
  3. Worker Engagement, Participation and Representation
  4. Standards of Business Conduct
  5. Working Hours, Wages and Benefits
  6. Facilities and Services
  7. Gender Equity
  8. Whistleblowing Procedure
- III. ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY
  1. Compliance and Performance Monitoring
  2. Hazard and Risk Awareness
  3. Chemical Handling and Hazardous Materials Management
  4. Waste Management
  5. Air Quality Management
  6. Water, Sanitation and Hygiene Management
  7. Road Safety
  8. Emergency Preparedness and Response
- IV. COMMUNITY WELFARE
  1. Community Engagement
  2. Community Investment Programs
  3. Child Protection and Education
  4. Smallholder Support
- V. CONSERVATION AND SUSTAINABLE LAND-USE
  1. Environmental Awareness
  2. Conservation Management and Monitoring
  3. Zero Burning and Fire Mitigation
  4. Reduced Application of Agrochemicals
  5. Best Management Practices for Existing Oil Palm Cultivation on Peat
  6. Forest Rehabilitation, Remediation and Compensation
  7. Energy Conservation
  8. Water Conservation
  9. Mitigation of Greenhouse Gas Emissions
- VI. RESPONSIBLE SOURCING AND SUPPLY CHAIN MANAGEMENT
  1. Responsible Sourcing Principles
  2. Traceability
  3. Supplier Evaluation and Guidance
  4. Contractor Engagement and Evaluation
  5. Third Party Grievances

**Table 10. Sustainability Policy Implementation Plan 2020**

<b>I. ACCOUNTABILITY, TRANSPARENCY AND CONTINUOUS IMPROVEMENT</b>			
<b>Commitments</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
<b>1. Sustainability Governance</b>			
Our Sustainability 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 review and update policies, SOPs and working instructions in order to maintain the highest industry standards for sustainability and responsibly produced commodities.	1.1 Set and review corporate goals, targets and objectives according to monitoring and evaluation outcomes.	<ul style="list-style-type: none"> <li>Sustainability targets and objectives.</li> </ul>	Established governance framework that promotes guidance and direction to: <ul style="list-style-type: none"> <li>Ensure employees, suppliers, contractors, are clear of what constitutes acceptable practices</li> <li>Ensure the Group operates efficiently to mitigate risk and improve performance.</li> <li>Facilitate planning, motivate and inspire employees, and evaluate and control performance.</li> </ul>
	1.2 Development of Management Approaches on key topics: <ul style="list-style-type: none"> <li>Grievances</li> <li>Worker Rights, Health and Wellbeing</li> <li>Stakeholder Engagement</li> <li>Monitoring and Reporting</li> <li>Training and Development</li> <li>Conservation</li> <li>Traceability and Third Party Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>Management Approaches on key topics:               <ul style="list-style-type: none"> <li>Grievances</li> <li>Worker Rights, Health and Wellbeing</li> <li>Engagement</li> <li>Monitoring and Reporting</li> <li>Training and Development</li> <li>Conservation</li> <li>Traceability and Third Party Risk Management</li> </ul> </li> </ul>	
	1.3 Review and revision of policies, procedures and working instructions to align with RSPO standards for sustainability.	<ul style="list-style-type: none"> <li>Revised policies and SOPs aligned with RSPO standards for sustainability.</li> </ul>	
<b>2. Environmental and Social Risk Management</b>			
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 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. We shall identify the potential negative social and environmental impacts of planned developments by	2.1 Socialisation / training for management, worker representatives and community representatives on the company commitment to identify, prevent, mitigate, and remedy human rights issues and impacts as defined in our Human Rights Policy and the UN Guiding Principles on Business and Human Rights.	<ul style="list-style-type: none"> <li>Training material on the company commitment to identify, prevent, mitigate, and remedy human rights issues and impacts as defined in our Human Rights Policy and the UN Guiding Principles on Business and Human Rights.</li> <li>Management, community representatives and worker representative trained on the company commitment to identify, prevent, mitigate, and remedy human rights issues and impacts as defined in our Human Rights Policy and the UN</li> </ul>	Enterprises to proactively manage potential and actual adverse human rights impacts with which they are involved. Corporate culture encompasses respect for everyone exercising their choice and freedoms and enables the identification, prevention, mitigation and remedy of human rights issues.



I. ACCOUNTABILITY, TRANSPARENCY AND CONTINUOUS IMPROVEMENT			
Commitments	Activities	Outputs	Outcomes
conducting relevant assessments and commit to implement appropriate mitigation measures.		Guiding Principles on Business and Human Rights.	
	2.2 Human rights due diligence process to identify, prevent and mitigate human rights issues and impacts as defined in our Human Rights Policy and the UN Guiding Principles on Business and Human Rights.	<ul style="list-style-type: none"> <li>Human rights due diligence process. assessing actual and potential human rights impacts; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed.</li> </ul>	
	2.3 Identify Environmental and Social risks i.e. potential negative consequences to a business that result from its impacts (or perceived impacts) on the natural environment (i.e. air, water, soil) or people (e.g. employees, customers, local communities).	<ul style="list-style-type: none"> <li>Management Approach for the identification of Environmental and Social risks.</li> <li>Reports on identification of environmental and social risks.</li> </ul>	Company knows how to deal with a specific risk promptly and correctly, addressing impacts and protecting both the business operations, as well as the business's reputation.
	2.4 Management systems to mitigate and monitor environmental and social risks; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed.	<ul style="list-style-type: none"> <li>Management Approach for the mitigation of Environmental and Social risks.</li> <li>Reports on measures to mitigate social and environmental impacts.</li> </ul>	
3. Monitoring, Evaluation and Reporting			
We 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	3.1 Integrated Sustainability Monitoring System using key indicators to monitor Sustainability Performance.	<ul style="list-style-type: none"> <li>Monitoring results inputted into Sustainability Database.</li> </ul>	Identified where we are meeting commitments and where there are gaps in order to improve overall performance.
	3.2 Maintain a record of activities relating to policy implementation.	<ul style="list-style-type: none"> <li>Monthly and quarterly sustainability activity reports.</li> </ul>	
	3.3 Maintain a Grievance Database comprising the documentation of grievance cases.	<ul style="list-style-type: none"> <li>Information on grievances inputted into Grievance Database.</li> </ul>	
	3.4 Evaluation of performance by measuring actual performance against targets and objectives.	<ul style="list-style-type: none"> <li>Review sustainability targets and objectives.</li> </ul>	
	3.5 Training to support and guide employees on effective reporting.	<ul style="list-style-type: none"> <li>Training material on effective reporting.</li> </ul>	

<b>I. ACCOUNTABILITY, TRANSPARENCY AND CONTINUOUS IMPROVEMENT</b>			
<b>Commitments</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
<p>findings, including processes to incorporate relevant information and perspectives from stakeholders.</p> <p>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.</p>		<ul style="list-style-type: none"> <li>Employees trained on effective reporting techniques.</li> </ul>	<p>Stakeholders are provided with a clear and precise picture of the sustainability performance.</p>
	3.6 Report on sustainability performance and progress towards meeting targets.	<ul style="list-style-type: none"> <li>Publication of Annual Sustainability Report.</li> </ul>	
	3.7 Improve the website for better communication with public.	<ul style="list-style-type: none"> <li>New corporate website.</li> </ul>	
	3.8 Publish regular updates on the status of grievances, providing up-to-date information on the complaint and resolution processes and progress.	<ul style="list-style-type: none"> <li>Public grievance list.</li> </ul>	
<b>4. Stakeholder Feedback</b>			
<p>We encourage stakeholder participation in business planning and decision-making processes. We will provide opportunities that enable stakeholders to raise their suggestions and concerns and shall sufficiently consider stakeholder feedback to inform continuous improvement processes. Responses to all queries and concerns shall be provided in a timely, open and honest manner.</p>	4.1 Establish and maintain systems for attaining feedback through worker representation.	<ul style="list-style-type: none"> <li>Systems and SOP for engagement through worker representation.</li> </ul>	<p>Adjust and improve practices and remedy issues in response to stakeholder feedback.</p>
	4.2 Establish and maintain systems for attaining feedback through community representation and community communication systems.	<ul style="list-style-type: none"> <li>Systems and SOP for engagement through community representation and community communication systems.</li> </ul>	
	4.3 Establish and maintain good relations with other key stakeholders including government bodies, media, NGO.	<ul style="list-style-type: none"> <li>Guideline for engagement with key stakeholders including government bodies, media, NGO.</li> </ul>	
	4.4 Maintenance of an accessible public grievance system to allow stakeholders to express their concerns.	<ul style="list-style-type: none"> <li>Accessible grievance system.</li> </ul>	
<b>5. Collaborations and Memberships</b>			
Engage in dialogues and collaborations to help address key social and	5.1 Review procedures for developing proposals and monitoring	<ul style="list-style-type: none"> <li>Revised procedures for developing proposals and monitoring</li> </ul>	Address key social and environmental challenges and

<b>I. ACCOUNTABILITY, TRANSPARENCY AND CONTINUOUS IMPROVEMENT</b>			
<b>Commitments</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
environmental challenges and promote wider implementation of sustainable systems in a more impactful manner.	implementation of collaborative projects.	implementation of collaborative projects.	promote wider implementation of sustainable systems in a more impactful manner.
	5.2 Participation in engagement and dialogues with multi-stakeholder groups such as RSPO, UNGC, and GAPKI.	<ul style="list-style-type: none"> <li>Accounts of participation and dissemination of improved processes.</li> </ul>	
	5.3 Collaboration in landscape-level approaches.	<ul style="list-style-type: none"> <li>Reports of contribution to programs.</li> </ul>	
<b>6. Training and Development</b>			
Goodhope will provide planned and structured training and development opportunities to help individuals and groups enhance their knowledge and skills.	6.1 Monitored employee training program.	<ul style="list-style-type: none"> <li>Employee training schedule and database, feedback forms</li> </ul>	Expanded knowledge and understanding for improved performance, enhanced welfare and wellbeing.
	6.2 Empowerment and entrepreneurship training for local communities.	<ul style="list-style-type: none"> <li>Training schedule and reports for local communities, record of participants, feedback forms.</li> </ul>	
	6.3 Good agricultural practice training for smallholders.	<ul style="list-style-type: none"> <li>Training schedule and reports for smallholders, record of participants, feedback forms.</li> </ul>	
	6.4 Women have equal access to training opportunities.	<ul style="list-style-type: none"> <li>Training participation demonstrates equal opportunities for men and women.</li> </ul>	
<b>7. Verification of Performance</b>			
Apply the RSPO Principles and Criteria (P&C) 2018 / RSPO Supply Chain Certification Standard and all related guidance and requirements as applicable to achieve certification of management units and smallholder suppliers. Verification processes are conducted according to norms of good practice for credibility, rigor, and independence to validate company claims regarding progress or performance	7.1 Training on RSPO standard for employees, local communities, suppliers and contractors.	<ul style="list-style-type: none"> <li>Training material on RSPO standard.</li> <li>Employees, local communities, suppliers and contractors informed about RSPO standards.</li> </ul>	Increased understanding of the RSPO Principles and Criteria (P&C) 2018 / RSPO Supply Chain Certification Standard.  Verification of compliance with international standards for the production of sustainable palm oil.
	7.2 RSPO audit and closing of any identified gaps for certification of: <ul style="list-style-type: none"> <li>i. Palm oil mills and company-owned supply base</li> <li>ii. Scheme/associated smallholders</li> </ul>	<ul style="list-style-type: none"> <li>RSPO certification.</li> </ul>	
	7.3 RSPO audit and closing of any identified gaps for certification of: <ul style="list-style-type: none"> <li>i. Palm kernerl crusher</li> </ul>	<ul style="list-style-type: none"> <li>RSPO certification of 1 Palm kernerl crusher; 2 downstream processing companies; 1 trading company.</li> </ul>	

I. ACCOUNTABILITY, TRANSPARENCY AND CONTINUOUS IMPROVEMENT			
Commitments	Activities	Outputs	Outcomes
	ii. Downstream processing companies iii. Trading company 7.4 Support program for RSPO certification of independent smallholders.	<ul style="list-style-type: none"> <li>Independent Smallholders supported for RSPO certification.</li> </ul>	
8. Grievance Approach			
We respect any justified claims and entitlements of any group or individual and will provide opportunities for stakeholders to express their concerns. Any grievances will be addressed in a fair, responsible and consistent manner, working with concerned parties to seek solutions and reach a mutually agreed settlement while assuring confidentiality and protection from victimization or harassment.	8.1 Communicate information on the grievance system and how to lodge a complaint.	<ul style="list-style-type: none"> <li>Information on the grievance system and how to lodge a complaint available to stakeholders.</li> </ul>	Stakeholders are able to lodge complaints without victimization or harassment and any complaints are addressed in a fair, responsible and consistent manner. Thereby, any wrongdoing that may have otherwise remained unexposed is sufficiently addressed.
	8.2 Review all procedures relating to handling grievances and align with Goodhope Grievance Approach, ensuring that procedures offer assurance of confidentiality and protection from victimization or harassment.	<ul style="list-style-type: none"> <li>SOPs relating to handling grievances aligned with Goodhope Grievance Approach.</li> <li>Procedures allowing complaints to be raised while offering assuring confidentiality and protection from victimization or harassment.</li> </ul>	
	8.3 Employee training on our grievance approach for members of staff involved in handling grievances.	<ul style="list-style-type: none"> <li>Training material on our grievance approach.</li> <li>Employees trained on our grievance approach.</li> </ul>	
	8.4 Implement grievance procedures with new templates and monitoring processes.	<ul style="list-style-type: none"> <li>Grievance records and Grievance Database.</li> </ul>	
We recognize that any individual has the right to defend human rights and prohibit intimidation and retaliation against Human Rights Defenders.	8.5 Socialisation / training on the Right to Defend Human Rights.	<ul style="list-style-type: none"> <li>Training material on the Right to Defend Human Rights.</li> <li>Management aware of the Right to Defend Human Rights.</li> </ul>	Those that seek to promote and protect human rights are able to do so with protection against intimidation and retaliation.
	8.6 Development and communication of policy and guidelines on Human Rights Defenders.	<ul style="list-style-type: none"> <li>Guidelines on Human Rights Defenders.</li> <li>Policy and Guidelines on Human Rights Defenders communicated to employees.</li> </ul>	

II. LABOR RIGHTS, ETHICAL CONDUCT AND FAIR WORKING CONDITIONS			
Commitments	Activities	Outputs	Outcomes
<b>1. Respect of Fundamental Labor Rights and Principles</b>			
<p>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.</p> <ul style="list-style-type: none"> <li>We recognize the rights of our employees to join associations and unions and to collectively bargain.</li> <li>We do not tolerate any form of forced, trafficked or child labor.</li> <li>We prohibit discrimination and provide equality of opportunity and treatment in employment.</li> </ul> <p>These commitments are extended to third parties with whom we work.</p>	1.1 Review procedures to ensure alignment with RSPO P&C and principles and rights expressed in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Fundamental ILO Conventions	<ul style="list-style-type: none"> <li>Procedures aligning with the responsibility to respect labour rights as defined in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Fundamental ILO Conventions.</li> <li>Third party agreements incorporating the responsibility to respect labour rights as defined in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Fundamental ILO Conventions.</li> </ul>	<p>Throughout our own operations and supply chain:</p> <ul style="list-style-type: none"> <li>Workers exercise the right to collective bargaining to improve working conditions.</li> <li>There are no reports of labor abuses: No forced, trafficked or child labor.</li> <li>There are no reports of unfair labor practices: No discrimination and quality of opportunity and treatment in employment and occupation.</li> </ul>
	1.2 Extend commitments to respect labor rights to all third parties.		
<b>2. Recruitment processes</b>			
<p>We do not tolerate any form of forced, trafficked or child labor. We prohibit discrimination and provide equality of opportunity and treatment in employment.</p>	2.1 Review recruitment procedures to ensure alignment with RSPO P&C and ILO Operational Guidelines for Fair Recruitment.	<ul style="list-style-type: none"> <li>Recruitment procedures aligning with our commitment to respect labour rights.</li> <li>Procedures for temporary and migrant workers ensure fair treatment.</li> </ul>	<p>Equal benefits for temporary and migrant workers</p>
	2.1 Review procedures for temporary and migrant workers.		
<b>3. Worker engagement, participation and representation</b>			
<p>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</p>	3.1 Encourage worker representation and establish and maintain systems for communication between workers and management.	<ul style="list-style-type: none"> <li>Worker representation</li> <li>Schedule and records of meetings with worker representatives.</li> </ul>	<p>Employee suggestions and concerns are raised and addressed.</p>

<b>II. LABOR RIGHTS, ETHICAL CONDUCT AND FAIR WORKING CONDITIONS</b>			
<b>Commitments</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
<p>freely associate and collectively bargain, we will work to identify and provide comparable means of associating and bargaining consistent with the law. 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.</p>			
<b>4. Standards of Business Conduct</b>			
<p>Business is conducted with honesty, integrity and openness, respecting the rights and interests of our employees and other stakeholders. 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. All employees and members shall comply with the guidelines specified in the Goodhope's Standards of Business Conduct as well as related effective policies, regulations and announcements.</p>	<p>4.1 Promote full compliance with Standards of Business Conduct for employees.</p>	<ul style="list-style-type: none"> <li>Employees notified and reminded of the expected Standards.</li> </ul>	<p>Employees are clear of what constitutes acceptable practices and work in ways that comply with the values of the Group, contributing to collective action towards achieving goals.</p>
<b>5. Working Hours, Wages and Benefits</b>			
<p>All company operations and subsidiaries, associates, suppliers, and contractors are required to comply with national and local laws and standards on working hours,</p>	<p>5.1 Review procedures for working hours and overtime introducing process to monitor overtime and prevent excessive working hours.</p>	<ul style="list-style-type: none"> <li>Policies and procedures comply with national and local laws and standards on working hours, minimum wage, overtime and annual leave.</li> </ul>	<p>Workers do not experience negative impacts such as burnout and fatigue that can</p>

II. LABOR RIGHTS, ETHICAL CONDUCT AND FAIR WORKING CONDITIONS			
Commitments	Activities	Outputs	Outcomes
<p>minimum wage, overtime and annual leave. Goodhope is committed to maintain consistent records of worker hours and wages shall be maintained and we will conduct living wage assessments using credible methods with the goal of providing all workers a fair and decent living wage.</p>	5.2 Socialisation on annual/reproductive leave.	<ul style="list-style-type: none"> <li>Employees made aware of procedures on annual/reproductive leave.</li> </ul>	occur from working too many hours.
	5.3 Training on Decent Living Wage requirements.	<ul style="list-style-type: none"> <li>Training material on Decent Living Wage.</li> <li>Management made aware of the requirements to work towards providing Decent Living Wage.</li> </ul>	All workers are able to afford a decent standard of living.
	5.4 Implement system to assess and record living wage using	<ul style="list-style-type: none"> <li>Living wage assessments using a credible methodology with the goal of providing all workers a fair and decent living wage.</li> </ul>	
	5.5 Work towards closing the living wage gap.	<ul style="list-style-type: none"> <li>Progress report on closing the living wage gap.</li> </ul>	
<b>6. Facilities and Services</b>			
<p>We will continue to make provisions to support the welfare and wellbeing of our employees and their families. Employees living in oil palm estates have access to basic infrastructure, adequate housing, food and nutrition, as well as appropriate level of medical assistance.</p>	6.1 Provide adequate welfare facilities that are necessary for wellbeing, i.e. access to basic infrastructure such as washing facilities etc. and adequate housing facilities for employee living on site.	<ul style="list-style-type: none"> <li>Assessment of employee access to needs.</li> <li>Assessment of housing facilities</li> </ul>	All workers live in adequate housing facilities with access to basic infrastructure.
<b>7. Gender Equity</b>			
<p>We will fully consider and address the needs and interests of female employees to support equality in opportunities regardless of gender. We encourage women representation in worker committees, will implement practices to help overcome constraints faced by</p>	7.1 Training on gender equity and gender-based issues in oil palm plantations. Communicate RSPO guidance and the Women's Empowerment Principles by UN Global Compact and UN women.	<ul style="list-style-type: none"> <li>Training material on gender equity and gender-based issues in oil palm plantations.</li> </ul>	Working conditions are adjusted to address the needs and interests of female employees.
	7.2 Encourage women representation in worker committees and improved worker-management communication	<ul style="list-style-type: none"> <li>Women representation in committees.</li> </ul>	

II. LABOR RIGHTS, ETHICAL CONDUCT AND FAIR WORKING CONDITIONS			
Commitments	Activities	Outputs	Outcomes
women, and promote women’s inclusion and career progression.	especially on how to address gender constraints.	<ul style="list-style-type: none"> <li>Improved worker-management communication especially on how to address gender constraints.</li> </ul>	
	7.3 Identify and address constraints faced by women by introducing adjusted procedures and improved access to facilities and services.	<ul style="list-style-type: none"> <li>Improved access to necessary facilities and services.</li> <li>Training and mentoring schedule tailored to women.</li> <li>Procedures to promote gender equity and equality of opportunities.</li> </ul>	
	7.4 Encourage women to apply for non-traditional jobs and leadership positions.	<ul style="list-style-type: none"> <li>Women’s career progression.</li> </ul>	
8. Whistleblowing Procedure			
Any employee who suspects wrongdoing within the company is strongly advised and encouraged to raise their concerns. Our procedures for whistleblowers shall assure confidentiality and protection from victimization or harassment.	8.1 Mechanism to receive and address workers’ grievances which takes into account migrant workers’ language translation needs.	<ul style="list-style-type: none"> <li>Whistleblowing procedure providing mechanisms for appropriate protection.</li> </ul>	Disclosure of information about wrongdoing in the workplace.



III. ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY			
Commitments	Activities	Outputs	Outcomes
<b>1. Compliance and Performance Monitoring</b>			
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.	1.1 Review EHS policies and procedures ensuring alignment with standards.	<ul style="list-style-type: none"> <li>Updated EHS policies and procedures.</li> </ul>	Improved EHS performance driven by effective management systems whereby performance is monitored and procedures and actions are introduced to address any identified issues and improve the management system.
	1.2 Auditing for Environmental Management System ISO 14001 and Occupational Health and Safety Management System ISO 45001 for all plantation companies in Central Kalimantan.	<ul style="list-style-type: none"> <li>All plantation companies in Central Kalimantan maintain environmental Management System ISO 14001 and Occupational Health and Safety Management System ISO 45001.</li> </ul>	
Performance against set indicators is to 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 for improved performance.	1.3 Monitoring Program for Environmental, Health and Safety Performance.	<ul style="list-style-type: none"> <li>EHS monitoring results: monthly report.</li> </ul>	
	1.4 Continue to review performance by evaluation of monitoring results and set clear targets for environmental and occupational health and safety performance.	<ul style="list-style-type: none"> <li>Management Review Report with revised EHS Targets and Indicators.</li> </ul>	
	1.5 Take suitable preventative and corrective action in response to performance monitoring results.	<ul style="list-style-type: none"> <li>Continually improving EHS performance as demonstrated by defined indicators including reduced Total Workplace Lost Time Accidents.</li> </ul>	
<b>2. Hazard and Risk Awareness</b>			
Identify hazards and ensure the appropriate measures (restrictions, equipment, training and awareness) to protect from exposure to hazards and prevent accident, injury or ill health caused by working conditions.	2.1 Environmental health and safety risk assessments / inspections to identify hazards.	<ul style="list-style-type: none"> <li>Monthly inspection reports.</li> </ul>	Underlying problems that could damage performance or result in accidents and long-term illness are identified and corrective action is taken to prevent accident, injury or ill health caused by working conditions.
	2.2 Reporting of hazards and risks through Accident / Near Miss Hotline.	<ul style="list-style-type: none"> <li>Increased staff participation in an effective near miss reporting system for improved identification of hazards.</li> </ul>	
	2.3 Ensure the inclusion of protective working restrictions and personal protective equipment (PPE) requirements in procedures and working instructions.	<ul style="list-style-type: none"> <li>PPE requirements in procedures and working instructions.</li> </ul>	

III. ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY			
Commitments	Activities	Outputs	Outcomes
	2.4 Provide adequate briefings for contractors and visitors such that they are aware of the risks and precautions to be taken.	<ul style="list-style-type: none"> <li>Briefings for 100% of contractors and visitors.</li> </ul>	
	2.5 Comprehensive employee training programs including induction program for all new employees, reviews of employee skills and training sessions to ensure that each individual has the necessary information and skills they need to safely carry out their tasks at work.	<ul style="list-style-type: none"> <li>Training records meeting target training hours/year/worker.</li> </ul>	
	2.6 Impactful public awareness and safety campaigns to increase awareness of hazards in plantations.	<ul style="list-style-type: none"> <li>Safety campaigns to increase awareness.</li> </ul>	
3. 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. 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	3.1 Protection for those working with chemicals, including alternative equivalent work for pregnant or breastfeeding women or other people that have medical restrictions.	<ul style="list-style-type: none"> <li>Full compliance for the application of agrochemicals: Pesticide and fertilizer inspection target 100%.</li> </ul>	No adverse impacts on people or environment due to the use of hazardous chemicals.
	3.2 Monitor health for spraying and fertilizer workers.	<ul style="list-style-type: none"> <li>Biomonitoring test for Spraying Workers (2x/year) normal.</li> <li>Biomonitoring test for Fertilizer Workers (1x/year) normal.</li> </ul>	
	3.3 Seek alternatives to the use of highly hazardous pesticides listed as Class 1A or 1B chemicals	<ul style="list-style-type: none"> <li>Class 1A or 1B chemicals replaced with alternatives.</li> </ul>	

III. ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY			
Commitments	Activities	Outputs	Outcomes
stakeholders and experts to identify ways to avoid future applications.			
<b>4. Waste Management</b>			
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.	4.1 POME and PORE management systems.	<ul style="list-style-type: none"> <li>All parameters are not exceeding TLV (Threshold Limit Value).</li> </ul>	No pollution of natural water resources.
	4.2 Domestic wastewater management systems (treatment and recycling).	<ul style="list-style-type: none"> <li>Domestic wastewater management systems installed.</li> </ul>	
	4.3 Emphasize waste reduction measures in all activities and promote the reduce, reuse and recycle philosophy such as through Zero Plastic Campaigns and Waste Bank Programs.	<ul style="list-style-type: none"> <li>100% reuse of organic palm oil mill waste products.</li> <li>Increased use of Waste Bank.</li> </ul>	Reduced waste to landfill.
<b>5. Air Quality Management</b>			
Each Management Unit is required to ensure compliance with national regulations on air quality.	5.1 Ambient air quality at emplacement and workplaces.	<ul style="list-style-type: none"> <li>Air quality indicators (NO<sub>2</sub>, SO<sub>2</sub>, CO, particles) not exceeding TLV (Threshold Limit Value).</li> </ul>	No ill-health effects due to air pollution.
	5.2 Awareness program and face mask donations to protect from haze.	<ul style="list-style-type: none"> <li>Report on awareness program and distribution of face mask.</li> </ul>	
<b>6. Water, Sanitation and Hygiene Management</b>			
Emplacements shall meet the accepted standards of hygiene and sanitation by promoting good housekeeping practices, waste management, availability of clean water, and measures to control communicable diseases.  Each Management Unit is required to implement a water quality management program and ensure compliance with national regulations.	6.1 Hygiene and sanitation program promoting good housekeeping practices, waste management, availability of clean water, and measures to control communicable diseases.	<ul style="list-style-type: none"> <li>Report of actions to raise awareness.</li> <li>Inspection reports on the hygiene and sanitation condition of emplacements.</li> <li>Record of communicable diseases.</li> </ul>	Improved welfare and wellbeing and no ill-health effects due to poor hygiene and sanitation.
	6.2 Water quality monitoring and improvement program.	<ul style="list-style-type: none"> <li>Water quality monitoring results in compliance with national regulations.</li> <li>Evidence of action to improve water quality.</li> </ul>	

III. ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY			
Commitments	Activities	Outputs	Outcomes
<b>7. Road Safety</b>			
Road safety programs shall be implemented to increase awareness and safety and reduce road accidents.	7.1 Road safety program.	<ul style="list-style-type: none"> <li>Report on road safety awareness actions undertaken.</li> </ul>	Reduced road accidents.
<b>8. Emergency Preparedness and Response</b>			
Plans and procedures will be in place to protect life and minimize the risk of injury and property damage from fire, natural disaster, or accidents or other emergencies. Facilities and equipment shall be inspected, maintained, occupied, and operated in compliance with applicable regulations and accepted standards for fire protection and safety. First aid is available at the worksite and workers have the means to contact local officials in the event of an emergency.	8.1 Review of emergency response procedures and socialization.	<ul style="list-style-type: none"> <li>Updated procedures implemented.</li> </ul>	No damage or injury due to emergency such as fire or spill.
	8.2 Inspections to ensure facilities and equipment are maintained in compliance with applicable regulations and accepted standards for fire protection and safety.	<ul style="list-style-type: none"> <li>Routine inspection reports demonstrating adequate facilities and equipment in compliance with applicable regulations and accepted standards for fire protection and safety.</li> </ul>	
	8.3 Training and drills to ensure capacity for safe response to any fire outbreak.	<ul style="list-style-type: none"> <li>Regular schedule for fire training and drills, reports of activities and participant lists.</li> </ul>	

#### IV. COMMUNITY WELFARE

##### 1. Community Engagement

<p>We have a responsibility to develop and maintain constructive relationships with local communities in and around our operating areas. We commit to listen to and engage with local communities in and around our operating areas in a culturally appropriate, transparent and gender-sensitive manner. We will work proactively with communities to identify and manage social risks, impacts and obligations, considering the values, needs and concerns of communities local to our operating areas. Community engagement processes will be adequate to enable communities to either give or withhold their consent to integrated conservation and land-use plans. We respect any justified claims and entitlements of any group or individual and provide opportunities for community members to express their concerns. Any grievances will be addressed in a fair, responsible and consistent manner, working with concerned parties to seek solutions and reach a mutually agreed settlement.</p>	<p>1.1 Socialisation / training for management and community engagement staff and community representatives on the Articles of the UN Declaration on the Rights of Indigenous Peoples, FPIC requirements and guidelines.</p>	<ul style="list-style-type: none"> <li>• Training materials on the Articles of the UN Declaration on the Rights of Indigenous Peoples, FPIC requirements and guidelines.</li> <li>• Employees and community representatives trained on the Articles of the UN Declaration on the Rights of Indigenous Peoples, FPIC requirements and guidelines.</li> </ul>	<p>Community members have access to valued resources, adequate understanding of the company's operations, and a say in the way that the company conducts its activities. Stronger relations are built between company and communities resulting in long-lasting positive impacts and benefits for the communities.</p>
	<p>1.2 Appropriate communication and grievance channels to provide community with information, to get information or feedback from the community, and to provide an accessible system to lodge a complaint.</p>	<ul style="list-style-type: none"> <li>• Appropriate communication and grievance channels.</li> <li>• Informative material for dissemination.</li> <li>• Feedback records.</li> </ul>	
	<p>1.3 Engagement with local communities to assess community needs and resources relating to health, welfare, housing, employment, training and other facilities and services.</p>	<ul style="list-style-type: none"> <li>• Report on social impacts, community resources and needs.</li> <li>• Develop relevant information on company operational plans in a language and format which is easily understood by local communities.</li> <li>• Engage with local communities to deliver the information on company operational plans.</li> </ul>	

<b>2. Social Program Development and Implementation</b>			
<p>We provide opportunities to enhance sustainable social and economic development and support the welfare of local communities in and around our operating locations. We aim to create positive benefits by contributing to improved access to fundamental needs; food security; income security; adequate access to healthcare; and improved education.</p> <p>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. To monitor and continually seek to improve our community relations performance in order to create value for our stakeholders and shareholders alike.</p>	2.1 Programs to maintain and enhance access to fundamental needs, including food security; income security; adequate healthcare; community infrastructure and facilities (e.g. road improvement and water systems etc).	<ul style="list-style-type: none"> <li>• Reports on activities to maintain and enhance access to fundamental needs, including food security; income security; adequate healthcare; infrastructure contributions.</li> </ul>	The company has overall positive impacts on the welfare of communities living in and around the company's plantations.
	2.2 Engage with local communities to remedy impacts caused by company operations.	<ul style="list-style-type: none"> <li>• Progress reports on mitigation and remedy.</li> </ul>	
	2.3 Deliver community programs on sustainable income generating activities, encouraging sustainable social and economic development with alternative livelihood approaches.	<ul style="list-style-type: none"> <li>• Monitoring report on the implementation of community investment programs.</li> </ul>	
<b>3. Child Protection and Education</b>			
<p>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</p>	3.1 Socialization and training on The Guiding Principles of the UN Convention on the Rights of the Child 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.	<ul style="list-style-type: none"> <li>• Training material on The Guiding Principles of the UN Convention on the Rights of the Child to protect children's rights.</li> <li>• Employees and households trained on The Guiding Principles of the UN</li> </ul>	Children living in and around our plantations are provided with adequate standard of living, health care, education and services, and opportunities to play. They have access to clean water and

Principles of the UN Convention on the Rights of the Child.		Convention on the Rights of the Child to protect children's rights.	good sanitation systems. They are protected from abuse, neglect, exploitation and discrimination.
	3.2 Adequate infrastructure and teaching support for schools within and surrounding plantation areas (hiring of teachers and admin assistants; teacher and admin training; education materials; facilities for schools; school buses; accreditation of schools).	<ul style="list-style-type: none"> <li>• Agro Harapan Foundation management plan.</li> <li>• Agro Harapan Foundation Report on education.</li> <li>• Increased school attendance.</li> <li>• Improved student:teacher ratio.</li> <li>• Teachers trained.</li> <li>• Accreditation.</li> </ul>	
	3.3 Water, Sanitation and Hygiene Program addressing water supply and housing.	<ul style="list-style-type: none"> <li>• Report on Water, Sanitation and Hygiene Program – households reached.</li> </ul>	
	3.4 Health and nutrition programs for children.	<ul style="list-style-type: none"> <li>• Health and nutrition program schedule and record of children participating.</li> </ul>	
	3.6 Safety goes to school program.	<ul style="list-style-type: none"> <li>• Health and safety training schedule and record of participants for children.</li> </ul>	
	3.7 Youth program for 15-18 year olds.	<ul style="list-style-type: none"> <li>• Youth program for 15-18 year olds.</li> </ul>	
<b>4. Smallholder Support</b>			
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 scheme smallholders to support the development of entrepreneurial and managerial competencies.	4.1 Development and implementation of Plasma development plans to meet plasma obligations and support smallholders while maintaining the requirement for smallholder compliance with NDPE policy (including no development on HCV, HCS or peat).	<ul style="list-style-type: none"> <li>• Plasma development</li> </ul>	Members of Plasma cooperatives benefit from the income provided by scheme smallholder plantations.
We actively support independent smallholders by facilitating their inclusion into our supply chain and by	4.2 Farmer Field School for independent smallholders to promote yield improvement and best practice techniques.	<ul style="list-style-type: none"> <li>• Independent smallholders trained in good agricultural practices.</li> </ul>	Independent smallholders benefit from inclusion in our



<p>promoting the implementation of practices to increase the productivity, profitability, and sustainability of smallholder supplied commodities. We provide educational and technical assistance for independent smallholders within our supply base to increase the implementation of responsible and sustainable agricultural practices.</p>	<p>4.3 Support the development of entrepreneurial and managerial competencies of plasma cooperatives.</p>	<ul style="list-style-type: none"> <li>Scheme smallholders trained in entrepreneurial and managerial skills.</li> </ul>	<p>supply chain and increased productivity.</p>
	<p>4.4. Development of independent smallholder groups and progress towards RSPO certification.</p>	<ul style="list-style-type: none"> <li>Increase percentage of RSPO certified sourcing.</li> </ul>	

V. CONSERVATION AND SUSTAINABLE LAND USE			
Commitments	Activities	Outputs	Outcomes
<b>1. Environmental Awareness</b>			
<p>Goodhope will engage with local communities, employees, suppliers and contractors to safeguard HCV, HCS forest and peatland set aside as conservation areas.</p> <p>We will communicate the benefits of biodiversity and natural ecosystems and promote wildlife co-existence, good agricultural practices and sustainable livelihood approaches.</p> <p>We will encourage programs to combat climate change and the depletion of natural resources.</p>	1.1 Communication of HCV, HCS and peat conservation commitments.	<ul style="list-style-type: none"> <li>Conservation area signboards and socialisation material.</li> <li>Employees, contractors and community members participate in socialization activities.</li> </ul>	Increased awareness and understanding of the the fragility of our environment and the importance of its protection.
	1.2 Employee and community environmental education and awareness programs: recycling and re-use, paperless, no plastic, sustainable agriculture, alternative income generating activities.	<ul style="list-style-type: none"> <li>Training program material.</li> <li>Employees and community members participate in training and awareness programs.</li> </ul>	
	1.3 'Educate for sustainability' by working with teachers and relevant organisations to promote sustainability initiatives in schools: conservation; reduce, reuse and recycle programs; sustainable livelihood approaches.	<ul style="list-style-type: none"> <li>Materials for schools.</li> <li>Students participating in sustainability program.</li> </ul>	
	1.4 Incorporate no deforestation commitment in third party agreements and introduce clauses to encourage the implementation of good agricultural practices (including reduced reliance on agrochemicals, integrated pest management).	<ul style="list-style-type: none"> <li>Third party agreements.</li> </ul>	No deforestation and good agricultural practices in the supply chain.
	1.5 Provide training on good agricultural practices for smallholders.	<ul style="list-style-type: none"> <li>Training material for smallholders.</li> <li>Smallholders trained on good agricultural practices.</li> </ul>	
<b>2. Conservation Management and Monitoring</b>			
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-	2.1 Engagement with local communities and other stakeholders to finalize conservation and land-use plans, establish participatory conservation management and monitoring	<ul style="list-style-type: none"> <li>Final conservation and land-use plans and conservation management and monitoring agreements, specifying the roles of monitoring teams.</li> </ul>	No development on HCV, HCS or peat. All identified HCV, HCS and peat forest conservation areas are maintained and the population

## V. CONSERVATION AND SUSTAINABLE LAND USE

Commitments	Activities	Outputs	Outcomes
<p>endorsed methods. Assessments are carried out by accredited bodies and licensed assessors before new land development. Assessments are made public and Goodhope will not conduct any new development on identified HCS forest or HCV areas.</p> <p>We will engage with relevant stakeholders and experts to determine the most practical, economical and sustainable approaches to maintain conservation areas and protect RTE species 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.</p>	<p>agreements, communicate agreed restrictions and prohibition, disseminate information on the conservation values present (e.g. cultural values and protected species) and promote wildlife co-existence.</p>		<p>stability of all identified HCV species protected.</p>
	2.2 Ensure correct mapping, delineation and sufficient marking of HCV and HCS conservation areas to avoid encroachment.	<ul style="list-style-type: none"> <li>Mapping and marking of conservation areas.</li> </ul>	
	2.3 Monitor conservation set aside areas, the presence of values identified in HCV assessments (flora, fauna, cultural and recreational) and the threats to these HCVs.	<ul style="list-style-type: none"> <li>HCV inspection Target 100%</li> <li>Conservation Monitoring Report.</li> </ul>	
	2.4 Develop and implement appropriate action plans to address threats to conservation areas and HCVs (e.g. to control the spread of cover crops, mitigate human encroachment)	<ul style="list-style-type: none"> <li>Adaptive Conservation management Plans.</li> <li>Conservation areas are free from invasive alien species (IAS)</li> </ul>	
	2.5 Introduce clauses in third party agreements and processes to ensure no new planting on peat of any depth, no development on deforested land.	<ul style="list-style-type: none"> <li>Third party contractor agreements to ensure no new planting on peat of any depth, no development on deforested land.</li> </ul>	<p>No deforestation throughout the supply chain. Cases of non-compliant land clearance are identified and are addressed / remedied.</p>
	2.6 Monitor land clearance in concessions and implement remediation plans.	<ul style="list-style-type: none"> <li>Monitoring report on land clearance in concessions.</li> <li>Remediation plan for cases of non-compliance.</li> </ul>	
	2.7 Monitor land clearance by suppliers.	<ul style="list-style-type: none"> <li>Reports of non-compliant deforestation recorded.</li> </ul>	

V. CONSERVATION AND SUSTAINABLE LAND USE			
Commitments	Activities	Outputs	Outcomes
<b>3. Zero Burning and Fire Mitigation</b>			
We will maintain a strict zero burning policy, prohibiting open burning on any of our premises and extend the commitment to our third-party suppliers. We will implement fire prevention and control plans to mitigate the occurrence of land fires within and in the vicinity of our concessions.	3.1 Incorporate zero burning policy in supplier agreements.	<ul style="list-style-type: none"> <li>Suppliers and potential suppliers informed of no burning policy.</li> </ul>	Reduced land area impacted by burning.
	3.2 Regular inspection of fire-fighting equipment.	<ul style="list-style-type: none"> <li>Fire equipment check report and closure of gaps.</li> </ul>	
	3.3 Timely fire-fighting training / fire awareness programs including regular drills for employees.	<ul style="list-style-type: none"> <li>Employees participated in fire-fighting training / fire awareness programs.</li> </ul>	
	3.4 Review our fire-fighting response procedures and introduce improved processes, including establishing and maintaining emergency fire response teams.	<ul style="list-style-type: none"> <li>Increased preparedness and capacity to respond to fires in and around concessions</li> </ul>	
	3.5 Deliver community fire awareness programs (annually during the dry season).	<ul style="list-style-type: none"> <li>Individuals from local communities participated in fire prevention socialisation.</li> </ul>	
	3.6 Monitor and evaluate the occurrence of fire hotspots and fire-fighting response. Produce annual reports on the occurrence of fire hotspots and firefighting response. Produce annual reports on the occurrence of fire hotspots and firefighting response.	<ul style="list-style-type: none"> <li>Annual reduction in the occurrence of hotspots and fires in and around concessions.</li> <li>Verification of all identified hotspots and response within 24 hours</li> </ul>	
<b>4. Reduced Application of Agrochemicals</b>			
Utilize integrated pest management systems and implement fertilizer efficiency programs with targets to minimize and reduce the application of chemical pesticides and fertilizers. Adopt recommendations and guidelines by the World Health Organization (WHO) for the exclusion	4.1 Monitored Integrated Pest Management Program.	<ul style="list-style-type: none"> <li>Monitoring results of Integrated Pest Management.</li> <li>Plan for the progressive reduction in the use of chemical pesticides per ha.</li> </ul>	Reduced use of agrochemicals has positive impacts for surrounding environment.
	4.2 Monitored Fertilizer Efficiency Program.	<ul style="list-style-type: none"> <li>Monitoring results of fertilizer application.</li> <li>Plan for the progressive reduction in the use of inorganic fertilizer per ha.</li> </ul>	

**V. CONSERVATION AND SUSTAINABLE LAND USE**

Commitments	Activities	Outputs	Outcomes
<p>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.</p>		<p>Inorganic fertilizer reduction of 10% by 2021.</p>	
	<p>4.3 Incorporate the commitment to responsible use of agrochemicals in third party agreements and socialize the requirements with contractors, associates and third-party suppliers with whom we work with.</p>	<ul style="list-style-type: none"> <li>• Third party agreements.</li> <li>• Contractors, associates and third-party suppliers informed of commitments</li> </ul>	
	<p>4.4 Conduct training for suppliers to encourage responsible and reduced use of agrochemicals throughout our supply chain.</p>	<ul style="list-style-type: none"> <li>• Suppliers trained on approaches to reduce dependency on agrochemical applications.</li> </ul>	
	<p>4.5 Seek alternatives to the use of highly hazardous pesticides listed as Class 1A or 1B chemicals</p>	<ul style="list-style-type: none"> <li>• Class 1A or 1B chemicals replaced with alternatives.</li> </ul>	
<p><b>5. Best Management Practices for Existing Oil Palm Cultivation on Peat</b></p>			
<p>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.</p>	<p>5.1 Evaluate the management of existing plantations on peat and review and revise our procedures to ensure that best management practices are adopted.</p>	<ul style="list-style-type: none"> <li>• Procedures in accordance with the current RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat.</li> </ul>	<p>Peatland management practices minimize the negative impacts of planting on peat.</p>
	<p>5.2 Monitoring of peat subsidence and water levels on peat.</p>	<ul style="list-style-type: none"> <li>• Peat subsidence and water levels monitoring. Minimal Subsidence (peat soil); water levels within limits</li> </ul>	
	<p>5.3 Disclose area of oil palm managed on peatland and report on the implementation of best management practices.</p>	<ul style="list-style-type: none"> <li>• Peatland disclosure.</li> <li>• Report on activities.</li> </ul>	
	<p>5.4 Conduct drainability assessment when and where required.</p>	<ul style="list-style-type: none"> <li>• Drainability assessment.</li> </ul>	

V. CONSERVATION AND SUSTAINABLE LAND USE			
Commitments	Activities	Outputs	Outcomes
<b>6. Forest Rehabilitation, Remediation and Compensation</b>			
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.	6.1 Land-use change analysis (LUCA) to determine remediation and compensation liabilities.	<ul style="list-style-type: none"> <li>Final LUCA reports.</li> </ul>	Progress towards the restored ecological functions of natural ecosystems.
	6.2 Development and implementation appropriate rehabilitation plans to progressively restore the ecological functions of any degraded riparian reserves, steep slopes or conservation areas.	<ul style="list-style-type: none"> <li>Environmental remediation plans.</li> <li>Progress reports on environmental remediation.</li> </ul>	
	6.3 Development and implementation of appropriate compensation plans to sufficiently compensate for potential loss of HCVs.	<ul style="list-style-type: none"> <li>Environmental Compensation Plans.</li> <li>Progress reports on environmental compensation.</li> </ul>	
	6.4 Map where restoration / rehabilitation is required due to degradation by fires or non-compliant land clearance and establish habitat restoration / rehabilitation plans.	<ul style="list-style-type: none"> <li>Additional restoration / rehabilitation plans.</li> </ul>	
<b>7. Energy Conservation</b>			
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.	7.1 Energy efficiency program.	<ul style="list-style-type: none"> <li>Efficient Boiler</li> <li>Efficient Generator</li> <li>100% reuse of palm oil waste products.</li> <li>Reduced energy use per tonne FFB processed</li> </ul>	Avoided depletion of natural resources for energy.

V. CONSERVATION AND SUSTAINABLE LAND USE			
Commitments	Activities	Outputs	Outcomes
<b>8. Water Conservation</b>			
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.	8.1 Water monitoring program.	<ul style="list-style-type: none"> <li>• Time-bound management and monitoring plans to reduce water use and to improve water quality.</li> <li>• Monitoring results showing progress towards targets.</li> </ul>	No deterioration in quality of natural water resources and the continued availability of water resources for future generations.
<b>9. Mitigation of Greenhouse Gas Emissions</b>			
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.	9.1 GHG assessments using the RSPO Palm Oil GHG Calculator.	<ul style="list-style-type: none"> <li>• GHG emissions monitoring reports.</li> </ul>	Net reduction in GHG emissions to continue to efforts to combat global climate change.
	9.2 Measures to reduce net GHG emissions, incorporating reducing the use of inorganic fertilisers, reducing fuel consumption, carbon sequestration, waste reduction and recycling, and methane capture plans.	<ul style="list-style-type: none"> <li>• GHG mitigation plan.</li> <li>• Methane capture implemented at mills by 2025.</li> <li>• Net GHG emissions reduced by 10% compared to 2018</li> </ul>	



VI. RESPONSIBLE SOURCING AND SUPPLY CHAIN MANAGEMENT			
Commitments	Activities	Outputs	Outcomes
<b>1. Responsible Sourcing Principles</b>			
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.	1.1 Review third party Core Requirements for suppliers aligned with the Accountability Framework and our Sustainability Policy.	<ul style="list-style-type: none"> <li>• Availability of Core Requirements</li> </ul>	All suppliers have sufficient information for understanding of NDPE policy and the requirements expected in order to be able to work towards ensuring compliance.
	1.2 Incorporate sustainability commitments in third party agreements.	<ul style="list-style-type: none"> <li>• Updated supplier and contractor agreement documents specifying NDPE requirements.</li> </ul>	
	1.3 Socialize the requirements with contractors, associates and third-party suppliers with whom we work with. Provide suppliers with sufficient information to ensure that all suppliers have sufficient understanding of NDPE policy and the requirements expected (including no development on HCV, HCS or peat). Provide suppliers with sufficient information to ensure that all suppliers have sufficient understanding of NDPE policy and the requirements expected (including no development on HCV, HCS or peat).	<ul style="list-style-type: none"> <li>• Comprehensive supplier engagement plan</li> <li>• Socialisation material for suppliers on NDPE policy and the requirements expected (including no development on HCV, HCS or peat).</li> <li>• Contractors, associates and third-party suppliers informed of NDPE commitments.</li> </ul>	
<b>2. Traceability</b>			
Maintain a fully transparent and traceable supply chain. 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	2.1 Review and revise our procedures for monitoring FFB supply to our mills.	<ul style="list-style-type: none"> <li>• Procedures for monitoring FFB supply to our mills.</li> </ul>	A fully transparent and traceable supply chain.
	2.2 Provide information and training on FFB monitoring and traceability and build internal capacity to implement traceability program.	<ul style="list-style-type: none"> <li>• Training on FFB monitoring and traceability.</li> <li>• Improved internal capacity to implement traceability program.</li> </ul>	

VI. RESPONSIBLE SOURCING AND SUPPLY CHAIN MANAGEMENT			
Commitments	Activities	Outputs	Outcomes
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.	2.3 Maintain up-to-date information on suppliers and make mill lists publicly available.	<ul style="list-style-type: none"> <li>Updated palm oil mill list.</li> </ul>	
	2.4 Map smallholder suppliers.	<ul style="list-style-type: none"> <li>Smallholder database.</li> </ul>	
	2.5 Engagement to acquire information on sourcing and traceability of third-party supplying mills.	<ul style="list-style-type: none"> <li>The sourcing and traceability information from supplying mills (Completed questionnaires / monitoring forms).</li> </ul>	
3. Supplier Evaluation and Guidance			
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.	3.1 Review procedures and develop guidance aligned for supplier evaluation aligned with the Accountability Framework and Core Requirements for third party suppliers.	<ul style="list-style-type: none"> <li>Guidance for supplier evaluation.</li> </ul>	Third parties with whom we work actively work towards demonstrating NDPE compliance.
	3.2 Risk assessments of supplying palm oil mills and development of risk management plans.	<ul style="list-style-type: none"> <li>Procedures to assess the risk of all third-party supplying palm oil mills.</li> <li>Annual Risk assessment Report for third party supplying mills to rate the risk of non-compliances and enable prioritization of further engagement efforts.</li> </ul>	
	3.3 Supplier evaluations against NDPE commitments.	<ul style="list-style-type: none"> <li>Supplier evaluation reports.</li> <li>Record of the number of suppliers that are compliant with the company's sourcing policies.</li> </ul>	
	3.4 Engage with third party suppliers to support compliance by the sharing of tools, supplier workshops /trainings, site visits etc. Focus on high risk suppliers.	<ul style="list-style-type: none"> <li>Report on engagement activities.</li> </ul>	

VI. RESPONSIBLE SOURCING AND SUPPLY CHAIN MANAGEMENT			
Commitments	Activities	Outputs	Outcomes
<b>4. Contractor Engagement and Evaluation</b>			
Provide information in appropriate formats such that all contractors lholders are aware of company responsible sourcing commitments and NDPE requirements.	4.1 Update the list of contractor in regular basis.	<ul style="list-style-type: none"> <li>Regularly updated list of contractors.</li> </ul>	Contractors with whom we work work in compliance with NDPE principles.
	4.2 Conduct sustainability training for contractor every six months.	<ul style="list-style-type: none"> <li>Training material for contracryors</li> <li>Contractors trained on sustainability</li> </ul>	
	4.3 Monitor compliance of contractors through sustainability audit at least once a year.	<ul style="list-style-type: none"> <li>Contractor compliance reports.</li> </ul>	
<b>5. Third Party Grievances</b>			
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.	5.1 Review Goodhope Grievance Approach and develop specific procedure for dealing with breaches in compliance by third-parties.	<ul style="list-style-type: none"> <li>Grievance procedure to deal with breaches by third party suppliers and grievance list of the cases and actions to resolve.</li> </ul>	Breaches of compliance by third party suppliers are identified and resolved.
	5.2 Identification of third-party grievances	<ul style="list-style-type: none"> <li>Third-party grievance list.</li> </ul>	
	5.3 Engagement for verification of third-party grievances and agreement on corrective action plans.	<ul style="list-style-type: none"> <li>Third-party grievance verification reports and corrective action agreements.</li> </ul>	
	5.4 Deal with any complaints that involve third party suppliers in accordance with our grievance approach.	<ul style="list-style-type: none"> <li>Progress updates on third party grievances.</li> </ul>	



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