



**Goodhope**

# SUSTAINABILITY POLICY IMPLEMENTATION

June 2018

*Turning  
Policy  
into  
Practice*



# Contents

List of Abbreviations .....	3
List of Tables.....	4
List of Figures.....	4
List of Appendices.....	5
Introduction .....	6
<b>Section I.</b>	
<b>Review of Sustainability Policy Implementation.....</b>	<b>8</b>
Sustainability Policy Implementation Plan, May 2017 .....	9
Overview of Policy Implementation Actions.....	10
A. Integrating the Sustainability Policy into all Goodhope's operations.....	10
B. Assessments .....	12
C. Transparency .....	16
D. Monitoring and Evaluation .....	20
Contributions from Consultants and Partner Organizations.....	21
<b>Section II.</b>	
<b>Sustainability Policy Implementation Framework.....</b>	<b>32</b>

# List of Abbreviations

ALS	Assessor Licensing Scheme
AMDAL	Analisis Mengenai Dampak Lingkungan (Environmental Impact Assessment)
CB	Certification Body
CRU	Conflict Resolution Unit
DSF	Dispute Settlement Facility
EIA	Environmental Investigation Agency
ERWG	Emission Reduction Working Group
FPIC	Free, Prior and Informed Consent
FPP	Forest Peoples Program
GHG	Greenhouse Gas
HCS	High Carbon Stock
HCSA	High Carbon Stock Approach
HCV	High Conservation Value
HCVRN	High Conservation Value Resource Network
NDPE	No Deforestation, No Peat, No Exploitation
NGO	Non-Governmental Organization
NPP	New Planting Procedure
P&C	Principles and Criteria
PT ABCK	Agro Bukit Central Kalimantan
PT AICK	Agro Indomas Central Kalimantan
PT AIEK	Agro Indomas East Kalimantan
PT AJB	Agrajaya Baktitama Perkasa
PT AWL	Agro Wana Lestari
PT BMS	Batu Mas Sejahtera
PT KMS	Karya Makmur Sejahtera
PT NB	Nabire Baru
PT RCCK	Rim Capital Central Kalimantan
PT SAP	Sariwana Adi Perkasa
PT SHP	Sumber Hasil Prima
PT SMS	Sawit Makmur Sejahtera
PT SSA	Sinar Sawit Andalan
RSPO	Roundtable on Sustainable Palm Oil
SIA	Social Impact Assessment

# List of Tables

- Table 1. Sustainability Policy Principles
- Table 2. Key capacity building activities conducted over the period May 2017-2018 to support Sustainability Policy implementation
- Table 3. Summary of the Status of Assessments Conducted as Part of New Planting Procedures
- Table 4. Summary of Monthly Sustainability Reports published
- Table 5. Contributions from Consultants and Partner Organizations
- Table 6. Summary of Sustainability Policy Implementation May 2017-2018
- Table 7. Components of Our Sustainability Policy Implementation Framework
- Table 8. Sustainability Policy Implementation: Aims and Objectives
- Table 9. Key Criteria and Guidelines
- Table 10. Sustainability Policy Implementation Framework

# List of Appendices

- Appendix 1. Sustainability Policy
- Appendix 2. Sustainability Policy Implementation Plan 2017
- Appendix 3. Sustainability Journey
- Appendix 4. Corrective Action Reports Regarding New Planting Procedures
- Appendix 5. Sustainability Policy Performance Assessment prepared by Environmental Resources Management (ERM)
- Appendix 6. List of Policies, Standard Operating Procedures, and Monitoring, Evaluation and Reporting Forms
- Appendix 7. Summary of Key Criteria and Guidelines

# Introduction

Goodhope Asia Holdings Ltd. (Goodhope) is committed to implement sustainable oil palm plantation management practices of the highest standards, including the principles of No Deforestation, No Peatland development, and No Exploitation of human rights (NDPE). These commitments are outlined in the Group’s Sustainability Policy launched on 5<sup>th</sup> May 2017.

**Table 1. Sustainability Policy Principles**

<b>Environmental Sustainability: Protecting Biodiversity</b>	<ol style="list-style-type: none"> <li>1. No development on High Carbon Stock (HCS) areas</li> <li>2. No development on High Conservation Value (HCV) areas</li> <li>3. No development on peat</li> <li>4. Zero burning and fire prevention</li> <li>5. Reducing environmental impact and protecting biodiversity</li> </ol>
<b>Social Responsibility: Community Engagement</b>	<ol style="list-style-type: none"> <li>6. Respect of land tenure rights and the requirement for FPIC</li> <li>7. Handling of complaints, grievances &amp; conflict resolution</li> <li>8. Community empowerment through CSR programs</li> <li>9. Actively support smallholders and facilitate their inclusion into the supply chain</li> </ol>
<b>Work Environment: Respecting Rights</b>	<ol style="list-style-type: none"> <li>10. Supporting worker rights, health and well-being</li> <li>11. Zero tolerance for child labor, forced labor, or bonded labor</li> </ol>
<b>Transparency Traceability and Supplier Engagement</b>	<ol style="list-style-type: none"> <li>12. Creation of a fully transparent and traceable supply chain</li> <li>13. Supplier due diligence and grievance mechanism</li> <li>14. Continuous Improvement</li> <li>15. Monitoring Evaluation and Reporting</li> </ol>

The policy applies to all operations of Goodhope globally including all of our mills, refineries and plantations as well as our subsidiaries associates and third party suppliers, with whom we work with.

We are working to ensure full implementation of our Sustainability Policy by May 2019, 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).

To guide efforts to fulfill our commitments, 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.

This report provides information on our implementation activities as follows:

Section I - A review of Sustainability Policy implementation, with a summary of the activities that were carried out from May 2017-May 2018.

Section II - Our updated Sustainability Policy Implementation Framework, which has been developed to ensure the delivery of our sustainability commitments.

Additional information can be found in the following reports:

- 1. Monthly Sustainability Reports ‘Sustainability Journey’ (Appendix 3):**  
Our monthly reports ‘Sustainability Journey’ provide relevant updates on the implementation of our sustainability commitments and are available on our website (<http://goodhopeholdings.com>).
- 2. Corrective Action Reports Regarding New Planting Procedures (Appendix 4):**  
These two reports (one for West Kalimantan and one for Papua province) outline the processes and outcomes of corrective action regarding the New Planting Procedures for Goodhope subsidiaries.
- 3. Sustainability Assessment by Environmental Resources Management (Appendix 5):** The consultancy firm Environmental Resources Management (ERM) has been contracted to conduct regular sustainability audits in order to analyze and evaluate Goodhope’s performance relating to the implementation of sustainability commitments. The first third party report was completed in April 2018 and includes a gap analysis and recommendations for corrective actions.

# Section I.

## Review of Sustainability Policy Implementation



## Sustainability Policy Implementation Plan, May 2017

Our first Sustainability Policy Implementation Plan (SPIP) was published alongside our Sustainability Policy on 5<sup>th</sup> May 2017. This initial plan defined key aims which provided a framework for more detailed action plans to guide our activities. The aims, which were published as our first SPIP in May 2017, are listed below and an overview of implementation actions is summarized in this Section (page 9-22). The published SPIP statement is provided in Appendix 2.

### Sustainability Policy Implementation Plan (May 2017): Aims

#### **A. Integrating the Sustainability Policy into all Goodhope's operations**

1. To communicate and disseminate the Sustainability Policy to employees in all concessions as well as to third party suppliers.
2. To organize training on Sustainability Policy implementation for relevant employees.
3. To make necessary adjustments and revisions of the SOPs, in order to align them with the Sustainability Policy.
4. To strengthen the sustainability organization team to facilitate Sustainability Policy implementation.
5. To publish company business engagement procedure.

#### **B. Assessment**

1. To appoint consultants to carry out HCS assessments in all development concessions.
2. To carry out soil survey in Papua project.
3. To develop an integrated conservation and land use plan in all concession areas in a participative manner by involving relevant stakeholders.
4. To invite independent and credible experts to peer-review our previous HCV/SIA assessments and, if necessary, to carry out a re-assessment in all concessions.

#### **C. Transparency**

1. To develop an online monitoring system by upgrading the current website - this will be regularly updated.
2. To develop an online and offline grievance system that can be accessed publicly.

#### **D. Monitoring and Evaluation**

1. To set up a system to monitor and manage conservation areas.
2. To establish a grievance panel and procedure consisting of corporate's representatives that have the authority to settle disputes, engage and address concerns raised by NGOs, local communities, government and RSPO.

# Overview of Policy Implementation

## A. Integrating the Sustainability Policy into all Goodhope's operations

We have been working to fully integrate the principles of our Sustainability Policy throughout our operations by:

- i) Raising awareness and improving understanding of Goodhope's commitments among our employees and other key stakeholders.
- ii) Developing and implementing management plans and procedures that are fully aligned to our Sustainability Policy.
- iii) Making improvements in organizational structure.
- iv) Contracting technical support from consultants.

**Capacity building initiatives** aimed at developing and strengthening our operations and resources by training and improving awareness, form a fundamental component of our efforts to fully integrate our commitments to sustainability and to put our Sustainability Policy into working practice. Initiatives in the form of socialization activities, the delivery of presentations, training sessions, and the dissemination of informative material on the topics and principles of our Sustainability Policy have been implemented for key stakeholder groups (particularly employees and representatives from local communities). Such capacity building activities are listed in Table 2 and have been reported in our monthly reports 'Sustainability Journey' (Appendix 3).

**Reviews of our Standard Operating Procedures** have resulted in revisions to improve the processes and procedures that underline our operations and have identified gaps that shall be addressed. A list of procedures that must maintain consistency with our Sustainability Policy is provided in Appendix 3. We shall continue to review and revise these procedures as necessary under our Implementation Framework (Section II) in order to meet the highest standards in sustainability.

**Table 2. Key capacity building activities conducted over the period May 2017-2018 to support Sustainability Policy implementation**

Topic
1. Policy dissemination and socialization to employees.
2. Communication of Sustainability Policy Implementation Plan to management.
3. Dissemination of Leaflet on Sustainability Commitments for Stakeholders.
4. Presentation on Sustainability Commitments delivered to local communities and other stakeholders.
5. Training on mitigation of conflict between humans and wildlife.
6. Training on health and safety auditing for sustainability management staff.
7. Fire Awareness and Safety Training for employees and local community.
8. Waste management training delivered to local communities and other stakeholders.
9. HCV and HCS socialization to employees and local communities.
10. Supply Chain Awareness and training.
11. Training and workshop on Children’s Rights and Business Practices (CRBP) in cooperation with Unicef and LINKS
12. Training on Policy awareness for Environmental Health and Safety teams.
13. Training on rehabilitation of riparian reserves for sustainability management and operational staff in partnership with ELTI.
14. Training on conflict resolution and mediation for sustainability management staff in cooperation with Conflict Resolution Unit (CRU) of the IBCSD.
15. Training on HCV Management and Monitoring for sustainability management staff.

## B. Assessments

For all subsidiaries pending approval of proposed new plantings, we continue to make progress towards ensuring that all relevant assessments (including High Conservation Value (HCV) assessments, Land Use Change Analysis (LUCA), Social Impact Assessment (SIA), Greenhouse Gas (GHG) assessments and soil survey) are completed in compliance with RSPO New Planting Procedures (NPP 2015). Furthermore, to meet the primary requirement for implementation of the HCS Approach, we have contracted accredited consultants to complete comprehensive HCS Assessments, which will be subject to peer review as prescribed by the HCSA Steering Group.

The relevant 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 Perkasa (AJB), PT Batu Mas Sejahtera (BMS), PT Sawit Makmur Sejahtera (SMS), PT Sinar Sawit Andalan (SSA) and PT Sumber Hasil Prima (SHP).

All deadlines set by the RSPO have been met with the timely submission of LUCA reports and HCV assessments. LUCA reports have been submitted for review by RSPO Compensation Panel in order to determine any remediation and compensation liabilities while HCV assessments have been submitted to HCVRN for Quality Panel Review.

We are pleased to report that one of our HCV assessments (HCV Assessment for PT SAP) has passed the HCV Resource Network (HCVRN) Quality Panel Review process (see [HCVRN Assessor Licensing Scheme website](#)). We continue to keep track of the report progress for each of our other submissions to ensure that deadlines for any revisions are met.

To date, Goodhope has registered three projects with the HCSA Steering Group – Nabire Region, Ketapang Region and Sintang Region.

- The High Carbon Stock (HCS) Approach peer review process for PT Nabire Baru (NB) and PT Sariwana Adi Perkasa (SAP) is now complete (see [HCSA website](#)).
- Our Ketapang Region HCS Assessment Report is currently being finalized by the HCSA Registered Practitioner Organization Ata-Marie and once completed will be submitted to the HCS Approach Secretariat to organize a peer review.
- Similarly our Sintang Region HCS Assessment Report shall be finalized by the HCSA Registered Practitioner Organization Aksenta and once completed will be submitted to the HCS Approach Secretariat to organize a peer review.

Social Impact Assessment (SIA) and Greenhouse Gas (GHG) assessments are now in the final stages of completion.

Summary information on the status of assessments is shown in Table 3 whilst further details are presented in our Corrective Action Reports (Appendix 4).

### **Integrated Conservation and Land Use Plans**

Draft conservation and land-use plans along with HCV/HCS management and monitoring recommendations are available in HCV and HCS assessment reports. Once the quality of reports is verified we shall be able to progress further with finalizing conservation and land use plans and establishing agreements with local communities and governments in our concession areas. This will form the basis for effective implementation of participative management and monitoring plans involving relevant stakeholders.

Goodhope has had discussions with a number of consultants (including Ata-Marie, EcoNusantara, Daemeter, Proforest and Aidenvironment) regarding seeking additional support for the development and implementation of appropriate conservation management plans.

Plans are in place to work in collaboration with Aidenvironment to enable fieldwork to be conducted in the Ketapang region in order to produce landscape level land-use maps for three villages in the region.

Meanwhile, Goodhope has formed a partnership with the conservation organization Swaraowa to support conservation and sustainable community development initiatives. The main focus of the partnership is to support the development and implementation of a cultural-based conservation project in the area of Bukit Santuai, PT Agro Wana Lestari, promoting sustainable economic opportunities among the local communities. A scoping assessment conducted by representatives from Swaraowa and Goodhope in March 2018 provided important information to advance the development of an integrated cultural-based conservation project to better protect rare, threatened and endangered species and other High Conservation Values in the area.

The development and implementation of all our conservation management plans will be supported by community development programs aimed at promoting sustainable livelihoods. Examples include our community development and empowering programs in partnership with Al Azhar, which are implemented in and around our operating locations in Central Kalimantan. Programs include community farming projects and skills training, and are designed to provide a means for participant to achieve an additional and sustainable income.

As part of a new partnership finalized in May 2018, Goodhope is collaborating with a team of researcher from Perbanas Institute to support our education programs and community economic empowerment initiatives. A research team from Perbanas Institute visited PT

Agro Indomas Central Kalimantan (AICK) to gather information from the plantation site, including evaluation of the training and teaching facilities at the concession. The visit provided opportunities for discussions with stakeholders to help identify strengths and weaknesses in current CSR programs. Evaluation of the information that was gathered upon the field visit has been used to develop a proposal for capacity building programs. The main aims of the partnership are to:

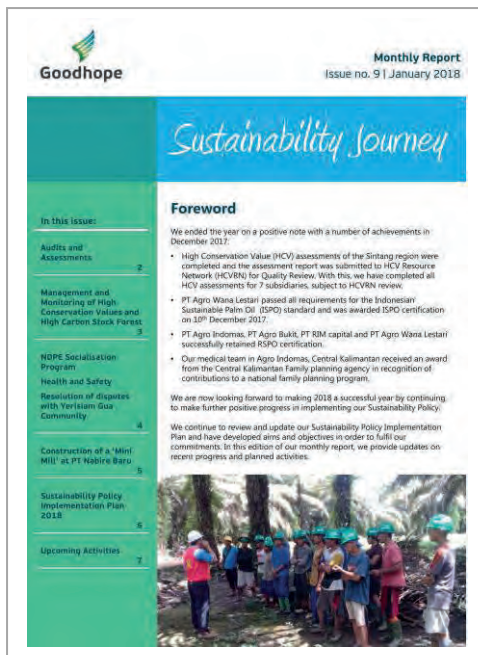
1. Promote the development of sustainable small business enterprises among local communities.
2. Enhance school management, administration and teaching quality.
3. Promote self-management and sustainability of plasma cooperatives.

**Table 3. Summary of the Status of Assessments Conducted as Part of New Planting Procedures**

Company	HCV Assessment		LUCA			GHG	SIA	HCS Assessment	
	Submission of HCV Assessment Report	Current status of report	1st Submission of LUCA Report to RSPO	2nd Submission of LUCA Report to RSPO	Current status of report			Submission of HCS Assessment Report	Current status of report
Nabire Baru	31 October 2017	E/R1 With ALS since 21/04/2018	31 July 2017	19 December 2017	Under review by RSPO	Being prepared by Ata-Marie	Ekologika appointed as consultant; Field visit 22-27 Jan 2018;	Submitted to HCSA on 3 November 2017	Peer review completed and assessors have returned comments.
Sariwana Adi Perkasa	06 November 2017	Satisfactory 2				Being prepared by Ata-Marie			
Agra Jaya Baktitama	31 October 2017	U/R1 – First resubmission was declared Unsatisfactory and the assessor has been asked to make corrections.	31 July 2017	27 Mar 2018	Under review by RSPO	Being prepared by Ata-Marie	Re.Mark Asia appointed as consultant; Field visit 23-30 Jan 2018;	Being prepared by Ata-Marie (field work completed)	
Batu Mas Sejahtera			29 Aug 2017	15 Mar 2018	Under review by RSPO	Being prepared by Ata-Marie	Re.Mark Asia appointed as consultant; Field visit 23-30 Jan 2018;		
Sawit Makmur Sejahtera			29 Aug 2017	27 Mar 2018	Under review by RSPO	Being prepared by Ata-Marie	Re.Mark Asia appointed as consultant; Field visit 23-30 Jan 2018;		
Sinar Sawit Andalan	28 December 2017	E/S – Report evaluation by Quality Panel is underway. With ALS since 31/03/2018	28 Nov 2017	5 Apr 2018	Under review by RSPO	Being prepared by Aksenta	Re.Mark Asia appointed as consultant; Field work completed;	Being prepared by Aksenta (field work completed)	
Sumber Hasil Prima			28 Nov 2017	27 Apr 2018	Under review by RSPO	Being prepared by Aksenta	Re.Mark Asia appointed as consultant; Field work completed;		

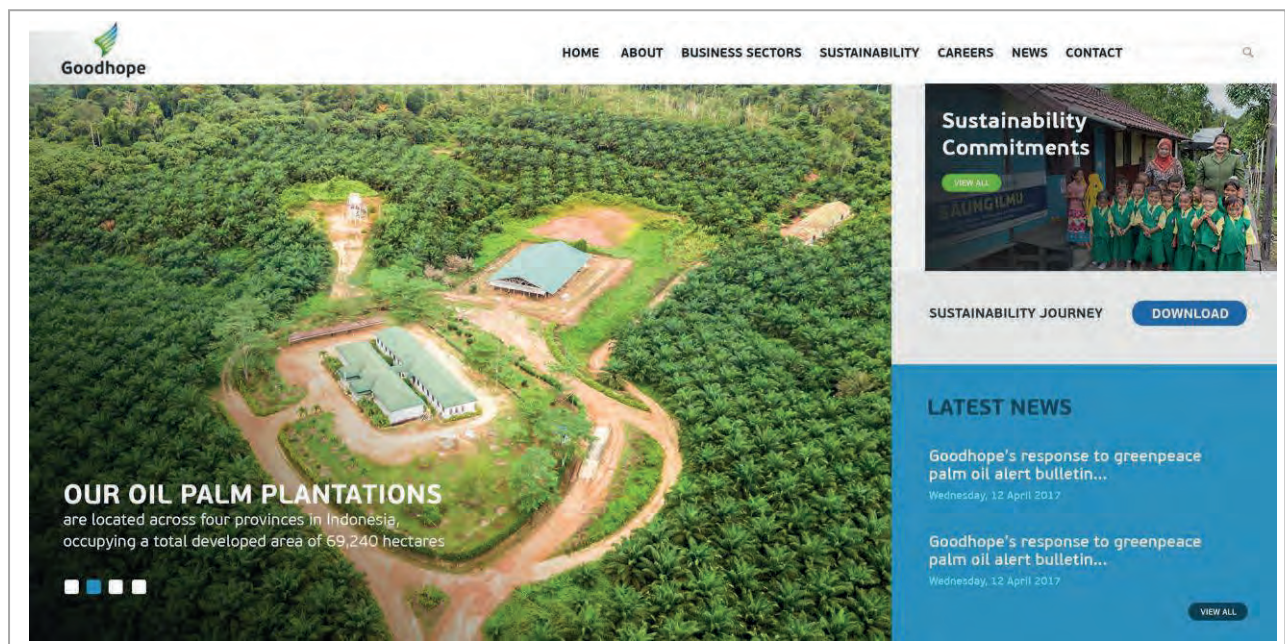


## C. Transparency



We have significantly improved the communication of our practices and performances by the publication of monthly reports on subjects relating to sustainability activities and compliance. A list of contents is shown in table 4. Each issue of our monthly report 'Sustainability Journey' is available on our website / Appendix.

We continue to work on developing a new and improved website that will include a Sustainability Dashboard displaying key quantifiable indicators to provide an insightful overview of the status of important aspects relating to sustainability performance.





**Table 4. Summary of Monthly Sustainability Reports published**

Issue / Doc ID.	Topics
<b>No.1 May 2017</b> GAHL-REP-SJ-001	Overview of the approaches being adopted to address the concerns and issues raised relating to a series of reports regarding Goodhope operations in Nabire province and the resulting Precautionary Measures (Stop Work Order) issued by RSPO on 28 <sup>th</sup> April 2017.
<b>No.2 June 2017</b> GAHL-REP-SJ-002	<ul style="list-style-type: none"> <li>• Implementation of new Sustainability Policy</li> <li>• Response to the letter from RSPO Secretariat re. Precautionary Measures (Stop Work Order)</li> <li>• Land Use Change Analysis (LUCA) and High Conservation Value (HCV) Assessment of PT Nabire Baru and PT Sariwana Adi Perkasa</li> <li>• LUCA and HCV Assessment in Ketapang and Sintang Regions, West Kalimantan</li> <li>• High Carbon Stock (HCS) Assessment of PT Nabire Baru, PT Sariwana Adi Perkasa and PT Agrajaya Baktitama, PT Batu mas Sejahtera and Sawit Makmur Sejahtera.</li> <li>• Review of Legal Compliance and Conformity to NPP (PT Nabire Baru)</li> <li>• Meeting with Yayasan Pusaka and Forest People Programme (FPP)</li> <li>• Meeting with Yayasan Pusaka and Conflict Resolution Unit (CRU) at the RSPO Indonesia Liaison Office (RILO), Jakarta</li> <li>• Application for High Carbon Stock Approach (HCSA) Membership</li> </ul>
<b>No.3 July 2017</b> GAHL-REP-SJ-003	<ul style="list-style-type: none"> <li>• Efforts to address the RSPO's Precautionary Measures</li> <li>• Land Use Change Analysis (LUCA), High Conservation Value (HCV) Assessment and High Carbon Stock (HCS) Assessment                         <ul style="list-style-type: none"> <li>○ Nabire Region (PT Nabire Baru and PT Sariwana Adi Perkasa)</li> <li>○ Ketapang Region (PT Agrajaya Baktitama, PT Batu Mas Sejahtera and PT Sawit Makmur Sejahtera)</li> <li>○ Sintang Region (PT Sumber Harapan Prima and PT Sinar Sawit Andalan)</li> </ul> </li> <li>• Review of Legal Compliance and Conformity to NPP (PT Nabire Baru)</li> </ul>
<b>No.4 August 2017</b> GAHL-REP-SJ-004	<ul style="list-style-type: none"> <li>• Implementation of the Sustainability Policy</li> <li>• Environmental Assessments                         <ul style="list-style-type: none"> <li>○ Ketapang Region (PT Agrajaya Baktitama, PT Batu Mas Sejahtera and PT Sawit Makmur Sejahtera)</li> <li>○ Sintang Region (PT Sumber Harapan Prima and PT Sinar Sawit Andalan)</li> <li>○ Nabire Region (PT Nabire Baru and PT Sariwana Adi Perkasa)</li> </ul> </li> <li>• Review of the Legal Compliance of PT Nabire Baru</li> <li>• Yerisiam Gua Community Grievance Settlement Procedures</li> <li>• Submission of Land Use Change Analysis Reports</li> <li>• Upcoming Activities</li> </ul>

**Table 4. Summary of Monthly Sustainability Reports published**

Issue / Doc ID.	Topics
<p><b>No.5 September 2017</b> GAHL-REP-SJ-005</p>	<ul style="list-style-type: none"> <li>● Policy Implementation</li> <li>● Environmental Assessments               <ul style="list-style-type: none"> <li>- Sintang Region (PT Sumber Harapan Prima and PT Sinar Sawit Andalan)</li> <li>- Ketapang Region (PT Agrajaya Baktitama, PT Batu Mas Sejahtera and PT Sawit Makmur Sejahtera)</li> <li>- Nabire Region (PT Nabire Baru and PT Sariwana Adi Perkasa)</li> <li>- Verification of Field Assessments</li> <li>- High Carbon Stock Approach</li> </ul> </li> <li>● Review of the Legal Compliance of PT Nabire Baru</li> <li>● Yerisiam Gua Community Grievance Settlement Procedures</li> <li>● RSPO Complaints Panel Response on the Request for the Construction of a Mini Mill at PT Nabire Baru</li> <li>● Children Rights and Business Principles Palm Oil Program</li> <li>● Updating Corporate Stakeholders and Maintaining Business Relations</li> <li>● Upcoming Activities</li> </ul>
<p><b>No.6 October 2017</b> GAHL-REP-SJ-006</p>	<ul style="list-style-type: none"> <li>● Engagement and Training</li> <li>● Completion of Assessments</li> <li>● Verification of the Legal Compliance of PT Nabire Baru</li> <li>● High Carbon Stock Approach High Forest Landscape Project Proposal</li> <li>● Yerisiam Gua Community Grievance Settlement Procedures</li> <li>● Upcoming Activities</li> </ul>
<p><b>No.7 November 2017</b> GAHL-REP-SJ-007</p>	<ul style="list-style-type: none"> <li>● Social and Environmental Management Planning</li> <li>● Human Rights, Health and Safety</li> <li>● Grievance Handling</li> <li>● Yerisiam Community Grievance Resolution</li> <li>● Advancing Education: The Agro Harapan Foundation</li> <li>● Family Planning Programs</li> <li>● Traceability</li> <li>● Upcoming Activities</li> </ul>
<p><b>No. 8 December 2017</b> GAHL-REP-SJ-008</p>	<ul style="list-style-type: none"> <li>● Sustainability Policy Implementation</li> <li>● Resolution of disputes with Yerisiam Gua Community</li> <li>● Supporting a Jurisdictional Monitoring System for Sustainable Development</li> <li>● Collaboration for a Sustainable Management Landscape Program in West Kalimantan</li> <li>● Health and Safety</li> <li>● Upcoming Activities</li> </ul>
<p><b>No. 9 January 2018</b> GAHL-REP-SJ-009</p>	<ul style="list-style-type: none"> <li>● Audits and Assessments</li> <li>● Management and Monitoring of High Conservation Values and High Carbon Stock Forest</li> <li>● NDPE Socialization Program</li> <li>● Health and Safety</li> <li>● Resolution of disputes with Yerisiam Gua Community</li> <li>● Construction of a 'Mini Mill' at PT Nabire Baru</li> <li>● Sustainability Policy Implementation Plan 2018</li> <li>● Upcoming Activities</li> </ul>

**Table 4. Summary of Monthly Sustainability Reports published**

Issue / Doc ID.	Topics
<b>No. 10 February 2018</b> GAHL-REP-SJ-010	<ul style="list-style-type: none"> <li>• Sustainability Assessment and Surveillance Audits</li> <li>• Social and Environmental Assessments</li> <li>• Forest Rehabilitation</li> <li>• Commencing the Development of PT Nabire Baru ‘Mini Mill’</li> <li>• Terms of Agreement for Mill Development at PT Nabire Baru</li> <li>• Upcoming Activities</li> </ul>
<b>No. 11 March 2018</b> GAHL-REP-SJ-011	<ul style="list-style-type: none"> <li>• Stakeholder Engagement</li> <li>• Assessment of Policy Implementation</li> <li>• Corrective Action to comply with RSPO New Planting Procedures</li> <li>• Safety Improvement Initiatives</li> <li>• Collaborative Working</li> <li>• Upcoming Activities</li> </ul>
<b>No. 12 April 2018</b> GAHL-REP-SJ-012	<ul style="list-style-type: none"> <li>• Partnership to Support Conservation and Community Development Initiatives at Bukit Santuai</li> <li>• Fire Safety Training</li> <li>• Agro Harapan Foundation School Accreditation and Accountability Training</li> <li>• Respecting Human Rights</li> <li>• Update on the status of assessments for compliance with RSPO New Planting Procedures 2015</li> <li>• Upcoming Activities</li> </ul>
<b>No. 13 May 2018</b> GAHL-REP-SJ-013	<ul style="list-style-type: none"> <li>• Training on Best Management Practices for the Rehabilitation of Riparian Reserves</li> <li>• Commitments to the High Carbon Stock Approach</li> <li>• Partnership to enhance the sustainability of CSR programs</li> <li>• Awards in Education</li> <li>• Plantation Business Assessment and Integrated Management System Surveillance Audit</li> <li>• ‘Healthy Emplacements’ and Responsible Labor Practices</li> <li>• RSPO Compliance and Certification</li> <li>• Upcoming Activities</li> </ul>
<b>No. 14 June 2018</b> GAHL-REP-SJ-014	<ul style="list-style-type: none"> <li>• Reinforcing Environmental Commitments – Nabire</li> <li>• Promoting Reduce-Reuse-Recycle Initiatives and Planting Community Fruit Trees</li> <li>• Strengthening Conservation Management &amp; Monitoring at PT Agro Wana Lestari and PT Karya Makmur Sejahtera – Central Kalimantan</li> <li>• Initiating Community Involvement for Improved Conservation Management and Monitoring – Ketapang Region, West Kalimantan</li> <li>• Innovative Education Initiatives</li> <li>• Update on the status of assessments for compliance with RSPO New Planting Procedures 2015</li> <li>• Upcoming Activities</li> </ul>

## D. Monitoring and Evaluation

Our priorities for monitoring and evaluation are to set up an improved system to monitor and manage conservation areas and to set up an improved system to monitor and manage grievances. To develop the systems we have been working on strengthening our capacity for implementing monitoring processes and have attained seek technical support from consultants and experts in order to develop a specific monitoring system to meet our requirements.

### **i) To set up a system to monitor and manage conservation areas**

Our aim is to develop Integrated Economic Empowerment and Environmental Management Plans that shall promote sustainable livelihoods and conservation of HCVs and HCS. Specific Site Management Plans shall be developed in a collaborative manner through stakeholder engagement, incorporating the results and recommendations drawn from various assessments (HCV assessment reports, HCS assessment reports and Social Impact Assessment reports) and conservation agreements shall be established with local communities and governments. Capacity building, including training for relevant employees and members of communities, will form the basis of developing improved conservation management and monitoring plans.

To support improved conservation management and monitoring, Goodhope has partnered with the conservation organization Swaraowa. Representatives from the team have visited our concession PT Agro Wana Lestari in Central Kalimantan to provide support for the development of an improved conservation program at Bukit Santuai. Together with Swaraowa, we are developing plans to conduct further employee training on conservation practices and aim to develop more comprehensive conservation management and monitoring plans involving collaborative monitoring teams comprising researchers and members of local communities. Training in primate conservation techniques will be held in August 2018.

To aid in the development and maintenance of a Conservation Database, we plan to implement a software application to facilitate more effective monitoring and evaluation of conservation management activities. By implementing data collection via the use of an application such as Spatial Monitoring and Reporting Tool (SMART) we aim to more effectively collect, store, and evaluate data on biodiversity, threats, and conservation efforts involving local communities.

## **ii) To set up a system to monitor and manage grievances**

Our focus on improving the management and monitoring of grievances has been on:

- Facilitating training on grievance resolution: Relevant staff members have attended training in conflict resolution.
- The review and revision of grievance handling procedures: Meetings were held to discuss how to best improve grievance handling and conflict resolution processes.

It has been proposed that our current framework is further strengthened by establishing an external Grievance Panel to ensure a fair dispute settlement process is utilized for any grievances arising from our operations. Potential candidates have been approached as part of efforts to establish an external Grievance Panel but no agreements have yet been made. Further discussions are required with management regarding the establishment of an external grievance panel and panel members.

## **Contributions from Consultants and Partner Organizations**

The implementation of our Sustainability policy is facilitated and enhanced by expertise from different institutions and sectors to ensure compliance with standards and regulations and to assist the delivery of sustainable enterprises. We work hard to develop and maintain strong partnerships with various parties in order to improve practices, increase efficiency, attain higher standards and resolve complex and challenging issues.

The appointment of reputable consultants has been essential in order to ensure the completion of assessments required for compliance with RSPO NPP. Four environmental consultancy firms with the relevant expertise were contracted for this purpose: Ata-Marie, Ekologika, Aksenta and Re.Mark Asia.

Furthermore, several initiatives have been implemented in partnership with various organizations in order to enhance the effectiveness of our community development programs and environmental management and protection efforts. Some of our recently established collaborative projects involve partnerships with the finance and informatics institute Perbanas, the conservation organization Swaraowa and the corporate sustainability firm Aidenvironment.

**Table 5. Contributions from Consultants and Partner Organizations**

Organization		Projects
	<p><u>Ata Marie</u> provides a broad range of services for the forestry, agribusiness and bio-energy sectors including remote sensing and resource mapping, natural resource assessments, resource due diligence and valuation, carbon and production modelling, and product marketing.</p>	<p>Goodhope appointed Ata-Marie to conduct the following assessments:</p> <ul style="list-style-type: none"> <li>• LUCA Assessment PT NB and PT SAP (Nabire Region)</li> <li>• HCS Assessment PT NB and PT SAP (Nabire Region)</li> <li>• HCS Assessment Ketapang Region</li> <li>• Soil Survey PT NB and PT SAP (Nabire Region)</li> <li>• GHG Assessments:               <ul style="list-style-type: none"> <li>- PT NB and PT SAP (Nabire Region)</li> <li>- Ketapang Region</li> </ul> </li> </ul>
	<p>EcoNusantara is an independent mission-driven organization providing expert services and advice on the most vital issues of the day to partners and clients committed to environmental and social responsibility. EcoNusantara’s experts have more than 75 years combined experience working on forest, climate, ocean, and livelihood issues in Southeast Asia.</p>	<p>Goodhope appointed EcoNusantara as technical advisors to provide recommendations on policy content and implementation of sustainability commitments. The consultants also provided specific advice on Nabire Project.</p>
	<p><u>Ekologika</u> provides high quality biodiversity, environmental, socio-economic and cultural assessment services and helps corporations, non-profits and governments embed environmental and social ethics into their systems to support sustainable development.</p>	<p>Goodhope appointed Ekologika to conduct the following assessments:</p> <ul style="list-style-type: none"> <li>• HCV Assessment PT PT NB and PT SAP (Nabire Region)</li> <li>• Soil Survey PT Nabire Baru and PT Sariwana Adi Perkasa</li> <li>• Social Impact Assessment PT NB and PT SAP (Nabire Region)</li> </ul>
	<p><u>Aksenta</u> provides socio-enviro management consulting services and Focuses on guiding and assisting companies in social management, environmental management, and meeting sustainability standards.</p>	<p>Goodhope appointed Aksenta to conduct the following assessments:</p> <ul style="list-style-type: none"> <li>• LUCA for Ketapang and Sintang Regions</li> <li>• HCS Sintang</li> <li>• GHG Sintang</li> </ul> <p>Aksenta also contributed to the HCV assessments in West Kalimantan (Ketapang and Sintang Regions).</p>

**Table 5. Contributions from Consultants and Partner Organizations**

Organization		Projects
	<p>Re.Mark Asia provides consultancy services in sustainable natural resource management for business activities in forestry, agriculture, mining and other new developing sectors.</p>	<p>Goodhope appointed Re.Mark Asia to complete HCV assessments in West Kalimantan (Ketapang and Sintang Regions).</p> <p>Re.Mark Asia also conducted Social Impact Assessments in West Kalimantan (Ketapang and Sintang Regions).</p>
	<p>Swaraowa is a non-governmental organization with a mission to conserve Indonesian primates and their habitats, through active contributions in research activities, awareness and promotion of primate conservation and by strengthening economic opportunities for local communities.</p>	<p>Goodhope has formed a partnership with the conservation organization Swaraowa to support conservation and sustainable community development initiatives. The main focus of the partnership is to support the development and implementation of a cultural-based conservation project in the area of Bukit Santuai, PT Agro Wana Lestari, promoting sustainable economic opportunities among the local communities.</p>
	<p>Aidenvironment provides services and research on sustainable production and trade by creating social, environmental and economic value through strategic capacity, extensive on the ground experience, and transparent methods.</p>	<p>Goodhope is collaborating with Aidenvironment to facilitate the development and implementation of a Landscape Conservation and Land-Use Management Plan in Ketapang Region, West Kalimantan. The proposal involves working together with local communities and the West Kalimantan Provincial Government to develop spatial management plans integrating sustainable livelihood programs and conservation initiatives.</p>
	<p>Perbanas Institute is a leading higher education institution providing education in finance-banking and informatics.</p>	<p>Goodhope is working with researchers from Perbanas Institute with the aim to enhance the Community Development Programs delivered. A team from Perbanas Institute will provide capacity building opportunities focusing on entrepreneurship development for local communities.</p>

**Table 5. Contributions from Consultants and Partner Organizations**

Organization		Projects
 	<p>UNICEF works in 190 countries and territories to improve the policies and services that protect children, fighting to save children’s lives, to defend their rights, and to help them fulfil their potential.</p> <p>LINKS creates equal partnerships in the activity of social research, facilitating the settlement of social conflicts, and promoting education programs to provide added values for the stakeholders in the palm oil sector in Indonesia.</p>	<p>Goodhope is participating in the Children’s Rights and Business Principles Palm Oil Program, a collaborative project in cooperation with UNICEF and LINKS. The pilot project aims to promote Children’s Rights in the palm oil industry and address issues affecting children in the Palm Oil sector.</p>
 	<p>IBCSD provides a platform for businesses to share and promote best practice in tackling risks. The Conflict Resolution Unit (CRU) of the IBCSD was established to provide services to support the mediation of land use and natural resource management conflict and provides a range of support services for mediation processes to ensure the application of best practices. Services include initial assessment, support for facilitation and mediation, and the monitoring and implementation of stakeholder agreements.</p>	<p>Supported by the RSPO Dispute Settlement Facility (DSF), the Conflict Resolution Unit (CRU) of the IBCSD has been appointed to conduct on issues relating to conflicts over land and natural resources between the indigenous Yerisiam Gua Community and PT Nabire Baru and to facilitate mediation for the settlement of disputes.</p>
	<p>Environmental Resources Management (ERM) is a leading global provider of environmental, health, safety, risk and social consulting services.</p>	<p>Environmental Resources Management (ERM) has been contracted to conduct regular sustainability audits in order to analyze and evaluate Goodhope’s performance relating to the implementation of sustainability commitments. The first third party report was completed in April 2018 and includes a gap analysis and recommendations for corrective actions.</p>



**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>To communicate and disseminate the Sustainability Policy to employees in all concessions as well as to third party suppliers.</b>	<ul style="list-style-type: none"> <li>▪ Socialization materials were developed and disseminated to management.</li> <li>▪ Sustainability policy socialization to workers at sites in East and West Kalimantan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sustainability policy socialization to workers at sites in Central Kalimantan.</li> <li>▪ Public consultations on sustainability policy were held for local communities and other stakeholders in Nabire region.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Suppliers and contractors in Central Kalimantan region were identified and a Stakeholder Engagement Plan was developed to socialize the policy in the region.</li> <li>▪ Socialization material was developed for business partners and suppliers.</li> <li>▪ Socialization of policy to all workers at ABCK.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sustainability commitments and implementation strategies were presented to stakeholders in Central Kalimantan Region, providing opportunities for participants to provide feedback for developing improved stakeholder engagement and policy implementation plans. Events were held in Sampit, at PT AICK and at PT AWL.</li> </ul>
<b>To organize training on Sustainability Policy implementation for relevant employees.</b>	<ul style="list-style-type: none"> <li>▪ Training on mitigation of conflict between humans and wildlife (East Kalimantan).</li> <li>▪ Fire Awareness training at sites in West Kalimantan and Nabire region.</li> <li>▪ GHG, RSPO and HCV training for all sites in Central Kalimantan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Waste management training at ABCK, AICK and RCCK.</li> <li>▪ Fire safety training at AICK and RCCK.</li> <li>▪ HCV socialization at AICK and RCCK in Central Kalimantan and at SHP and SSA in Sintang region.</li> <li>▪ Supply Chain Awareness at ABCK.</li> <li>▪ EHS policy awareness at PT AJB, BMS and SMS in Ketapang region.</li> <li>▪ A series of training sessions were held for Environmental Health and Safety teams in Central Kalimantan on Sustainability Policy and related practices.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fire safety training at PT BMS in Ketapang region.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fire safety training at PT AJB and SMS in Ketapang region.</li> <li>▪ A more detailed Sustainability Training Program for employees is in development.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AJB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalan.

**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>To make necessary adjustments and revisions of the SOPs, in order to align them with the Sustainability Policy.</b>	<ul style="list-style-type: none"> <li>▪ Goodhope contracted technical support from consultants (EcoNusantara) to perform a review of our policies and to provide recommendations for revisions.</li> <li>▪ A further internal review of Standard Operating Procedures identified the need to update Agronomy policies and procedures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Agronomy policy and procedures were reviewed to identify gaps with alignment to sustainability policy and RSPO principles and criteria. Recommendations for revisions were presented to relevant management teams.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Management teams from Agronomy and Environmental Health and Safety departments developed draft revisions of Agronomy policy and procedures and for further review by our Sustainability team to ensure that relevant adjustments are made to facilitate full compliance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completed updating procedures on chemical spraying, use of fertilizer, harvesting and manual upkeep.</li> <li>▪ An action plan was developed to review and if necessary initiate the revision of: <ol style="list-style-type: none"> <li>1. Social/CSR policy and procedures</li> <li>2. EHS/conservation policy and procedures</li> <li>3. HR policy and procedures</li> <li>4. Land acquisition and development policy and procedures.</li> </ol> </li> </ul>
<b>To strengthen the sustainability organization team to facilitate Sustainability Policy implementation.</b>	<ul style="list-style-type: none"> <li>▪ Policy implementation was supported by contracting technical support from consultants (EcoNusantara) to provide recommendations to improve policy implementation.</li> <li>▪ Recruitment of Research and Development Advisor.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The structure of the Sustainability Department was reviewed.</li> <li>▪ Representatives from the sustainability team attended training sessions on conflict resolution and health and safety auditing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Representatives from the sustainability team attended training sessions on HCV Management and Monitoring, strengthening understanding of how to implement approaches.</li> <li>▪ Goodhope initiated engagement with Proforest regarding proposal for support on policy implementation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Representative from the sustainability team attended a workshop on the social aspects of the HCS Approach.</li> <li>▪ Goodhope collaborated with ELTI to organize training on rehabilitation of riparian reserves.</li> <li>▪ Policy implementation was supported by contracting technical support from consultants (ERM) to provide recommendations to improve policy implementation.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AJB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalán.

**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>To appoint consultants to carry out HCS assessments in all development concessions.</b>	<ul style="list-style-type: none"> <li>▪ Goodhope had already contracted a credible consultancy firm (Ata-Marie) to carry out HCS assessment in Nabire region.</li> <li>▪ Ata-Marie were selected to conduct HCS assessment in Ketapang region.</li> <li>▪ Another consultant team (Aksenta) was appointed to conduct HCS assessments in Sintang region.</li> <li>▪ Assessments were registered with the HCS Approach Steering Group for future peer review.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ata-Marie completed HCS Assessment for Nabire region Project (PT NB and PT SAP) and the report was submitted to HCS Approach Steering Group.</li> <li>▪ Fieldwork for HCS Assessment of Ketapang region (PT AJB, BMS and SMS) was carried out by Ata-Marie.</li> <li>▪ Aksenta conducted HCS Assessment for Sintang operations (PT SHP and SSA).</li> </ul>	<ul style="list-style-type: none"> <li>▪ We affirmed our commitment to the HCS Approach with a letter to the Steering Group reinforcing recognition of our responsibility to identify HCS areas and to facilitate the implementation of appropriate management and monitoring activities in order to protect HCS forest in our license areas registered with the HCS Approach.</li> </ul>	<ul style="list-style-type: none"> <li>▪ HCS Assessment reports for Ketapang region (PT AJB, BMS and SMS) and Sintang region (PT SHP and SSA) are being finalised</li> <li>▪ HCS Assessment report for Nabire region is under peer review.</li> <li>▪ Once verified by review, the results of these assessments will be used to develop final conservation and land use plans and HCS management and monitoring plans.</li> </ul>
<b>To carry out soil survey in Papua project.</b>	<ul style="list-style-type: none"> <li>▪ Goodhope had already appointed a soil survey expert to conduct a detailed soil survey in Nabire region. This was completed in March 2017.</li> <li>▪ An agreement was reached for further soil sampling to be conducted as part of the new HCV assessment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Peatland assessment in PT NB and SAP concessions was completed by Ekologika Consultants as part of the HCV Assessment with results showing patchy distribution of peat with shallow depth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ PT NB established a water management strategy to reduce subsidence on peat soils.</li> </ul>	<ul style="list-style-type: none"> <li>▪ PT NB will implement a monitoring plan to monitor water levels according to Best Management Practices for oil palm planted on peat.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AJB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalan.

**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>To develop an integrated conservation and land use plan in all concession areas in a participative manner by involving relevant stakeholders.</b>	<ul style="list-style-type: none"> <li>HCV re-assessments were conducted for all our new development sites.</li> </ul>	<ul style="list-style-type: none"> <li>HCV assessment reports for PT NB, SAP and Ketapang region (PT AJB, BMS and SMS) were completed and submitted to the HCV Resource Network (HCVRN).</li> <li>Goodhope made an agreement with Aidenvironment for the development of an integrated conservation and land use plan in Ketapang region.</li> <li>Goodhope initiated engagement with the NGO Conservation International regarding the potential for a collaborative conservation project extending to the Nabire region.</li> </ul>	<ul style="list-style-type: none"> <li>HCV assessment reports for Sintang region was completed and submitted to the HCV Resource Network (HCVRN).</li> <li>Goodhope sought proposals from consultants (Ata-Marie, EcoNusantara and Proforest) to assist with the development and finalization of the draft conservation and land use plan for the Nabire Region.</li> </ul>	<ul style="list-style-type: none"> <li>HCV assessments remain under the HCVRN Quality Panel review process. Once quality is verified we shall be able to progress further with finalising conservation and land use plans.</li> <li>Plans are in place to work in collaboration with Aidenvironment to enable fieldwork to be conducted in the Ketapang region in order to produce landscape level land-use maps for three villages in the region.</li> </ul>
<b>To invite independent and credible experts to peer-review our previous HCV/SIA assessments and, if necessary, to carry out a re-assessment in all concessions.</b>	<ul style="list-style-type: none"> <li>HCV re-assessments were conducted for all our new development sites.</li> </ul>	<ul style="list-style-type: none"> <li>HCV assessment reports for PT NB, SAP and Ketapang region (PT AJB, BMS and SMS) were completed and submitted to the HCV Resource Network (HCVRN).</li> </ul>	<ul style="list-style-type: none"> <li>HCV assessment reports for Sintang region was completed and submitted to the HCV Resource Network (HCVRN).</li> </ul>	<ul style="list-style-type: none"> <li>SIA re-assessments were conducted for all our new development sites.</li> <li>HCV assessments remain under the HCVRN Quality Panel review process.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AJB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalan.

**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>To develop an online monitoring system by upgrading the current website - this will be regularly updated.</b>	<ul style="list-style-type: none"> <li>▪ Goodhope provided immediate updates on its website by publishing its new Sustainability Policy along with an initial sustainability policy implementation plan.</li> <li>▪ Preparations for developing an improved website began by conducting a review of the existing websites of leading palm oil companies.</li> <li>▪ A scoping meeting with our web developer was held and plans for website development were discussed.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Website continued to be updated on a monthly basis with the posting of our monthly report Sustainability Journey.</li> <li>▪ Our previously assigned web developer announced that they would be unable to take on our project to develop a new corporate website so an alternative web developer was sought and contracted.</li> <li>▪ Goodhope sought further information about implementing a new technology platform to improve the overall Sustainability Management Framework.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monthly report Sustainability Journey was published in a new format for the first time.</li> <li>▪ Draft content was developed for new website.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft website content and design was presented to Goodhope executive committee.</li> <li>▪ A Sustainability Dashboard is in development.</li> </ul>
<b>To develop an online and offline grievance system that can be accessed publicly.</b>			<ul style="list-style-type: none"> <li>▪ Draft content was developed for our new website that will include information on grievances.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Information on grievances will be available on the new website, which is currently still under development.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AJB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalan.

**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p><b>To set up a system to monitor and manage conservation areas.</b></p>	<ul style="list-style-type: none"> <li>▪ Our existing conservation management and monitoring have been developed according to the recommendations made in HCV assessments.</li> </ul>	<ul style="list-style-type: none"> <li>▪ New recommendations for conservation management and monitoring became available upon the completion of HCV assessments (Nabire Region and Ketapang Region).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Representatives from Goodhope attended a workshop on HCV management and monitoring delivered by Proforest in collaboration with RSPO.</li> <li>▪ Goodhope sought proposals from consultants (Ata-Marie, EcoNusantara and Proforest) to assist with the development and implementation of conservation management and monitoring plans.</li> <li>▪ New recommendations for conservation management and monitoring became available upon the completion of Sintang Region HCV assessments.</li> <li>▪ Goodhope initiated engagement with the conservation organization Swaraowa regarding the potential to provide support for conservation management and monitoring at PT AWL.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The NGO Swaraowa visited PT AWL concession to provide support for the development of an improved conservation program at Bukit Santuai.</li> <li>▪ We are developing plans to conduct further employee training for conservation and to develop more comprehensive conservation management and monitoring plans involving collaborative monitoring teams comprising researchers and members of local communities.</li> <li>▪ HCV assessments remain under the HCVRN Quality Panel review process. Once quality is verified we shall be able to progress further with finalising conservation management and monitoring plans.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AKB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalan.

**Table 6. Summary of Sustainability Policy Implementation May 2017-2018**

Objective	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p><b>To establish a grievance panel and procedure consisting of corporate's representatives that have the authority to settle disputes, engage and address concerns raised by NGOs, local communities, government and RSPO.</b></p>	<ul style="list-style-type: none"> <li>▪ Our agreement to work with the Conflict Resolution Unit (CRU) of the IBCSD provides the platform and services to support grievance handling procedures and ensure the application of best practices.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Relevant staff attended training in conflict resolution.</li> <li>▪ It was proposed that our current framework is further strengthened by establishing an external Grievance Panel to ensure a fair dispute settlement process is utilized for any grievances arising from our operations.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Potential candidates were approached as part of efforts to establish an external Grievance Panel but no agreements were made.</li> <li>▪ The outcome of an assessment made by a team from CRU was used to support the management of conflict relating to grievances against PT NB.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Further discussions are required with management regarding the establishment of an external grievance panel and potential panel members.</li> <li>▪ Several meetings were held with discussions on how to best improve grievance handling and conflict resolution processes.</li> </ul>

Quarter 1: 5<sup>th</sup> May - 4<sup>th</sup> August 2017; Quarter 2: 5<sup>th</sup> August - 4<sup>th</sup> November 2017; Quarter 3: 5<sup>th</sup> November 2017- 4<sup>th</sup> February 2018; Quarter 4: 5<sup>th</sup> February - 4<sup>th</sup> May 2018.

PT ABCK: Agro Bukit Central Kalimantan; PT AICK: Agro Indomas Central Kalimantan; PT AIEK: Agro Indomas East Kalimantan; PT AJB: Agrajaya Baktitama Perkasa; PT AWL: Agro Wana Lestari; PT BMS: Batu Mas Sejahtera; PT KMS: Karya Makmur Sejahtera; PT NB: Nabire Baru; PT RCCK: Rim Capital Central Kalimantan; PT SAP: Sariwana Adi Perkasa; PT SHP: Sumber Hasil Prima; PT SMS: Sawit Makmur Sejahtera; PT SSA: Sinar Sawit Andalan.

## Section II.

# Sustainability Policy Implementation Framework



## Sustainability Policy Implementation Framework

In order to fully implement our Sustainability Policy, we have defined the main aims and objectives in order to fulfil the terms of our policy statements (see Table 6) and have established an implantation checklist comprising the necessary assessments, management plans, procedures, capacity building activities, monitoring and evaluation processes and reporting requirements to meet the aims and objectives.

The Implementation Framework is supported by a set of criteria defining the requirements for compliance with sustainability standards and a set of endorsed guidelines that provide information on how to meet the relevant regulations (Table 10). The framework is designed to facilitate compliance with our policy and sustainability regulations and to support continuous improvement of our sustainability performances. Under this framework we work to ensure that our operational procedures align with the highest standards in sustainability and will continue to develop and implement adaptive management plans, to continuously improve and enhance the way we undertake our business operations. Review and evaluation of the results of assessments, surveys and monitoring activities will provide important feedback to identify strengths, weaknesses, opportunities and threats, upon which we shall act to adjust and improve management plans, policies and procedures.

**Table 7. Components of Our Sustainability Policy Implementation Framework**

<b>Aims and Objectives</b>	The aims and objectives of our Policy Implementation Framework have been defined according to the terms of our policy statements.
<b>Criteria</b>	The criteria identify the requirements that must be met in order to fulfil our sustainability commitments.
<b>Guidelines</b>	A set of endorsed Guidelines provide information on how to meet the relevant legal and regulatory requirements to support our management processes and operational procedures.
<b>Pre-Development Assessments</b>	Pre-development assessments are essential to establish baseline data and to attain the necessary information for the development of appropriate land-use and conservation plans / management and monitoring plans.
<b>Procedures</b>	Our policies and procedures define our commitments and the operational processes that must be completed to fulfil our commitments. These documents shall be updated as necessary to maintain consistency with our Sustainability Policy and with the relevant legal and regulatory requirements.
<b>Management Plans</b>	Site management plans shall be developed and adapted according to the outcomes of assessments and monitoring activities. They will define time-bound objectives and person responsible whilst strategic plans shall set out targets and approaches.
<b>Capacity Building</b>	Engagement and training activities (for employees, local communities, suppliers and other stakeholders) are a fundamental way to communicate our policies, disseminate information and provide learning opportunities to enable and enhance policy implementation and compliance.
<b>Monitoring and Evaluation</b>	We shall monitor performance against key indicators by regular data collection (surveys, inspections, assessments and audits) including stakeholder feedback. Results shall be used to identify gaps in compliance and to develop adaptive management and monitoring plans / corrective action plans.
<b>Reporting</b>	To fulfil our commitment to transparency and to allow stakeholder feedback we report on our progress and performance, including a monthly report 'Sustainability Journey' and a quarterly progress report on Sustainability Policy implementation.



**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Safeguarding HCV and HCS</b>  <i>Goodhope will ensure there is no conversion of High Carbon Stock (HCS) forest areas, and will conserve any HCS forests within its license areas. We will ensure that comprehensive HCS Assessments are carried out by accredited bodies before land clearing or new development, that the assessments are subject to peer review as prescribed by the HCS Steering Group, and that assessment results are made public. We will protect all forests and areas consistent with the HCS Approach or a successor approach whose standards and methodologies represent the highest industry standards for sustainability.</i></p>	<p>1. To develop integrated conservation and land use plans (ICLUP) for proposed new developments.</p>	<p>1.1 Conduct training on HCV, HCSA, ICLUP and management and monitoring approaches for employees, community representatives and local government officials as a capacity building initiative to enable effective implementation of the management and monitoring plans.                      1.2 Continue focal group discussions and participatory mapping with local communities to finalize conservation and land-use plans and establish participatory management and monitoring agreements that are developed collaboratively and formally agreed with communities.</p>
<p><i>Goodhope will ensure there is no conversion of High Conservation Value (HCV) land within its license areas. We will ensure that comprehensive HCV Assessments are carried out by accredited bodies before land clearing or new development, that the assessments are subject to peer review as prescribed by the High Conservation Value Resource Network (HCVRN), and that assessment results are made public.</i></p> <p><i>To achieve successful forest conservation, Goodhope will engage with local communities to safeguard HCV and HCS areas while recognizing the rights of local communities. We will take strong action to protect native animals and plants, especially threatened and endangered species. The poaching, hunting, capturing, extracting and trafficking of wild animals on our areas are prohibited. However, we will respect the rights of indigenous peoples to engage in traditional and customary forms of hunting which are sustainable and we will work with them to ensure there is a designated time, place and manner for such hunting and that it is legal, noncommercial, and does not threaten ecosystems or harm threatened and endangered species.</i></p>	<p>2. To implement conservation management and monitoring programs to safeguard High Conservation values and High Carbon Stock Forest.</p>	<p>2.1 Disseminate information on specific HCVs, e.g. cultural values and protected species) and communicate agreed regulations and prohibitions for HCV protection.                      2.2 Establish monitoring teams and routines to monitor flora and fauna, to better enforce regulations and record illegal activities and to monitor the cultural / recreational values identified in HCV assessments.                      2.3 Implement initiatives to mitigate conflict between humans and wildlife where necessary (according to monitoring and evaluating the occurrence of human-wildlife conflict).</p>

**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Protection of Peatland</b>  <i>Goodhope will not conduct any new development on peat land and will utilize best management practices for existing plantations on peat. We will work with experts, stakeholders, and communities to assess existing plantations on peat and ensure that the best management practices as defined by the RSPO and peat experts are adopted. For these purposes, we define peat soil as having more than 65% organic matter.</i></p>	<p>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.</p>	<p>3.1 Appoint assessors / personnel to map peatland areas where boundaries are not yet clear.                      3.2 Review and revise the procedures implemented for management of oil palm on peatland to ensure alignment with best management practices (implementation of water management and monitoring system).                      3.3 Develop responsible replanting plans.</p>
<p><b>Fire Mitigation</b>  <i>Goodhope will maintain its strict zero burning policy, which is enforced without exception, across all operations including subsidiaries, associates and third party suppliers. Goodhope will thus strive to maintain best practices to mitigate the risk of fires by providing adequate firefighting resources on site; developing and strengthening firefighting capacity; and conducting drills and exercises on a regular basis to ensure the preparedness of employees. We will also work with surrounding villages to raise awareness of the dangers of wildfires and develop response and emergency plans.</i></p>	<p>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.</p>	<p>4.1 Ensure regular inspection of fire-fighting equipment                      4.2 Conduct timely fire-fighting training / fire awareness programs including regular drills for employees.                      4.2 Review our fire-fighting response procedures and introduce improved processes, including establishing and maintaining emergency fire response teams.                      4.3 Deliver community fire awareness programs (annually during the dry season).                      4.4 Produce annual reports on the occurrence of fire hotspots and firefighting response.</p>
<p><b>Reducing Our Environmental Impact</b>  <i>Goodhope will progressively moderate the environmental impact of plantation operations, including actions that reduce greenhouse gas emissions. We will utilize best agronomic practices on soil, waste, and pest management and promote these practices within our supply chain and the broader industry. We prohibit the use of paraquat and pesticides with similar negative ecological impacts, and will utilize integrated pest management systems that do not rely on pesticides with significant adverse classifications by the World Health Organization, Stockholm Convention, or Rotterdam Conventions. In the rare instances when there is a specific and urgent need to use such pesticide, we will disclose its application and work with stakeholders and experts to identify ways to avoid future applications.</i></p>	<p>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.</p>	<p>5.1 Complete GHG assessments and develop GHG emissions mitigation plans incorporating reducing the use of inorganic fertilisers, reducing fuel consumption, carbon sequestration, waste reduction and recycling, and methane capture plans.                      5.2 Emphasize waste reduction measures in all procedures and promote the reduce, reuse and recycle philosophy among employees by communication of the campaign.                      5.3 Map where restoration / rehabilitation is required and establish habitat restoration / rehabilitation plans.                      5.4 Ensure that key measurements for environmental monitoring (such as BOD, COD, TSS, air ambience) are regularly conducted by third party.                      5.5 Develop an integrated monitoring database for recording key indicators relating to soil quality, emissions and water quality.</p>

**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Respecting Community Rights</b>  <i>Goodhope will fully respect land tenure rights and the rights of indigenous peoples and local communities to give or withhold their Free, Prior, and Informed Consent (FPIC) to operations on lands to which they hold legal, communal or customary rights. Prior to commencing a new operation, we will implement the international best practices for FPIC and ensure full conformity with the law. We respect and support the Universal Declaration of Human Rights, the UN Declaration on the Rights of Indigenous Peoples, the UN Guiding Principles on Business and Human Rights, the International Labour Organization Conventions, the UN Food and Agriculture Organization’s Voluntary Guidelines on the Responsible Governance of Tenure, and all relevant national and local laws.</i></p>	<p>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.</p>	<p>6.1 Deliver adequate information in a language which is easily understood by the public including providing informative material in hardcopy and enable sufficient opportunities for inputs and questions together with clarification and corporate answers.          6.2 Maintain regular scheduled meetings between community representatives and company personnel and implement a ‘Community Communication System’ for additional communications and information exchange.          6.3 Conduct stakeholder engagement and Participatory Mapping to obtain further information on the social profiles of local communities, the use and potential use of natural resources, and the extent of social risks.          6.4 Develop and implement plans to meet plasma obligations.          6.5 Conduct training on FPIC, the HCSA Social Requirements and relevant guidelines on Human Rights for staff, community representatives and local government officials to promote implementation of these requirements.          6.6 Ensure the availability of SOPs for FPIC and stakeholder engagement on site in a language that can be easily understood by employees and conduct a measurable evaluation and monitoring of the implementation of SOPs.</p>
<p><b>Handling of Complaints, Grievances and Conflict Resolution</b>  <i>Goodhope will promote and support responsible and amicable resolution of conflicts with all parties. We will work with relevant stakeholders to ensure fair and mutually agreed settlement is reached with the complaint, grievance and/or the conflict. We will make adequate documentary evidence of the settlement reached and that will be accessible to all the stakeholders. We will establish a grievance panel and procedure consisting of corporate’s representative that has authority to settle disputes, engage and address concerns raised by NGOs, local communities, government and RSPO.</i></p>	<p>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.</p> <p>8. To improve transparency relating to grievances, including providing up-to-date information on the complaint and resolution processes and progress.</p>	<p>7.1 Investigate each complaint independently with the involvement of relevant stakeholders, and develop roadmaps that set out in detail how the issues that have been raised will be addressed and resolved fairly, involving stakeholders in decision-making processes.          7.2 Monitor grievances and dispute resolution and to allow evaluation and review.          7.3 Develop mediation skills for relevant members of staff involved in handling grievances.          7.4 Invite candidates to serve as independent actors for any grievance-related investigations when necessary.</p> <p>8.1 Maintain a Grievance Database.          8.2 Provide regular updates on the status of grievances that can be accessed publicly.</p>

**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Promoting Community Empowerment</b>  <i>Goodhope will continue to develop and implement local community development and empowering programmes in and around our operating locations. We will develop these programmes through open, constructive and collaborative discussions with local communities and relevant government authorities. We aim to bring in sustainable livelihood development to the communities around us.</i></p>	<p>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.</p>	<p>9.1 To ensure adequate infrastructure and teaching support for schools within and surrounding plantation areas (hiring of teachers and admin assistants; teacher and admin training; education materials and improved facilities for schools: new kindergartens; new classrooms / school improvements; new school buses).            9.2 Accreditation of schools.            9.3 To 'educate for sustainability' by working with teachers and relevant organisations to promote sustainability initiatives in schools: conservation; reduce, reuse and recycle programs; 'Health and Safety goes to Schools' program; health and nutrition; sustainable livelihood approaches.            9.4 Communicate with local communities and governments to contribute to maintaining and enhancing community infrastructure and facilities (e.g. road improvement and water systems etc).            9.5 Introduce renewable energy initiatives where possible (solar panels and hydropower).            9.6 Extend employee health services to also serve nearby local communities and implement appropriate programs (family planning, HIV-AIDS, anti-drugs, eyecare, TB prevention, malaria prevention).            9.7 Develop plans with partner organisations to deliver community education and awareness programs on sustainable agriculture, recycling and re-use, alternative income generating activities).            9.8 Collect and analyse information on key socio-economic indicators through a combination of participatory community meetings and an open-ended survey based on semi-structured interviews (welfare impact assessment) to attain insight into the actual impacts of the company's operations on the welfare of local communities.            9.9 Develop and implement adaptive management plans according to the evaluation of welfare impact assessments.</p>

**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Smallholder Support</b>  <i>Goodhope actively supports smallholders by sharing best practices, providing educational and technical assistance, and facilitating their inclusion into our supply chain. We engage with smallholders in a fair, transparent and accountable manner to improve yields and increase the sustainability of our supply chain. We will form greater partnerships with them in order to effectively implement this policy and find ways to increase the productivity, profitability, and sustainability of smallholder supplied commodities.</i></p>	<p>10. To develop and implement a Smallholder Support Program to actively support smallholders and facilitate their inclusion into our supply chain by capacity building.</p>	<p>10.1 Develop informative material for smallholders including yield improvement and best practice techniques.            10.2 Develop and implement a smallholder engagement plan to include dissemination of information and smallholder evaluation.            10.3 Seek opportunities for collaboration to support Smallholder programs.</p>
<p><b>Supporting Worker Rights, Health and Well-Being</b>  <i>Goodhope recognizes and respects the rights of all workers, including contract, temporary and migrant workers. Goodhope and its suppliers will fully comply with all national and local laws and standards including those on health and safety, working hours, minimum wage and overtime. We will protect workers from exposure to occupational health and safety hazards that pose a risk of illness, injury or death. We will also maintain consistent and accessible records of worker hours and wages. Further, Goodhope respects the rights of all workers to collectively bargain and create or join trade unions of their choice and accordingly Goodhope will not resort to any measure of union busting and intervention or threat to trade union that would put the independence of such unions at risk. In instances where laws limit the rights of workers to freely associate and collectively bargain, we will work to identify and provide comparable means of associating and bargaining consistent with the law. Goodhope is committed to nonviolence and has a zero tolerance policy for child labor, forced labor, or bonded labor throughout our operations. We allow workers to maintain control over their identity documents. We strive to conduct business in a fair and ethical manner and promote a safe and healthy working environment. We do not tolerate corruption or bribery and discourage all forms of conflicts of interest that could undermine this policy.</i></p>	<p>11. To continue to set clear standards for occupational health and safety performance and to ensure that appropriate actions are taken to mitigate risks.</p>	<p>11.1 Establish a comprehensive induction program for all new employees and to provide adequate briefings and training sessions to ensure that each individual has the necessary information and skills they need to safely carry out their tasks at work.            11.2 Ensure the provision of proper personal protective equipment (PPE) for all employees and visitors, and ensure all contractors workers also use their own PPE.            11.3 Promote improved health and safety check systems and improved systems for accident reporting and investigation incorporating an Accident / Near Miss Hotline.            11.4 Continue to evaluate performance by Safety Index measurements and stakeholder monitoring, and continue to implement relevant action plans for health and safety improvement.</p>
	<p>12. To promote the application of relevant guidelines on Human Rights.</p>	<p>12.1 Conduct training on Human Rights guidelines and regulations for management staff and worker representatives to promote implementation of these requirements.            12.2 Develop and implement action plans to promote human rights, including better addressing the rights of women workers and their children:- maternity protection, breastfeeding and childcare, health and nutrition, WASH, living conditions, childcare centres, and child protection.</p>



**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Supplier Traceability and Compliance</b>  <i>Goodhope will create a fully transparent and traceable supply chain down to the level of plantation and inclusive of the smallholders. The company commits to demonstrate full traceability for all commodities to the mill and plantation level, including from all subsidiaries, associates and third party suppliers before 4th May 2019.</i></p> <p><i>All Goodhope’s direct operations, subsidiaries and associates will implement this policy immediately, and for our third-party suppliers we will enforce this policy with immediate effect, however to be compliant progressively but no later than 4th May 2019. We understand some suppliers may take time to comply with our policies and we are committed to help them implement our policies in accordance with clear timelines.</i></p> <p><i>Goodhope will not source from suppliers who do not take immediate action to comply with this policy, will cease to do business with suppliers found to be in serious violation of this policy at any time, and will under no circumstances source from suppliers who have not fully complied with this policy by 4th May 2019.</i></p> <p><i>We will develop new engagement policies and robust procedures to ensure that Goodhope, its subsidiaries and its third-party suppliers comply with this procedure in future. Complaints and conflicts in relation to this policy will be resolved through an open, transparent, and accountable grievance mechanism.</i></p>	<p>13. To develop improved monitoring systems to trace the supply of FFB.</p> <p>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.</p>	<p>13.1 Review and where appropriate revise our procedures for monitoring FFB supply to our mills.                      13.2 Provide information and training on new monitoring systems.</p> <p>14.1 Maintain full lists of all suppliers.                      14.2 Establish a supplier engagement plan and produce informative material for communicating the policy.                      14.3 Establish a system for conducting supplier evaluations by working with credible independent third parties to audit / verify compliance of our suppliers.                      14.4 Provide feedback and guidance to suppliers as relevant, including guidance on how to improve sustainability practices and compliance (providing informative material and training).</p>

**Table 8. Sustainability Policy Implementation: Aims and Objectives**

Commitments	Aims	Objectives
<p><b>Transparency and Continuous Improvement in Sustainability Performance</b>  <i>We will consult, collaborate and build stronger partnerships with governments, communities, industry partners and other stakeholders on the implementation of these policies. We will actively support efforts to integrate these policies into government policies and laws. We welcome feedback from stakeholders and opportunities to advance these policies in a more collaborative and impactful manner.</i></p> <p><i>We commit to evaluate and report our performance regularly against this policy in a transparent manner. We will communicate and report on progress under this policy once a year.</i></p>	<p>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.</p>	<p>15.1 Improve integration of sustainability commitments by better organisation of the sustainability department and distribution of management roles and responsibilities.            15.2 Maintain regular Sustainability Management Review Meetings.            15.3 Maintain a record of activities and status updates on policy implementation.            15.4 Maintain an Integrated Sustainability Monitoring System for key indicators and use this for our Sustainability Dashboard.            15.5 Finalize the design and content for a new website and continue to maintain and improve the website for better communication with public.            15.6 Implement a stakeholder engagement program on policy commitments and report on performance and progress with regards to policy implementation.            15.7 Maintain an organized and integrated document control system comprising a document / data storage system and designated person responsible in the SPU office and in the Regional Office.            15.8 Maintain a document review system and keep up-to-date on relevant standards, RSPO P&amp;C etc. to identify updates that will need to be incorporated into our Sustainability Policy and related operational policies, procedures and management plans.            15.9 Work with credible independent third party (ERM) to assess the implementation and performance of our sustainability policy.            15.10 Ensure evaluation of performance assessments and monitoring results to develop and implement adaptive management plans and corrective action plans to address risks and close any gaps in compliance.            15.11 Develop and implement a Certification Plan (incorporating RSPO; ISPO; OHSAS 180001; ISO 14001; PROPER; PUP).</p>

**Table 9. Key Criteria and Guidelines**

<p><b>Roundtable on Sustainable Palm Oil (RSPO)</b></p>	<ul style="list-style-type: none"> <li>• RSPO Principles and Criteria for the production of sustainable palm oil</li> <li>• RSPO New Planting Procedure (NPP) 2015</li> <li>• RSPO GHG Assessment Procedure for New Plantings, 2016</li> <li>• RSPO Guidelines on Management and Monitoring of High Conservation Values for Sustainable Palm Oil Production in Indonesia, 2009</li> <li>• RSPO Guidance for Independent Smallholders on Managing High Conservation Values in Established Oil Palm Plantation</li> <li>• RSPO Manual on Best Management Practices (BMPs) for Existing Oil Palm Cultivation on Peat</li> <li>• RSPO Manual on Best Management Practices (BMPs) for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat</li> <li>• RSPO Manual on Best Management Practices (BMPs) for the Management and Rehabilitation of Riparian Reserves</li> <li>• Free, Prior and Informed Consent Guide for RSPO Members, 2015</li> <li>• Mandatory Requirement for Certification Bodies in Assessing Free, Prior and Informed Consent (FPIC) in New Planting Procedures, 2018.</li> <li>• RSPO Dispute Settlement Facility (DSF) Framework, Terms of Reference, and Protocol, 2012</li> </ul>
<p><b>High Carbon Stock Approach (HCSA)</b></p>	<ul style="list-style-type: none"> <li>• HCSA Principles for effective community natural resource management</li> <li>• HCSA Toolkit 2015</li> <li>• HCSA Social Requirements Implementation Guide</li> </ul>
<p><b>High Conservation Value Resource Network (HCVRN)</b></p>	<ul style="list-style-type: none"> <li>• HCVRN HCV Assessment Manual 2014 and supporting documents including:             <ul style="list-style-type: none"> <li>- Common Guidance for the identification of High Conservation Values - A good practice guide for identifying HCVs across different ecosystems and production systems, 2013</li> <li>- Common Guidance for the Management and Monitoring of High Conservation Values - A good practice guide for the adaptive management of HCVs, 2014</li> </ul> </li> </ul>
<p><b>International Finance Corporation (IFC) World Bank Group</b></p>	<ul style="list-style-type: none"> <li>• IFC Greenhouse Gas Reduction Accounting Guidance For Climate-Related Projects, 2013</li> <li>• Good Practice Note Addressing Grievances from Project-Affected Communities – Guidance for projects and companies on designing grievance mechanisms, 2009</li> <li>• Guide to Human Rights Impact Assessments and Management (HRIAM) 2010</li> <li>• Measure and Improve Your Labor Standards Performance – Handbook for Labor and Working Conditions, 2010</li> </ul>
<p><b>United Nations (UN)</b></p>	<ul style="list-style-type: none"> <li>• The Universal Declaration of Human Rights</li> <li>• The UN Declaration on the Rights of Indigenous Peoples</li> <li>• The UN Guiding Principles on Business and Human Rights</li> <li>• The UN Convention on the Rights of the Child</li> <li>• The UN Food and Agriculture Organization’s Voluntary Guidelines on the Responsible Governance of Tenure</li> </ul>
<p><b>Other</b></p>	<ul style="list-style-type: none"> <li>• The International Labor Organization Fundamental Conventions</li> <li>• Voluntary Principles on Security and Human Rights</li> <li>• Global Resources Initiative (GRI) G3 Sustainability Reporting Guidelines and Indicator Protocols</li> <li>• AA1000 AccountAbility Principles (2008) and Stakeholder Engagement Standard 2011</li> <li>• Guidelines for Better Management Practices on Avoidance, Mitigation and Management of Human-Orangutan Conflict in and around Oil Palm Plantations published by WWF-Indonesia</li> </ul>

**Table 10. Sustainability Policy Implementation Checklist**

Objective	Pre-development Assessments	Management Plans	Procedures	Capacity Building	Monitoring and Evaluation	Reporting
<b>Safeguarding HCV-HCS</b>	<ul style="list-style-type: none"> <li>• HCV Assessment.</li> <li>• HCS / HCSA Assessment.</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder Engagement Program for the development of land-use and conservation plans.</li> <li>• Conservation and Land-Use Plan (map of HCV and HCS areas and list of the HCVs).</li> <li>• Participatory Management and Monitoring Agreements.</li> <li>• HCV-HCS Management and Monitoring Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Conservation management and monitoring procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Training and Development Program on Conservation Management.</li> <li>• HCV signboards and other informative material for conservation education and awareness.</li> <li>• Conservation initiatives for schools.</li> </ul>	<ul style="list-style-type: none"> <li>• Records of public consultations including participatory mapping.</li> <li>• Records of HCV-HCS management and monitoring activities.</li> <li>• Monitoring data for HCV, HCS: biodiversity, illegal activities, social and cultural values, carbon stock.</li> </ul>	<ul style="list-style-type: none"> <li>• HCV Assessment Report.</li> <li>• HCS / HCSA Assessment Report.</li> <li>• Regular updates at the local and site-wide level.</li> <li>• Annual HCV-HCS Management and Monitoring Reports based on the analysis of monitoring data.</li> </ul>
<b>Protection of Peatland</b>	<ul style="list-style-type: none"> <li>• Soil survey.</li> </ul>	<ul style="list-style-type: none"> <li>• Map of peatland.</li> <li>• Peatland Management and Monitoring Plan.</li> <li>• Responsible Replanting Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Procedures for management of oil palm on peat.</li> </ul>	<ul style="list-style-type: none"> <li>• Management Training on Best Management Practices for Existing Oil Palm Cultivation on Peat.</li> <li>• Informative material for conservation education and awareness.</li> </ul>	<ul style="list-style-type: none"> <li>• Planting data.</li> <li>• Record of peat management activities.</li> <li>• Monitoring data for peatland.</li> </ul>	<ul style="list-style-type: none"> <li>• Soil Survey Report.</li> <li>• Peatland Protection Report: management reports with monitoring results.</li> </ul>
<b>Zero Burning and Fire Prevention</b>	<ul style="list-style-type: none"> <li>• Historical Fire Hotspot Assessment (HCV Assessment).</li> </ul>	<ul style="list-style-type: none"> <li>• Fire Mitigation Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Fire mitigation procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Fire Awareness and Training Program.</li> <li>• Community Fire Awareness and Training Program.</li> <li>• Fire Awareness Posters.</li> </ul>	<ul style="list-style-type: none"> <li>• Record of fire awareness activities and training sessions held.</li> <li>• Fire hotspot monitoring.</li> <li>• Fire equipment check.</li> <li>• Monitoring fire response.</li> </ul>	<ul style="list-style-type: none"> <li>• Report on fire occurrence and response.</li> </ul>

**Table 10. Sustainability Policy Implementation Checklist**

Objective	Pre-development Assessments	Management Plans	Procedures	Capacity Building	Monitoring and Evaluation	Reporting
<b>Reducing our Environmental Impact</b>	<ul style="list-style-type: none"> <li>• GHG Assessment.</li> <li>• Environmental Impact Assessment.</li> </ul>	<ul style="list-style-type: none"> <li>• GHG Emissions Management and Mitigation Plan.</li> <li>• Fertilizer Efficiency Plan.</li> <li>• Integrated Pest Management Plan.</li> <li>• Waste Reuse-Reduce Recycle Plan.</li> <li>• Management Plan for the Rehabilitation of Riparian Reserves.</li> <li>• Environmental Compliance and Certification Plan (including ISO 14001 and PROPER).</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental monitoring procedures.</li> <li>• Agronomy procedures.</li> <li>• Steps for the mitigation of environmental impact incorporated into all procedures as relevant.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff Training and Development Program on Mitigating Environmental Impacts and Environmental Compliance.</li> <li>• Environmental Campaigns at schools: Natural Resources Conservation, Energy Conservation, Waste Reuse-Reduce Recycle.</li> <li>• Signs and posters: Natural Resources Conservation Campaign, Energy Conservation Campaign, Waste Reuse-Reduce Recycle Campaign.</li> </ul>	<ul style="list-style-type: none"> <li>• Calculation of GHG emissions using RSPO PalmGHG Calculator.</li> <li>• Record of fertilizer, pesticide and herbicide application.</li> <li>• Integrated Environmental Monitoring and Evaluation System for recording key indicators relating to soil quality, emissions, water quality (river, ground water, waste water and treated water).</li> </ul>	<ul style="list-style-type: none"> <li>• GHG assessment for new plantings.</li> <li>• Environmental Impact Report.</li> <li>• GHG emissions annual audit summary report.</li> <li>• Environmental monitoring report.</li> </ul>
<b>Respecting Community Rights</b>	<ul style="list-style-type: none"> <li>• Social Impact Assessment.</li> <li>• Land Tenure Study: Maps showing the extent of recognized legal, customary or user rights developed through participatory mapping.</li> <li>• Legal Compliance Assessment.</li> </ul>	<ul style="list-style-type: none"> <li>• Social Impact Management Plan.</li> <li>• Community Engagement Program for the development of land-use and conservation plans.</li> <li>• Plan for the Realization of the Plasma Program.</li> <li>• Land Legal Compliance Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Procedures for fulfilling the legality of plantations.</li> <li>• Land acquisition procedures, including land compensation procedure, following FPIC processes.</li> <li>• Participatory Mapping procedures.</li> <li>• Procedures for monitoring social impacts.</li> <li>• Stakeholder engagement and stakeholder analysis procedures.</li> <li>• Recognition of the need to respect community rights incorporated into all procedures as relevant.</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability commitments leaflet.</li> <li>• Training on FPIC, the HCSA Social Requirements and relevant guidelines on Human Rights for staff, community representatives and local government officials.</li> <li>• Community forum.</li> </ul>	<ul style="list-style-type: none"> <li>• Community welfare / Social Impact monitoring and evaluation.</li> <li>• Documentation of socialization activities and records of feedback / questions and answers.</li> <li>• Records of FPIC processes and copies of negotiated agreements.</li> <li>• Monitoring of plasma development.</li> <li>• Record of land acquisition processes and evidence of compliance with relevant legal requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Social Impact Assessment Report.</li> <li>• Report on the implementation of HCSA Social Requirements.</li> <li>• Regular updates on Realization of the Plasma Program.</li> </ul>

**Table 10. Sustainability Policy Implementation Checklist**

Objective	Pre-development Assessments	Management Plans	Procedures	Capacity Building	Monitoring and Evaluation	Reporting
<b>Handling of Complaints, Grievances &amp; Conflict Resolution</b>		<ul style="list-style-type: none"> <li>Management Plan for Improved Grievance Handling and Dispute Settlement.</li> </ul>	<ul style="list-style-type: none"> <li>Negotiation procedures.</li> <li>Grievance Handling and Dispute Settlement Procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Employee training in mediation.</li> <li>Dissemination of revised grievance procedure statements.</li> </ul>	<ul style="list-style-type: none"> <li>Minutes of Meetings and other information and documentation on grievances inputted into Grievance Database.</li> <li>Evaluation of grievances, including causes and solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly updates on the status of grievances.</li> </ul>
<b>Community Empowerment (CSR)</b>	<ul style="list-style-type: none"> <li>Social Impact Assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Education Strategy.</li> <li>Community Economic Empowerment Plan.</li> <li>Management Plan for Community Health Program.</li> <li>Management Plan for Community Infrastructure Support Program.</li> </ul>	<ul style="list-style-type: none"> <li>CSR Handbook.</li> </ul>	<ul style="list-style-type: none"> <li>Educational programs to promote sustainability initiatives at schools.</li> <li>Health Awareness Program.</li> <li>Information and training promoting alternative sustainable livelihoods.</li> </ul>	<ul style="list-style-type: none"> <li>Community welfare / Social Impact monitoring and evaluation.</li> <li>Monitoring of education programs: teachers, students, school facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly CSR Reports.</li> <li>Welfare Impact Assessment Report with scores, analysis and adaptive management implications.</li> </ul>
<b>Smallholder Support</b>		<ul style="list-style-type: none"> <li>Smallholder Engagement Plan (support program).</li> </ul>	<ul style="list-style-type: none"> <li>Smallholder engagement procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Dissemination of information and training to support smallholders, including yield improvement, best practice techniques.</li> </ul>	<ul style="list-style-type: none"> <li>Record of smallholder engagement.</li> <li>Results of smallholder surveys.</li> </ul>	<ul style="list-style-type: none"> <li>Report on smallholder support program.</li> </ul>
<b>Worker Rights, Health and Well-Being</b>	<ul style="list-style-type: none"> <li>Social Impact Assessment.</li> <li>Environmental Impact Assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety improvement plan.</li> <li>Occupational health and safety certification plan (OHSAS 180001).</li> <li>Action plan to promote labor rights.</li> </ul>	<ul style="list-style-type: none"> <li>Ethical Employment procedures, including procedures to prevent child labour, forced and trafficked labour.</li> <li>Procedures to protect human rights in the workplace, including non-discrimination and protection from sexual harassment.</li> <li>Safety precautions incorporated in all procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Health and Safety Signboards.</li> <li>Health and Safety Training for employees.</li> <li>Promote system for health and safety checks, and accident reporting and investigation.</li> <li>Dissemination of information promoting labor rights.</li> <li>Training on relevant guidelines on Human Rights for management staff and worker representatives.</li> </ul>	<ul style="list-style-type: none"> <li>Social Impact monitoring and evaluation.</li> <li>Labor management documents.</li> <li>Record of employee training.</li> <li>Monitoring and Evaluation of Safety Performance Index.</li> <li>Employee survey.</li> <li>Health and safety risk assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Safety Performance Report.</li> <li>Report on promoting human rights in the workplace.</li> </ul>

**Table 10. Sustainability Policy Implementation Checklist**

Objective	Pre-development Assessments	Management Plans	Procedures	Capacity Building	Monitoring and Evaluation	Reporting
<b>Supplier Traceability and Compliance</b>		<ul style="list-style-type: none"> <li>• Supplier Engagement and Evaluation Plan.</li> <li>• Management Plan for Improving the Traceability of FFB.</li> </ul>	<ul style="list-style-type: none"> <li>• Traceability procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Training Program on FFB Traceability.</li> <li>• Promoting NDPE: Awareness and Training Program for Suppliers.</li> <li>• Informative material promoting NDPE: leaflets, booklets and presentations.</li> </ul>	<ul style="list-style-type: none"> <li>• List of all suppliers and risk mapping.</li> <li>• Monitoring data on FFB traceability.</li> <li>• Supply-demand control documents.</li> <li>• Record of Supplier engagement activities.</li> <li>• Supplier Evaluation Results.</li> </ul>	<ul style="list-style-type: none"> <li>• Report on supplier engagement activities.</li> <li>• Supplier evaluation reports.</li> </ul>
<b>Transparency and Continuous Improvement in Sustainability Performance</b>		<ul style="list-style-type: none"> <li>• Sustainability Policy Implementation Plan.</li> <li>• Continual improvement / corrective action plans.</li> <li>• Stakeholder Engagement Program on Sustainability Policy implementation.</li> <li>• Organizational structure.</li> <li>• Certification Plan (RSPO; ISPO; OHSAS 180001; ISO 14001; PROPER; PUP).</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability Assessment procedure.</li> <li>• Procedure to respond constructively and promptly to stakeholders, including a specific timeframe to respond to requests for information.</li> <li>• Procedure for making revisions to documents.</li> <li>• Procedure for providing updates.</li> </ul>	<ul style="list-style-type: none"> <li>• Management Training on Sustainability Policy implementation and sustainability standards.</li> <li>• Stakeholder Engagement program on policy implementation for local communities, NGOs and local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• Document Control and Review System.</li> <li>• Record of policy implementation activities.</li> <li>• Monitoring of certification processes.</li> <li>• Sustainability dashboard.</li> <li>• Records of requests for information and responses.</li> <li>• Audits on Sustainability performance conducted biannually by ERM.</li> <li>• Audits for certifications performed by reputable Certification Body.</li> <li>• Internally conducted Sustainability Assessments.</li> <li>• Monitoring corrective actions.</li> </ul>	<ul style="list-style-type: none"> <li>• Third Party Assessment of Sustainability Performance (ERM).</li> <li>• Public summary of certification assessment report.</li> <li>• Quarterly updates on policy implementation activities.</li> </ul>

**PT Agro Harapan Lestari**

Menara Global Building  
5th Floor  
JI, Jend. Gatot Subroto Kav. 27  
Jakarta, 12950  
Indonesia  
Telephone  
+62 2152892260  
Fax  
+62 21 52892259  
Email  
reachus@goodhope-id.com  
Website  
www.goodhopeholdings.com

