In this monthly newsletter we report on our ‘Sustainability Journey’ and provide information on recent activities that have been undertaken in order to fulfill our social and environmental commitments.

As a Group member of RSPO, each of our plantations are audited and assessed to ensure standards are met according to RSPO Principles and Criteria. Two of our sites - PT Agro Indomas (AICK) and PT RIM Capital (RIM) in Central Kalimantan – have undergone RSPO re-certification audits whilst PT Agro Bukit Central Kalimantan (ABCK) completed RSPO annual surveillance audit. All three locations successfully retained the RSPO certificates. Further a traceability audit was conducted by Synergy Oil Nusantara in ABCK.

We continue to meet the deadlines for requirements set by the RSPO Complaints Panel (CP) in response to the Stop Work Order imposed in April 2017, which applies to our seven new development subsidiaries. Following completion of requested High Conservation Value (HCV) re-assessments, the HCV assessment reports of PT Nabire Baru (NB), PT Sariwana Adi Perkasa (SAP), PT Agro Jaya Baktitama (AJB), PT Batu Mas Sejahtera (BMS) and PT Sawit Makmur Sejahtera (SMS) were submitted to HCV Resource Network (HCVRN) on the due date set by RSPO CP. Reports will be reviewed by the panel and revised by assessors as necessary to ensure that the required standards are met. If and once approved, all documents required for New Planting Procedures (NPP) will be submitted to RSPO. Meanwhile, the seven Goodhope subsidiaries continue to abide by the Stop Work Order.

Several prospective collaborative partnerships have been initiated in order to plan and implement appropriate projects for effective environmental management and sustainable livelihood programs for local communities. Proposals are being developed for both immature and mature plantations.
Social and Environmental Management Planning

We are in the process of developing integrated social and environmental management plans for our license areas based on the information and recommendations provided from HCV, HCS, peatland and social assessments. Management plans shall be further defined with continued community participation and collaboration with consultants and NGOs.

We have initiated engagement with various organizations to support the processes of planning and implementing appropriate programs and initiatives. Preliminary discussions have been held with the intention to establish collaborative projects. Programs are in initial stages of development include proposals to:

i) Improve the sustainability of community livelihood programs and the capacity of plasma cooperatives.
ii) Establish ‘Bukit Santuai Conservation Project’ at PT Agro Wana Lestari (AWL) - Karya Makmur Sejahtera (KMS).
iii) Design and implement an Integrated Land Use Plan in Ketapang Region.

For the Nabire region, a draft Integrated Conservation and Land Use Plan is being developed based on the outcome of HCS and HCV assessments and we are working to define specific objectives in accordance with advice provided by consultants and NGOs. We aim to implement collaborative integrated projects with NGOs and government agencies to enhance the effectiveness of our environmental management and protection efforts. Priorities are to establish suitable alternative livelihood programs and to develop and implement an integrated landscape management approach to protect HCV, HCS and to enhance the sustainable management of both forest and coastal resources.

High Carbon Stock (HCS) Assessments

High Carbon Stock (HCS) assessments have been conducted at all seven of our new development sites (PT NB, SAP, AJB, BMS, SMS, Sumber Harapan Prima and Sinar Sawit Andalan).

The HCS assessment of Nabire region (PT NB and SAP) is registered with the HCS Approach Steering Group and the site at Nabire is being considered for a High Forested Landscape Project.

41% of the PT NB / PT SAP license area has been identified as potential HCS land, with almost all overlapping with identified HCV area. Therefore a combined HCS-HCV management plan will be developed.

HCS assessment reports for the Ketapang and Sintang regions are due to be completed and submitted by the end of December 2017.

High Conservation Value (HCV) Assessments

The HCV assessment reports for five Goodhope subsidiaries have been completed by assessors and submitted to the High Conservation Value Resource Network (HCVRN).

Reports for PT NB, AJB, BMS & SMS were submitted on 31st October 2017 to meet the deadlines set by the RSPO complaints panel. The HCV assessment report for PT SAP was submitted on 6th October, well ahead of the deadline set by the RSPO complaints panel. Assessments will be reviewed by HCVRN and revisions will be made by assessors as necessary.

### HCV Area as recorded in HCV assessments

<table>
<thead>
<tr>
<th>Region</th>
<th>Area HCV</th>
<th>% HCV*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nabire</td>
<td>9,248 ha</td>
<td>43 %</td>
</tr>
<tr>
<td>Ketapang</td>
<td>3,016 ha</td>
<td>10 %</td>
</tr>
</tbody>
</table>

* % of license area determined by HCV assessment figures.
Human Rights, Health and Safety

Goodhope is committed to support worker rights, health and wellbeing and does not tolerate any form of exploitation, as stated in our Sustainability Policy. Our 'no exploitation' commitments apply to all aspects of our operations, including our business partnerships.

In support of fair business, representatives from Goodhope attended a workshop on 'Efforts on Mitigation of Exploitation in Business Partnership with Small scale business entrepeneurs’ held by the Indonesian Business Competition Supervisory Commision (BCSC). The BCSC, or Komisi Pengawas Persaingan Usaha (KPPU) deals with competition law in Indonesia and has the capacity to investigate cases, issue decisions, and impose sanctions.

We aim to ensure that standards are constantly met by the continued review and revision of policies and procedures, performance monitoring and evaluation, and the development and implementation of action plans.

Improving Safety Performance

The Group has in place an effective EHS policy with detailed procedures to maximize workplace safety in all of our operations. Our aim is to prevent exposure to hazards and risks in the workplace and to avoid accidents at work. Safety Performance at our plantations and mills is monitored by a series of regular assessments, inspections and audits. Records of the total number of incidents, frequency and severity of incidents are used to calculate Safety Performance Indices (SPI) as a measure of our progress towards meeting health and safety goals. From 2014-2017 an overall decline in SPI has been measured each year, indicating improved performance. We continue to monitor and evaluate our performance and develop and implement action plans to enhance the delivery of our commitments.
Grievance Handling

In order to meet our commitments, appropriately handle any grievances, we are adopting a number of approaches, including grievance mediation training for staff.

On October 20th 2017, a team from Goodhope attended a Focus Group Discussion (FGD) organized by the Penabulu Foundation (an NGO that aims to strengthen civil society in Indonesia) in conjunction with the Conflict Resolution Unit (CRU) of the Indonesian Business Council for Sustainable Development (IBCSD). The topic of discussion was "the development of corporate strategies for effectively handling conflicts".

The FGD was followed by Training on Negotiation and Mediation from 31st October until 2nd November 2017. Three participants from Goodhope attended the training program held by the CRU. The training was delivered by mediators from the Indonesian Mediation Centre and provided participants with improved understanding of the necessary steps and approaches to appropriately settle disputes and address concerns raised.

Employee training will be complimented by the maintenance of effective grievance handling procedures and information on grievance resolution will be made publicly available on our new corporate website due to be launched in January 2018.

Yerisiam Gua Community Grievance Resolution

Following on from a complaint by Yaysan Pusaka in April 2016, Goodhope continues to proceed with the RSPO Dispute Settlement Facility (DSF) mechanism to fully resolve grievances with the indigenous Yerisiam community in Nabire region. Meetings with RSPO and Pusaka began in July 2016 and the decision to use the DSF was agreed in March 2017. Since then we have been following the timelines and procedures set by the DSF. Complaints are now being assessed by an independent team mandated by the CRU of the IBCSD. The assessment team gathered information relating to complaints upon a site visit from 23rd - 26th October 2017. The assessment report is due to be presented in Nabire on 16th - 17th November 2017.
Advancing Education: The Agro Harapan Foundation

Through the Agro Harapan Foundation we provide a good quality of education from kindergarten level right through to senior high school level. Kindergartens at our plantation sites provide child care and education for children up to the age of five years old.

Several of our kindergartens have undergone recent assessments:

- TK Tunas Agro 4, one of our internal kindergartens at Agro Bukit Central Kalimantan (ABCK) has received national accreditation at “B” grade.
- TK Tunas Agro 5 at PT ABCK and TK Tunas Agro 8 at PT Agro Wan Lestari (AWL) have been visited and assessed by local education officials and accreditation results will be announced in December 2017 or January 2018.

As part of ongoing teacher training, a 2-day workshop was held at PT AICK from 14th - 15th November. The program was attended by 50 teachers, including teachers from schools at all Goodhope plantation locations in Central Kalimantan, as well as auxiliary teachers assigned to teach in government schools under assistance from the Agro Harapan Foundation. The event was endorsed by the local education official of the Seruyan Raya district and was supported by the University Pendidikan Indonesia, providing expertise in creative teaching methods. Furthermore, the AICK EHS team delivered basic safety training as part of the 2-day program. The combination of training in creative methods in education, as well as general safety awareness, provided the teachers with the opportunity to develop and enhance a range of skills applicable in their roles in order to further advance the quality of education delivered.
Family Planning Programs

We believe that accelerating progress in basic healthcare and family planning is an important step to achieving many of our sustainability goals. By investing in family planning we support human rights, gender equality, and empowerment, help to improve maternal, newborn, child, and adolescent health, and enable sustainable livelihood development, poverty reduction and improved quality of life.

On 27th October, the CSR, EHS, and medical teams at PT AICK held a family planning socialization event with the National Population and Family Planning Board (Badan Kependudukan dan Keluarga Berencana Nasional, BKKBN). The program was attended by 107 participants from the villages Terawan, Lanpasa, Paren, Banua Usang, and Tanjung Hanau. Health briefings delivered by the AICK EHS department were supported by a speech given by the BKKBN official of Central Kalimantan.

We are striving to foster additional partnerships and collaborative projects with local governments, corporate organisations, and NGOs in order to expand and improve community health services. Our overall aim is to improve the quality of medical services available to local communities by contributing to the delivery of improved integrated healthcare, incorporating community awareness programs and medical services. Improved health and family planning will provide stronger foundations for the development of sustainable livelihoods.
Traceability

We are working to demonstrate a fully transparent and traceable supply chain inclusive of all third party suppliers before 4th May 2019. From August until October 2017, our focus has been on clarifying the necessary procedures to ensure that all CPO meets sustainability requirements. Reviews and training sessions on supplier sustainability and FFB traceability have been delivered for all mill, finance and logistic departments at our subsidiaries in Central Kalimantan.

Furthermore we have been exploring possibilities to improve our procedures for monitoring FFB supply and continue to cooperate with Institut Penelitian Inovasi Bumi (INOBU) and Bupati Seruyan with the intention to introduce the use of a Traceability App at PT AICK in due course.

Upcoming Activities

1. Our NDPE socialization program will continue according to our planned schedule to communicate our policy to stakeholders, including suppliers and contractors.

2. We will continue to pursue options and opportunities for collaboration, participation and discussion with relevant organizations and stakeholders in order to further develop Environmental Management plans. Our focus will be on the development of an integrated HCS-HCV conservation management plan for our project in Nabire region, West Papua.

3. Yerisiam Gua Community Grievance Settlement Procedures will follow the agreed work plan for dispute settlement, with next steps being determined by the outcomes of the verification assessment.

4. Baseline assessments as part of the UNICEF Children Rights and Business Principles Palm Oil Program will be conducted at PT AICK and PT AWL.

5. A new corporate website is under development and is expected to be launched in January 2018.
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