

## **COMMUNICATION ON PROGRESS REPORT**

**PT. TANDAN SAWITA PAPUA**

**ACHIEVE THE GOALS OF THE GLOBAL COMPACT PRINCIPLES**

Period covered

From:

January 2016

To:

January 2017

**2016**

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## **1. INTRODUCTION**

Since the first time in year 2011, PT. Tandan Sawita Papua has committed to join the United Nation Global Compact and implement its principles. We always keep working on promoting the principles internally as well to other companies, government and other related institutions. As a member of Indonesia Global Compact Network, we share experiences in implementing the UNGC Principles by participating in the IGCN forums, workshops, discussion groups, etc. Meanwhile, all related activities have already done and those still in progress will be reported below based on the Global Compact Principles.

PT. Tandan Sawita Papua currently focuses on improving quality of health, education, and initiating community development project by creating income generating activities. Promoting environmental conservation has already done by facilitating planting program.

## **2. THE STATEMENT OF CONTINUED SUPPORT**

Jakarta, 27 January, 2017

To our stakeholders:

I am pleased to confirm that PT. Tandan Sawita Papua reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Henderi Djunaidi  
Director

### 3. IMPLEMENTATIONS OF GLOBAL COMPACT PRINCIPLES

#### 3.1 Human Right

a. Assessment, policy and goals

In line with the company's Vision, to be a dynamic plantation company of choice reputed for its distinct socio-economic and sustainability values, PT. Tandan Sawita Papua is committed to be a socially responsible company, nourishing the people and the communities and caring for the environment.

It is clearly stated in the company's regulation that any human rights abuses will not be tolerated and there will be law implication for any human rights issues.

b. Implementation

Implement Key Performance Development Review. Targets for future years:

1. Give more opportunities to local community and other potential worker to joint with the company aligned with company's labour needs fulfillment and their skill/knowledge,
2. Implement any Government regulation regarding Human Rights,
3. Continuous New Trainee Assistant Program,
4. Carrying out Training program for local labour,
5. To make sure that no complicit in human right abuses within all activities,
6. Conducting three "Mass Wedding" events in Keerom District that participated not only by our employees but also local communities,
7. In coordination with "Traditional Institution/Lembaga Adat" to solve problems regarding grievances by local communities.

c. Actions implemented in the last year/planned for next year:

1. Continuing to socialize and implement the company's regulation regarding the Human Rights, Labour and Environmental Policies to the employee,
2. Performance Development Review has been implemented since 2010,
3. New job position/required published on Newspaper/Job Consultant,
4. Carried out Training Program for local labour,
5. Participating in religious and custom ceremonies,

6. Improving communication with Traditional Institution for complaint handling.

d. Measurement of outcome

Measurable Results or Outcomes:

1. Company's regulation already socialized and implemented to all employees,
2. No Human Rights issues – zero complain on Human Right issues,
3. Increased number of Local Community that joint the company,
4. Evaluate New Trainee assistant program periodically,
5. Process Performance Development Review at midyear and end of year.

### 3.2 Labour

a. Assessment, policy and goals

Whereby we committed to support the abolition of child labour by ensuring that there are no children on the plantation sites.

b. A brief description of our Processes or Systems. We have already identified:

1. Total workers and their children in the surrounding working area,
2. Number of School,
3. Resources required (Teachers & Childcare),
4. Paying attention on Regional Minimum Wage.

c. Implementation

1. To ensure fair payment for wages based on Regional Minimum Wage.
2. To ensure that there are no children on the plantation sites which will potentially lead to child labour, some actions have been taken, including:
  - Put more Sign Board/Warning Signs on the sites,
  - Clearly stated in our company regulations the minimum age for workers,
  - Intensively communication to local workers not to bring their children to work sites.

3. As part of our commitment to support children education, and at the same time eliminate child labour, we, in coordination with the Local Education Department conduct the followings:
  - Providing education facilities including school buildings that also benefit local communities,
  - Continuous give teacher allowances,
  - Additional Classes Program,
  - Scholarship Program,
  - Established Child Care Facility.

d. Measurement of outcome

Number of local children for year 2016/17 that have an opportunity to study at Elementary School, Junior High School and Senior High School were 18 students, while there were 5 college students granted for scholarship.

1. Elementary School : 4 Students
2. Junior School : 5 Students
3. Senior High School : 4 Students
4. College Student Scholarship program : 5 students

### 3.3 Environment

a. Assessment, policy and goals

it is clearly stated in the company's vision: "to be a dynamic plantation company of choice reputed for its distinct socio-economic and sustainability values" and as part of our paradigm that is *in harmony with nature*.

Plan for Next Year:

1. Continuous socialization of the company's regulation regarding Environment Policies to all employee,
2. Fulfilled the Indonesia Sustainable Palm Oil (ISPO) and Roundtable of Sustainable Palm Oil (RSPO) requirements,
3. Improve coordination with Environment Department.

b. Implementation

1. Socialized & implemented the company's regulation regarding Environmental Policies to the employee,

2. Fulfilled the ISPO and RSPO requirements regarding the environment issues,
  3. Conservation Area/preservation on High Conservation Value (HCV) area, Water Way Buffer Zone already identified,
  4. Planting Program,
  5. Implementation of plantation best practice management,
  6. No land utilization policy for High Stock Carbon area.
- c. Measurement of outcome

Measurable Results or Outcomes:

1. Conservation area identified, allocated as High Conservation Value area,
2. Water way buffer zone (100 meter from riverside) has been complied with,
3. No peatland utilization.

### **3.4 Anti-Corruption**

- a. Assessment, policy and goals

It is clearly stated in the company's regulation that any corruption issues will not be tolerated and there will be law implication for any corruption activities.

1. Implement Performance Development Review (PDR)
2. Budget Monitoring Procedure
3. Internal Audit

- b. Implementation

Actions implemented in the last year/planned for next year:

Socialized and implemented the Company's regulation regarding the corruption Policies to the employee and suppliers (third parties)

1. Performance Development Review has been implemented.
2. Implement Budget monitoring procedure
3. Open Tender
4. Applying Standard Operational Procedure for all aspects.



c. Measurement of outcome

1. Company's regulation has already socialized to all employees in year 2016,
2. Budget monitoring already implemented,
3. Internal Audit to process every 6 months,
4. Implemented Open Tender.