

Public Notification Hoang Anh Khoi Company Limited

Asia Pulp & Paper (APP) is open for cooperation opportunities to purchase pulpwood (chip) from:

Name of Supplier : **Hoang Anh Khoi Company Limited**
Business Type : Trader with physical possession
Business Location : Vietnam
Supply Scheme : Open Purchase

Hoang Anh Khoi Company Limited has passed APP's risk assessment process, known as the Supplier Evaluation and Risk Assessment (SERA). Prior to the submission to the Joint Steering Committee (JSC) for final approval and inclusion of their entry into APP's Approved Suppliers List, APP conducts a Stakeholder Notification process to address any concerns stakeholders might have regarding the addition of **Hoang Anh Khoi Company Limited** into APP's suppliers list.

The stakeholder notification will be opened on: **19 March – 02 April 2024**

Those who would like to raise any concerns are invited to send their messages to:

Email : sustainability@app.co.id
Subject : Stakeholder Notification – Feedback on HAK

Additional Notes:

1. Supplier's certification

- a. Certificate Number : BV-COC-119956/BV-CW-119956
- b. Certificate Scope : FSC CoC/CW
- c. Expiry Date : 30 January 2024 – 29 January 2029

2. Summary of SERA result:

No	Indicators	Evidence	Risk Categories
1	Company, or any of its associated company ¹ , convert natural forest to other land use (plantation forest, agriculture, etc) after February 1 st , 2013.	Hoang Anh Khoi had FSC Certification, FSC very strict in limitation of conversion natural forest areas where only areas which conversion before 1994 can be certified by FSC. Based on their Public Certification Summary for Evaluation of Controlled Wood according to FSC-STD-40-005 V3-1 updated on 8 Feb 2023, Hoang Anh Khoi sourcing area is not from converted natural forest to plantations or non-forest use.	LOW
2	Country/Region	<ul style="list-style-type: none">• Vietnam• CPI Vietnam in 2023 based on transparency.org is 41 (https://www.transparency.org/en/countries/vietnam)• WJP Index Score for Vietnam in 2023 is 0.49 (https://worldjusticeproject.org/rule-of-law-index/country/2023/Vietnam)• Hoang Anh Khoi Company Limited has been certified by the FSC. Based on the FSC public certification summary of	LOW

		<p>Hoang Anh Khoi, all risks related to corruption are on “low risk” level.</p> <p>(https://search.fsc.org/en/certificate/a024000000JeW5rAAF/?tab=documents)</p> <p>There is no ban applied for timber from Vietnam</p>	
3	Tree Species	<p>Based on their FSC Certificate: <i>Acacia auriculiformis</i>, <i>Acacia Hybrid</i>, <i>Acacia mangium</i></p> <p>Based on Decree No. 32/2006/ND-CP March 30, 2006 of the Government Vietnam, these commercial species are not listed as strictly prohibited from exploitation and use for commercial purposes.</p>	LOW
4	Third party certification/verification	<ul style="list-style-type: none"> • FSC Certificate BV-COC-119956 BV-CW-119956 Issued by Bureau Veritas Vietnam Validity: January 30, 2024 – January 29, 2029 <p>The validity of the FSC Certificate has been confirmed on the FSC website (https://search.fsc.org/en/certificate/a024000000JeW5rAAF/)</p>	LOW
5	CoC System	<p>Hoang Anh Khoi has been certified by FSC CoC Certification, where FSC requires the organization to make procedure related to CoC system, and all of its implementation in every part involved will be assessed in the audit process. That means Hoang Anh Khoi has a CoC System and already implements it in daily operation.</p> <p>Covered on Hoang Anh Khoi FSC Certificate No. BV-COC-119956/BV-CW-119956. The validity of the FSC Certificate has been confirmed on the FSC website (https://search.fsc.org/en/certificate/a024000000JeW5rAAF/)</p>	LOW
	a. Identification of Supplier	<ul style="list-style-type: none"> • Based on the summary of the FSC DDS audit, the suppliers (sources) of chip wood are from Plantation Forest in Hoa Vang District, Da Nang City, and Quang Nam Province with the exact number of suppliers are 22 suppliers. • FSC DDS audit was conducted and the Summary can be accessed on: https://search.fsc.org/en/certificate/a024000000JeW5rAAF/?tab=documents 	
	b. Supplier Risk Assessment	<ul style="list-style-type: none"> • FSC DDS audit was conducted and the Summary can be accessed on: https://search.fsc.org/en/certificate/a024000000JeW5rAAF/?tab=documents • Based on the summary of the FSC DDS audit, the suppliers (sources) of chip wood are from Plantation Forest in Hoa Vang District, Da Nang City, and Quang Nam Province with the exact number of suppliers are 22 suppliers. 	
6	Legality Compliance	Based on the Supplier Evaluation & Risk Assessment (SERA) Questionnaire 2024, Hoang Anh Khoi has officially written	LOW

		<p>clear address information with email, and contact person where all the information above can be tracked and contacted.</p> <p>Beside that, one of the requirements of FSC CoC Certification on FSC Standard FSC-STD-40-004 is compliance with timber legality legislation. Hoang Anh Khoi has been FSC CoC Certified, which means everything related to timber legality are assessed during the FSC Audit process</p>	
7	Protection of High Conservation Value	<p>FSC-STD-40-005 – Requirements for sourcing FSC Controlled Wood has indicators for risk assessment related to the Protection of HCV areas, they are:</p> <p>3.1 <i>Forest management activities at the relevant level (ecoregion, sub-ecoregion, local) do not threaten eco-regionally significant HCVs</i></p> <p>3.2 <i>A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion.</i></p> <p>Hoang Anh Khoi has passed FSC CW and CoC Certification, which means everything related to the Protection of HCV are assessed during the FSC Audit process</p>	LOW
8	Species protection as listed within the IUCN red list of Critical Endangered Species and Convention on International Trade in Endangered Species (CITES)	<p>Hoang Anh Khoi has a FSC CoC/CW certification, concern regarding to protection of species that listed on IUCN and CITES also being considered in the FSC Standard (FSC-STD-40-005 – Requirements for sourcing FSC Controlled Wood)</p>	LOW
9	Company's respect to traditional civil or human rights?	<p>Covered on Hoang Anh Khoi FSC Certificate No. BV-COC-119956/BV-CW-119956, because there are indicators on FSC-STD-40-005 related to respecting traditional civil or human rights (Indicators 2.1 – 2.5)</p>	LOW
10	Compliance to ILO Core Conventions (Child Labor, Freedom of Association, Forced Labor, and Discrimination)	<p>Covered on Hoang Anh Khoi FSC Certificate No. BV-COC-119956/BV-CW-119956, because there are indicators on FSC-STD-40-005 related to Compliance to ILO Core Conventions (Indicators 2.1 – 2.5)</p>	LOW
11	Company's respect to Safety and Health for forest worker	<p>Covered on Hoang Anh Khoi FSC Certificate No. BV-COC-119956/BV-CW-119956, because one of the requirements on FSC-STD-40-004 – Chain of Custody Certification is:</p> <p>1.4 <i>The organization shall commit to occupational health and safety (OHAS). At a minimum, the organization shall appoint an OHAS representative, establish and implement procedures adequate to its size and complexity, and train its staff on OHAS.</i></p>	LOW
12	No introduction of genetically modified organism	<p>There are several legal instruments in place in Vietnam regulating the use GMO (Decision No. 11/2006/QD-TTg, Decree No. 69/2010/ND-CP, Circular 69/2009/TT-BNNPTNT, Circular 72/2009/TT-BNNPTNT, Circular 21/2012/TT-BKHCN, Circular 8/2013/TT-BTNMT and Circular 2/2014/TT-BNNPTNT. The legislation does not include a ban for the commercial use of GMO (trees). Research has not revealed any evidence of unauthorized use of GM trees, or any commercial use of GM</p>	LOW

		trees. There are currently no reports of any trials of GM trees in Vietnam.	
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