

***Roundtable on Sustainable Palm Oil Certification
R S P O***

[✓] Surveillance

Name of Management : **Sungai Buaya Mill – PT Sumber Indah Perkasa, subsidiary of Golden Agri Resources Ltd**

Plantation Name : **PT Sumber Indah Perkasa – Sungai Buaya Estate, Mesuji KKPA, and Gedung Aji Lama KKPA**

Location : **Talang Batu Village, Mesuji Sub-District, Mesuji Timur District, Lampung Province, Indonesia**

Certificate Code : **MUTU-RSPO/130**

Date of Initial Registration : **02 May 2014**

Date of Certificate Issue : **28 May 2019** Date of License Issue : **02 July 2021**

Date of Certificate Expiry : **01 May 2024** Date of License Expiry : **01 May 2022**

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|-------------------------------|-------------------------|--|-------------|------------------------|
| Remote ASA 1.1 | 06 and 08 May 2020 | Arif Faisal Simatupang (Lead Auditor), Dwi Haryati, Bayu Yogatama, Johannes Pandiangan | Ardiansyah | Octo H.P.N. Nainggolan |
| Onsite ASA-1.1 and ASA-1.2 | 19-21 and 24 April 2021 | Mohamad Amarullah (Lead Auditor), Trismadi Nurbayuto, Haikal Ramadhan Kharismansyah and Erika Lucitawati (Auditor Trainee) | | |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|---------------------|-----------------------------------|
| ASA 1.1 and ASA 1.2 | 03 June 2021 |

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Figure 1. Location Map of PT Sumber Indah Perkasa

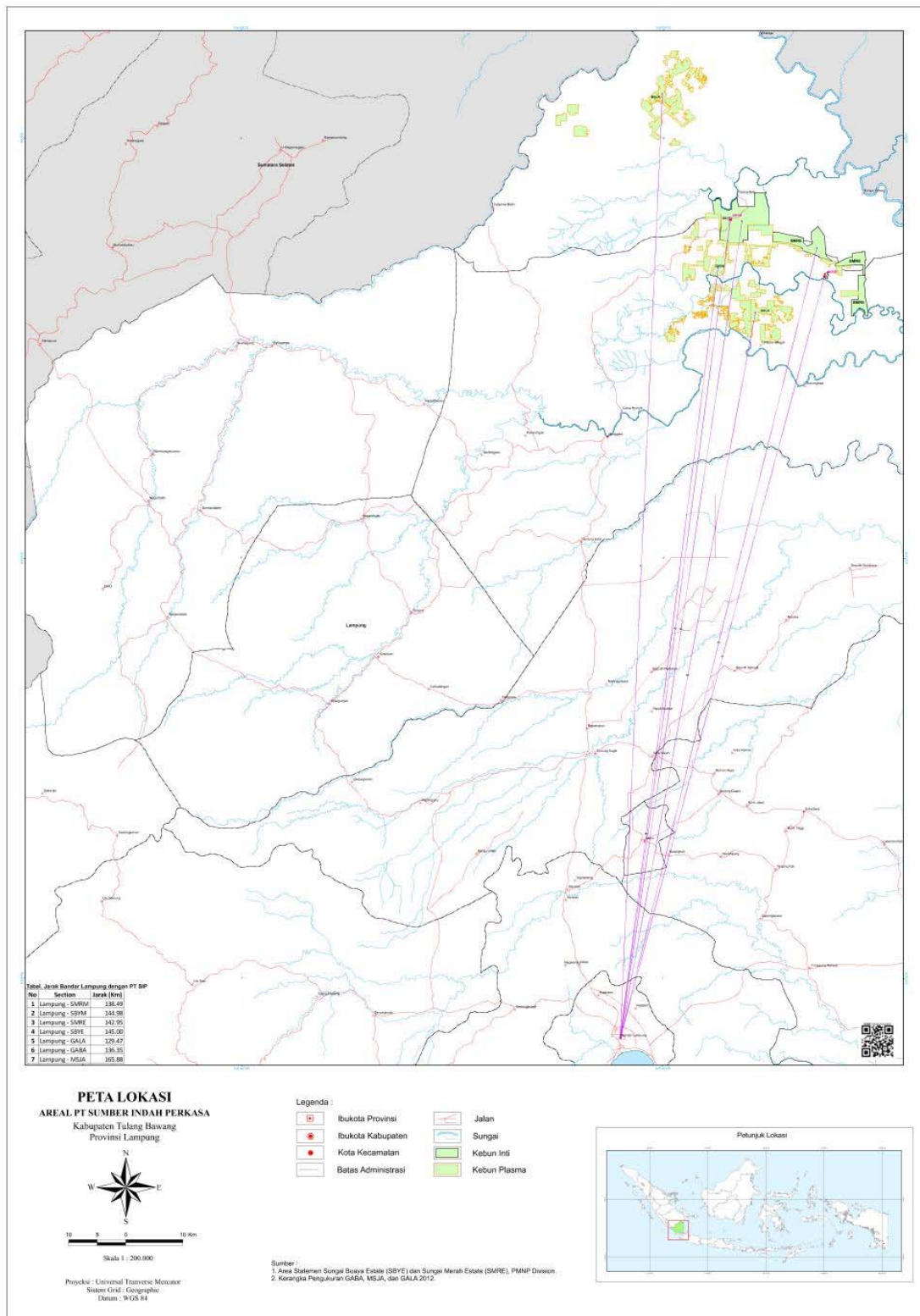


Figure 2. Operational Map of PT Sumber Indah Perkasa - Sungai Buaya Estate

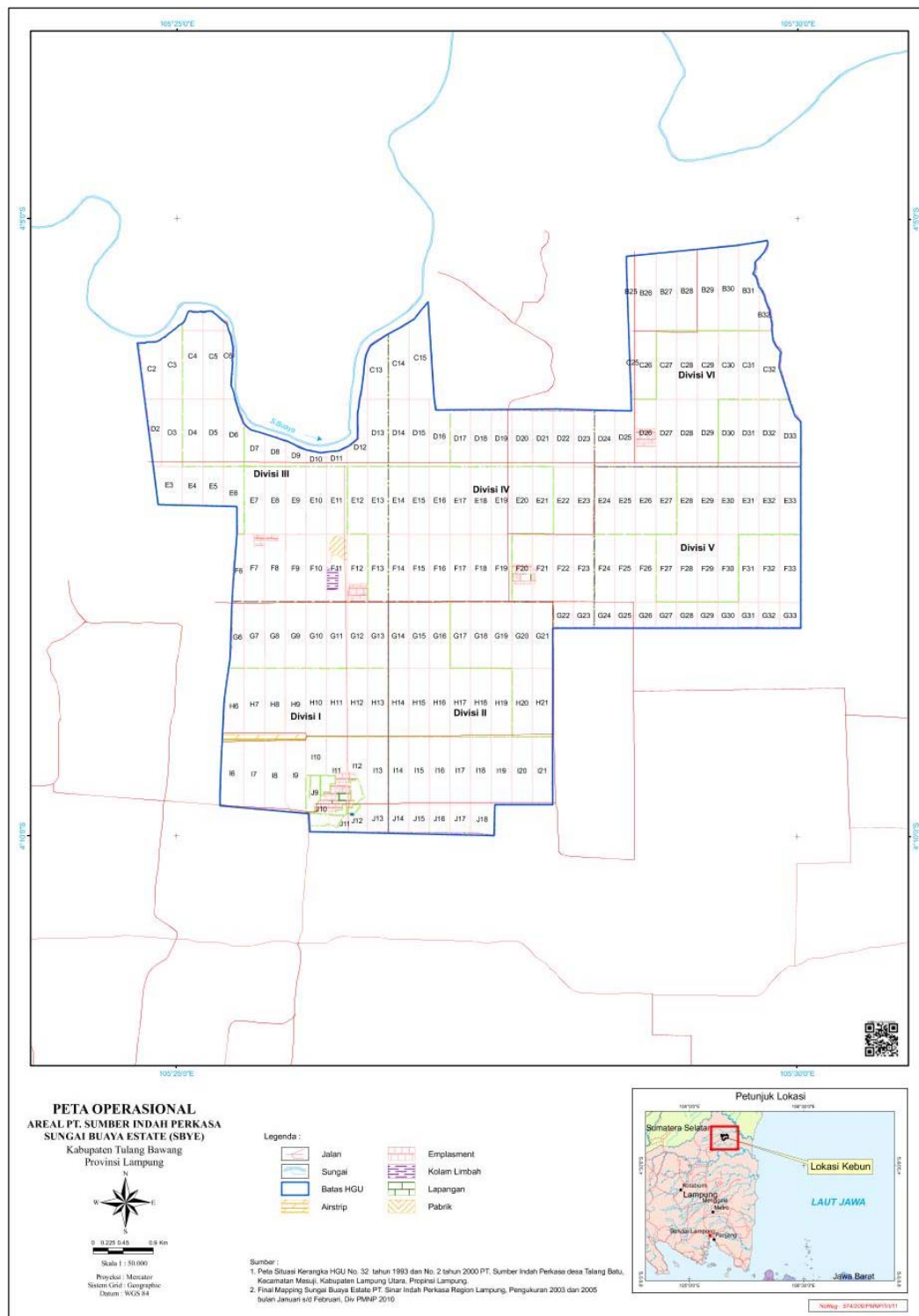


Figure 3. Operational Map of PT Sumber Indah Perkasa - Mesuji KKPA

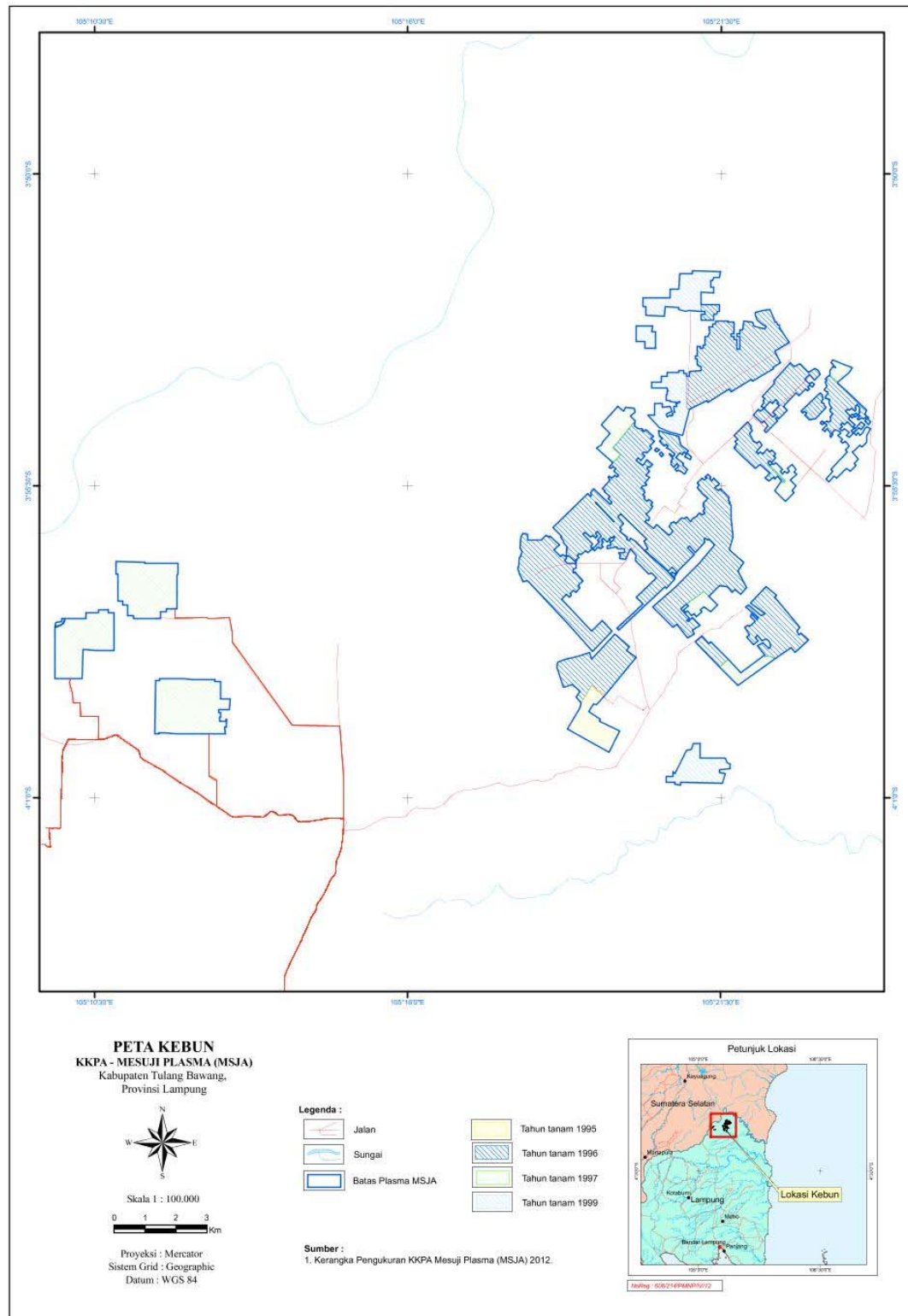
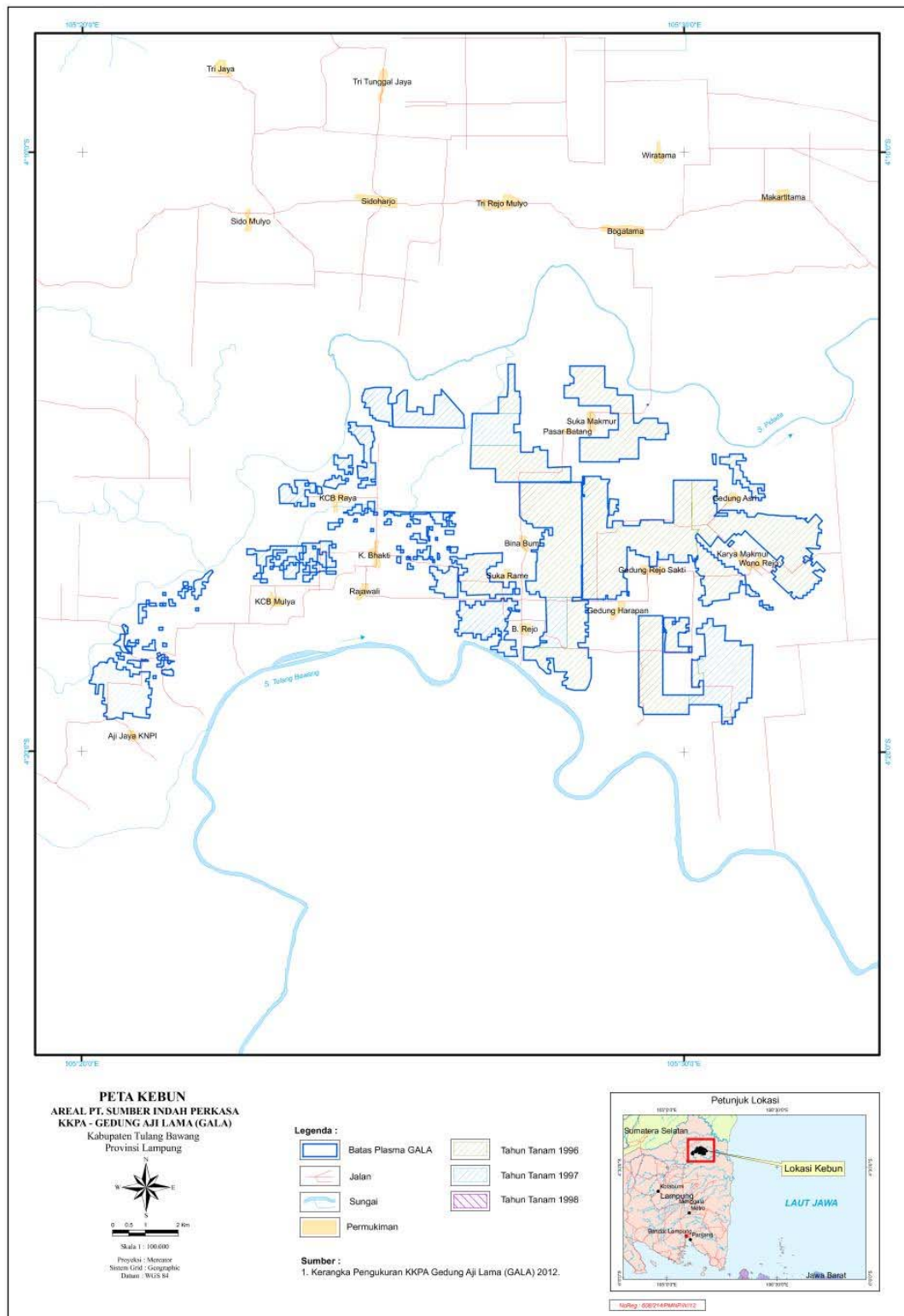


Figure 4. Operational Map of PT Sumber Indah Perkasa - Gedung Aji Lama KKPA



Abbreviations Used

| | | |
|--------|---|---|
| ASA | : | Annual Surveillance Audit |
| BPJS | : | <i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency |
| CB | : | Certification Body |
| CSR | : | Corporate Social Responsibility |
| CPO | : | Crude Palm Oil |
| CSPK | : | Certified Sustainable Palm Kernel |
| CSPO | : | Certified Sustainable Palm Oil |
| EFB | : | Empty Fruit Bunch |
| FFB | : | Fresh Fruit Bunch |
| FR | : | Frequency Rate |
| FS | : | Fertilizer Spreader |
| GABA | : | Gedung Aji Baru Plasma (KKPA) |
| GALA | : | Gedung Aji Lama Plasma (KKPA) |
| GSEP | : | GAR, Social, and Environment Policy |
| HCV | : | High Conservation Value |
| HGU | : | <i>Hak Guna Usaha</i> (Land Title) |
| HGB | : | <i>Hak Guna Bangunan</i> (Land Title) |
| IDR | : | Indonesian Rupiah |
| IP | : | Identity Preserved |
| IPM | : | Integrated Pest Management |
| ISCC | : | International Sustainability and Carbon Certification |
| ISPO | : | Indonesian Sustainable Palm Oil |
| KER | : | Kernel Extraction Rate |
| KKPA | : | <i>Koperasi Kredit Primer Anggota</i> (cooperative) |
| KSB | : | Kernel Silo Bin |
| LKUP | : | <i>Laporan Kegiatan Usaha Perkebunan</i> (Plantation Activity Report) |
| LSU | : | Leaf Sampling Unit |
| MSDS | : | Material Safety Data Sheet |
| MSJA | : | Mesuji Plasma (KKPA) |
| NPWP | : | <i>Nomor Pokok Wajib Pajak</i> (tax ID number) |
| OER | : | Oil Extraction Rate |
| OHS | : | Occupational Health and Safety |
| P2K3 | : | <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> /OHS Committee |
| PAD | : | <i>Pendapatan Asli Daerah</i> (Original Local Government Revenue) |
| PBB | : | <i>Pajak Bumi dan Bangunan</i> (property tax) |
| PK | : | Palm Kernel |
| PKB | : | <i>Perjanjian Kerja Bersama</i> (collective labour bargaining) |
| PMNP | : | Plantation Monitoring and Planning |
| POM | : | Palm Oil Mill |
| PP | : | <i>Peraturan Perusahaan</i> (Company Regulation) |
| PPE | : | Personal Protective Equipment |
| PT SIP | : | PT Sumber Indah Perkasa |
| RSPO | : | Roundtable on Sustainable Palm Oil |
| SBYE | : | Sungai Buaya Estate |
| SBYM | : | Sungai Buaya Mill |
| SHM | : | <i>Sertifikat Hak Milik</i> Land title |

| | | |
|---------|---|--|
| SMAN | : | <i>Sekolah Menengah Atas Negeri</i> (Public Senior high school) |
| SMARTRI | : | Sinar Mas Agro Resources and Technology Research Institute |
| SMD | : | Senior Managing Director |
| SMK | : | <i>Sekolah Menengah Kejuruan</i> (Vocational High School) |
| SOP | : | Standard Operating Procedure |
| SPO | : | Sustainable Palm Oil |
| SR | : | Severity Rate |
| SSU | : | Soil Sampling Unit |
| UPTD | : | Regional Technical Implementation Unit (<i>Unit Pelaksana Teknis Daerah</i>) |
| WTP | : | Water Treatment Plant |

| | | | |
|-------|---|---|-----------------------------|
| 1.0 | SCOPE of the CERTIFICATION ASSESSMENT | | |
| | | | |
| 1.1 | Assessment Standard Used | <ul style="list-style-type: none">Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.RSPO Certifications Systems for Principles & Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020) | |
| | | | |
| 1.2 | Organisation Information | | |
| 1.2.1 | Organisation name listed in the certificate | Sungai Buaya Mill – PT Sumber Indah Perkasa, subsidiary of Golden Agri Resources, Ltd. | |
| 1.2.2 | Contact person | Yahya Mustakim | |
| 1.2.3 | Organisation address and site address | RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor Jl. M.H. Thamrin No. 51, Jakarta 10350, Indonesia. | |
| 1.2.4 | Telephone | (+62-21) 318 1388 | |
| 1.2.5 | Fax | (+62-21) 318 1389 | |
| 1.2.6 | E-mail | yahya.mustakim@sinar-mas-agri.com | |
| 1.2.7 | Web page address | http://www.goldenagri.com.sg | |
| 1.2.8 | Management Representative who completed the application for certification | Yahya Mustakim (Head of SPO Certification & Low GHG Emissions Strategy) | |
| 1.2.9 | Registered as RSPO member | 1– 0096 – 11 – 000 – 00; 31 March 2004 | |
| | | | |
| 1.3 | Type of Assessment | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | Sungai Buaya Mill and its supply base, i.e. Sungai Buaya Estate, KKPA Mesuji and KKPA Gedung Aji Lama. | |
| 1.3.2 | Type of certificate | Single | |
| | | | |
| 1.4 | Locations of Mill and Plantation | | |
| 1.4.1 | Location of Mill | | |
| | Name of Mill | Location | Coordinate |
| | | | LatitudeLongitude |
| | Sungai Buaya Mill (SBYM) | Talang Batu Village, Mesuji Timur Sub-District, Mesuji District, Lampung Province, Indonesia | S 04° 07' 43"E 105° 26' 19" |
| | | | |
| 1.4.2 | Location of Certification Scope of Supply Base | | |
| | Name of Supply Base | Location | Coordinate |
| | | | LatitudeLongitude |
| | Sungai Buaya Estate (SBYE) | Talang Batu Village, Mesuji Timur Sub-District, Mesuji District, Lampung Province, Indonesia | S 04° 09' 44"E 105° 26' 09" |
| | KKPA Gedung Aji Lama (GALA) – 5.553 | Paduan Rajawali Village, Meraksa Aji Sub-District, Tulang Bawang District, | S 04° 17' 23"E 105° 25' 54" |

| | | | | | |
|--|-------------------------------|---|-------------------------|-------------------|----------------|
| | SH | Lampung Province, Indonesia | | | |
| | KKPA Mesuji (MSJA) – 5,600 SH | Brabasan Village, Tanjung Raya Sub-District, Mesuji District, Lampung Province, Indonesia | | S 03° 58' 40" | E 105° 20' 50" |
| | | | | | |
| 1.5 | Description of Area Statement | | | | |
| 1.5.1 | Tenure | | | | |
| | • State (HGU SBYE) | | | 5,114.39 | Ha |
| | • Community (SHM GALA + MSJA) | | | 10,196.26 | Ha |
| | • State (HGB GALA + MSJA) | | | 8.45 | Ha |
| | | | | | |
| 1.5.2 | Area Statement | | | | |
| | | | Own Estate (Ha) | Smallholders (Ha) | Total |
| | • Total area | | 5,114.39 | 10,204.71 | 15,319.10 Ha |
| | • Mature area | | 3,047.78 | 10,189.26 | 13,237.04 Ha |
| | • Immature area | | 1,657.22 | - | 1,657.22 Ha |
| | • Mill, Emplishment, Offices | | 64.54 | 15.45 | 79.99 Ha |
| | • Road | | 208.16 | - | 208.16 Ha |
| | • Nursery | | 43.67 | - | 43.67 Ha |
| | • Canal and Swamp | | 46.33 | - | 46.33 Ha |
| | • Air Strip | | 9.84 | - | 9.84 Ha |
| | • HCV | | 36.85 | - | 36.85 Ha |
| * The total HCV is 52.72 ha with details of 36.85 ha outside the planted area and 15.87 ha still in the planted area | | | | | |
| * There is an <i>HGB</i> with details of 4.70 ha for GALA and 3.75 ha for MSJA so that the total <i>HGB</i> owned is 8.45 ha | | | | | |
| 1.6 | Planting Year and Cycles | | | | |
| 1.6.1 | Age profile of planting year | | | | |
| | Planting Year | Hectarage (Ha) | | | |
| | | Sungai Buaya Estate | KKPA of Gedung Aji Lama | KKPA of Mesuji | Total |
| | 1991 | 91.19 | - | - | 91.19 |
| | 1992 | 2,190.83 | - | - | 2,190.83 |
| | 1993 | 619.25 | - | - | 619.25 |
| | 1994 | 115.85 | - | - | 115.85 |
| | 1995 | - | 250.00 | 149.75 | 399.75 |
| | 1996 | - | 2,833.00 | 2,631.25 | 5,464.25 |
| | 1997 | - | 1,313.00 | 1,873.26 | 3,186.26 |
| | 1998 | - | 606.00 | - | 606.00 |
| | 1999 | - | | 533.00 | 533.00 |
| | 2000 | 30.66 | - | - | 30.66 |
| | Sub Total Mature | 3,047.78 | 5,002.00 | 5,187.26 | 13,237.04 |
| | 2018 | 119.62 | - | - | 119.62 |
| | 2019 | 693.15 | - | - | 693.15 |

| | | | | | | | |
|-------|--|----------------------------|--|-------------------------|--|----------------------|-------------------|
| | 2020 | 844.45 | | | 844.45 | | |
| | Sub Total Immature | 1,657.22 | 0 | 0 | 1,657.22 | | |
| | TOTAL | 4,705.00 | 5,002.00 | 5,187.26 | 14,894.26 | | |
| 1.6.2 | New Planting Area after January 2010 | | - Ha | | | | |
| 1.6.3 | Planting Cycle | | 2 nd Cycle | | | | |
| | | | | | | | |
| 1.7 | Description of Mill and Supply Base | | | | | | |
| 1.7.1 | Description of Mill | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | |
| | | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) |
| | Sungai Buaya Mill | 60 | 502,514.07 | 99,640.10 | 19.83 | 26,997.60 | 5.37 |
| | * Production data source from April 2019 to March 2021 | | | | | | |
| 1.7.2 | Description of Certification Scope of Supply Base | | | | | | |
| | Name of Estate | Total Area (Ha) | Production Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ ha/year) | Supplied to Mill | |
| | | | | | | FFB (tonnes/year) | % |
| | Sungai Buaya Estate | 5,114.39 | 3,047.78 | 114,167.07 | 18.73 | 114,150.54 | 22.73 |
| | KKPA Gedung Aji Lama | 5,009.95 | 5,002.00 | 223,763.84 | 22.37 | 133,434.83 | 26.56 |
| | KKPA Mesuji | 5,194.76 | 5,187.26 | 254,684.26 | 24.55 | 254,684.26 | 50.70 |
| | TOTAL | 15,319.10 | 13,237.04 | 592,615.17 | 22.38 | 502,298.16 | 99.99 |
| | * Production data source from April 2019 to March 2021 | | | | | | |
| | * Yield = FFB (tonnes/year) : (2 x Planted Area) | | | | | | |
| | * Part of GALA FFB is sent to SMRM with a total amount of 90,329.01 MT | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | |
| | Name of sources/Organisation (RSPO certified / non- certified) | Type of Organisation | number of smallholders | Production Area (Ha) | Supplied to Mill | | |
| | | | | | FFB (tonnes/year) | | |
| | KKPA Gedung Aji Baru (RSPO Certified) | PT Sumber Indah Perkasa | 5,925 | 4,505.75 | 28.53 | | |
| | TOTAL | | | | | 28.53 | |
| | * Production data source from April 2019 – March 2021 | | | | | | |
| | * Total GABA production is 181,112.38 MT with 28.53 MT sent to SBYM and 181,083.85 MT sent to SMRM | | | | | | |
| 1.7.4 | Product categories | | | FFB, CPO, PK | | | |
| | | | | | | | |
| 1.8 | Tonnage of Product | | | | | | |
| 1.8.1 | Past Annual Claim Certified Product | | Last Year Projected Certified Volume (MT) | | Last Year Actual Certified Volume (MT) April 2019 – March 2021 | | |
| | FFB Processed | | 552,780.49 | | 502,302.66 | | |
| | CPO Production | | 102,143.99 | | 100,326.87 | | |
| | Palm Kernel (PK) Production | | 29,461.31 | | 27,195.24 | | |
| | | | | | | | |

| | | | | | | | | | |
|--------|---|---|-----------------------------------|--|----------------------|------------------------------|------------------------------------|-------------------|------------------------|
| 1.8.2 | Product selling | | | | | | | | |
| | Type of selling product | | | Actual selling product for last year (MT) April 2019 – March 2021 | | | | | |
| | CSPO sold as RSPO certified product | | | 68,676.22 | | | | | |
| | CSPK sold as RSPO certified product | | | 25,265.10 | | | | | |
| | CSPO sold under other scheme | | | 31,045.12 | | | | | |
| | CSPK sold under other scheme | | | 0 | | | | | |
| | CSPO sold as conventional | | | 0 | | | | | |
| | CSPK sold as conventional | | | 1,715.15 | | | | | |
| | | | | | | | | | |
| 1.8.3 | Estimate of Certified FFB Claim | | | | | | | | |
| | Name of Estates | | Total Area (Ha) | Production Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | | | |
| | Sungai Buaya Estate | | 5,114.39 | 3,047.78 | 54,800 | 17.30 | | | |
| | KKPA Gedung Aji Lama | | 5,009.95 | 5,002.00 | 62,900 | 12.57 | | | |
| | KKPA Mesuji | | 5,194.76 | 5,187.26 | 130,300 | 25.11 | | | |
| | TOTAL | | 15,319.10 | 13,237.04 | 248,000 | 18.73 | | | |
| | *Projected CSPO and CSPK production for 12 months | | | | | | | | |
| 1.8.4 | Estimate of Certified Palm Product Claim | | | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO Out put (tonnes) | | Extraction (%) | Palm Kernel Out put (tonnes) | Extraction (%) | Supply Chain Module |
| | Sungai Buaya Mill | 60 | 248,000 | 49,000 | 19.76 | 13,500 | 5.45 | | IP |
| | *Projected CSPO and CSPK production for 12 months | | | | | | | | |
| | | | | | | | | | |
| 1.9 | Other Certifications | | | | | | | | |
| | PROPER Blue 2019-2020 | | | | | | | | |
| | ISPO for SBYM and SBYE | | | Certificate No. IDN 26200003 (Valid from 19 August 2020 to 18 August 2025) | | | | | |
| | ISCC for SBYM | | | Certificate No. EU-ISCC-Cert-ID215-23200734 (Valid from 15 July 2020 to 14 July 2021) | | | | | |
| | ISCC for KUD Krida Sejahtera | | | Certificate No. EU-ISCC-Cert-ID215-23200736 (Valid from 15 July 2020 to 14 July 2021) | | | | | |
| | | | | | | | | | |
| 1.10 | Time Bound Plan | | | | | | | | |
| 1.10.1 | Time Bound Plan for Other Management Units | | | | | | | | |
| | | Management Unit | | Estate (Supply Base) | Time Bound Plan | Location | Status | | |
| | | Mill | Time Bound Plan | | | | | | |
| | | Pangkalan Panji Mill (PT Sawit Mas Sejahtera) | 2013 | Sawit Mas Estate | 2013 | Sumatera Selatan Province | Certified | | |
| | | | | Sawit Mas Estate (HGU on progress – 2,291 Ha) | 2022 | | - | | |
| | | Bumi Sawit Mill (PT Bumi Sawit | 2013 | Bumi Sawit Estate | 2013 | Sumatera Selatan Province | Certified | | |
| | | | | Bumi Sawit Estate (HGU | 2022 | | - | | |

| | | | | | | | |
|--|--|------|--|------|-------------------------------|-----------|--|
| | Permai) | | on progress – 773.39 Ha) | | | | |
| | Muara Kandis Mill (PT Djuanda Sawit Lestari) | 2013 | Muara Tawas Estate | 2013 | Sumatera Selatan Province | Certified | |
| | | | Muara Kandis Estate | 2013 | | Certified | |
| | | | Muara Kandis Estate (HGU on progress – 418.49 Ha) | 2022 | | - | |
| | | | Muara Tawas Estate (HGU on progress – 57.7 Ha) | 2022 | | - | |
| | | | Smallholder (KKPA Pandawa) | 2022 | | - | |
| | Sungai Rungau Mill (PT Sumber Indah Perkasa) | 2013 | Sungai Rungau Estate | 2013 | Kalimantan Tengah Province | Certified | |
| | | | Sungai Seruyan Estate | 2013 | | Certified | |
| | | | Terawan Estate | 2013 | | Certified | |
| | | | Tangar Estate | 2013 | | Certified | |
| | | | Bukit Tiga Estate | 2013 | | Certified | |
| | Bukit Perak Mill (PT Bumi Permai Lestari) | 2013 | Bukit Perak Estate | 2013 | Bangka Belitung Province | Certified | |
| | | | Bukit Permata Estate | 2013 | | Certified | |
| | Tanjung Kembiri Mill (PT Forestalestari Dwikarya) | 2013 | Tanjung Kembiri Estate | 2013 | Bangka Belitung Province | Certified | |
| | | | Tanjung Rusa Estate | 2013 | | Certified | |
| | | | Tanjung Rusa Estate (HGU on process 48.81 Ha) | 2022 | | - | |
| | | | Tanjung Sawit Estate (PT Palmino Biliton Berjaya) | 2023 | | - | |
| | | | Tanjung Sawit Plasma (PT Palmino Biliton Berjaya) | 2023 | | - | |
| | | | Tanjung Rusa KKPA | 2022 | | - | |
| | Sungai Buaya Mill (PT Sumber Indah Perkasa) | 2014 | Sungai Buaya Estate | 2014 | Lampung Province | Certified | |
| | | | Sungai Buaya Estate (HGU on process – 155.46 Ha) | 2022 | | - | |
| | | | Smallholder (KKPA Gedung Aji Lama) | 2014 | | Certified | |
| | | | Smallholder (KKPA Mesuji) | 2014 | | Certified | |
| | Sungai Merah Mill (PT Sumber Indah Perkasa) | 2014 | Sungai Merah Estate | 2014 | Lampung Province | Certified | |
| | | | Sungai Merah Estate (HGU on process – 241.54 Ha) | 2022 | | - | |
| | | | Smallholder (KKPA Gedung Aji Baru) | 2014 | | Certified | |
| | Kasuari Mill (PT Sinar Kencana Inti Perkasa) | 2022 | Cendrawasih Estate | 2022 | Papua Province | ST-1 | |
| | | | Nuri Estate | 2022 | | ST-1 | |
| | | | Rajawali Estate | 2022 | | ST-1 | |
| | | | Mambruk Estate (PT Sumber Indah Perkasa) | 2022 | | ST-1 | |
| | Pekawai Mill (PT Agrolestari Mandiri) | 2021 | Kayung Estate | 2021 | Kalimantan Barat Province | ST-1 | |
| | | | Pekawai Estate | 2021 | | ST-1 | |
| | | | Sungai Kelik Estate | 2021 | | ST-1 | |
| | | | Nanga Tayap Estate | 2021 | | ST-1 | |
| | | | Smallholder (Kayung Plasma) | 2021 | | ST-1 | |
| | Kenanga Mill | 2014 | Kencana Estate | 2015 | Kalimantan Barat | Certified | |

| | | | | | | | |
|--|--|------|--|------|-----------------------------|-----------|--|
| | (PT Kencana Graha Permai) | | Cendana Estate | 2015 | Province | Certified | |
| | | | Kenanga Estate (PT Cahaya Nusa Gemilang) | 2021 | | - | |
| | | | Delima Estate (PT Kencana Graha Permai) | 2021 | | - | |
| | | | Smallholder (Kencana Plasma) | 2022 | | - | |
| | | | Smallholder (Kenanga Plasma) | 2022 | | - | |
| | Perdana Mill (PT Binasawit Abadi Pratama) | 2023 | Perdana Estate | 2023 | Kalimantan Tengah Province | ST-1 | |
| | | | Langgana Estate | 2023 | | ST-1 | |
| | | | Semandau Estate | 2023 | | ST-1 | |
| | | | Muara Dua Estate | 2023 | | ST-1 | |
| | Kuayan Mill (PT Agrokarya Prima Lestari) | 2023 | Bukit Santuhai Estate | 2023 | Kalimantan Tengah Province | ST-1 | |
| | | | Tajur Beras Estate | 2023 | | ST-1 | |
| | | | Seranau Estate | 2023 | | ST-1 | |
| | | | Sungai Sambon Plasma | 2023 | | - | |
| | | | Sapiri Estate (PT Buana Adhitama) | 2023 | | ST-1 | |
| | | | Sapiri Plasma | 2023 | | - | |
| | | | Bukit Dua Estate (PT Buana Adhitama) | 2023 | | - | |
| | | | | | | | |
| | Belian Mill (PT Paramitra Internusa Pratama) | 2021 | Belian Estate | 2021 | Kalimantan Barat Province | ST-1 | |
| | | | Tengkawang Estate | 2021 | | ST-1 | |
| | | | Muara Tawang Estate (PT Kartika Prima Cipta) | 2021 | | ST-1 | |
| | | | Kapuas Hulu Estate (PT Persada Graha Mandiri) | 2021 | | ST-1 | |
| | | | Sungai Beran Estate (PT Persada Graha Mandiri) | 2021 | | ST-1 | |
| | | | Smallholder (Belian KKPA) | 2021 | | - | |
| | | | Smallholder (Muara Tawang KKPA) | 2021 | | - | |
| | | | Smallholders (Kapuas Hulu KKPA) | 2021 | | - | |
| | | | | | | | |
| | Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa) | 2020 | Sungai Kupang Estate | 2020 | Kalimantan Selatan Province | Certified | |
| | | | Sungai Kupang KKPA | 2022 | | - | |
| | Sungai Kikim Mill (PT Sawit Mas Sejahtera) | 2022 | Sungai Kikim Estate | 2022 | Sumatera Selatan Province | - | |
| | | | Sungai Pangsi Estate | 2022 | | - | |
| | | | Sungai Musi Estate | 2022 | | - | |
| | | | Sungai Saling Estate | 2022 | | - | |
| | | | Sungai Enim Estate (PT Bumi Sawit Permai) | 2022 | | - | |
| | | | Sungai Lematang Estate (PT Bumi Sawit Permai) | 2022 | | - | |
| | | | Sungai Bungur Estate (PT Prima Cipta Mandiri) | 2022 | | - | |
| | | | Sungai Lingsing Estate (PT | 2022 | | - | |
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|--|---|------|--|------|--------------------------------|-----------|--|
| | | | Prima Cipta Mandiri) | | | | |
| | Tangar Mill (PT Mitra Karya Agroindo) | 2023 | Sulin Estate | 2023 | Kalimantan Tengah Province | - | |
| | | | Sulin Plasma | 2023 | | - | |
| | | | Nahiyang Estate | 2023 | | - | |
| | | | Katayang Estate | 2023 | | - | |
| | Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) | 2022 | Sungai Magalau Estate | 2022 | Kalimantan Selatan Province | - | |
| | | | Senakin Estate | 2022 | | - | |
| | Jalemo Mill (PT Agro Lestari Sentosa) | 2023 | Jalemo Estate | 2023 | Kalimantan Tengah Province | - | |
| | | | Kajui Estate (PT Agro Lestari Sentosa) | 2023 | | - | |
| | | | Manuhing Estate (PT Agro Lestari Sentosa) | 2023 | | - | |
| | | | Manuhing KKPA | 2023 | | - | |
| | Sako Mill (PT Adi Tunggal Mahajaya) | 2023 | Mentaya Estate | 2023 | Kalimantan Tengah Province | ST-1 | |
| | | | Kuayan Estate | 2023 | | ST-1 | |
| | | | Sako Plasma | 2023 | | - | |
| | | | Sungai Ayawan Estate | 2023 | | - | |
| | | | Sungai Nusa Estate | 2023 | | - | |
| | Padang Halaban Mill (PT SMART Tbk) | 2011 | Padang Halaban Estate | 2011 | Sumatera Utara Province | Certified | |
| | | | Pernantian Estate | 2011 | | Certified | |
| | | | Adipati Estate | 2011 | | Certified | |
| | | | Kanopan Ulu Estate | 2011 | | Certified | |
| | Batu Ampar Mill (PT SMART Tbk) | 2012 | Batu Ampar Estate | 2012 | Kalimantan Selatan Province | Certified | |
| | | | Batu Mulia Estate | 2012 | | Certified | |
| | | | Sungai Panci Estate | 2012 | | Certified | |
| | | | Sungai Panci KKPA | 2012 | | Certified | |
| | Tanah Laut Mill (PT SMART Tbk) | 2012 | Tanah Laut Estate | 2012 | Kalimantan Selatan Province | Certified | |
| | | | Kintapura Estate | 2012 | | Certified | |
| | | | Kintapura Estate (HGU on process - 636.33 Ha) | 2022 | | - | |
| | Langga Payung Mill (PT Tapian Nadenggan) | 2012 | Langga Payung Estate | 2012 | Sumatera Utara Province | Certified | |
| | | | Paya Baung Estate | 2012 | | Certified | |
| | | | Normark Estate | 2012 | | Certified | |
| | Hanau Mill (PT Tapian Nadenggan) | 2012 | Hanau Estate | 2012 | Kalimantan Tengah Province | Certified | |
| | | | Tasik Mas Estate | 2012 | | Certified | |
| | | | Tanjung Paring Estate | 2012 | | Certified | |
| | | | Langadang Estate | 2012 | | Certified | |
| | | | Medang Sari Estate (PT Satya Kisma Usaha) | 2022 | | - | |
| | Semilar Mill (PT Tapian Nadenggan) | 2013 | Semilar Estate | 2013 | Kalimantan Tengah Province | Certified | |
| | | | Sei Rindu Estate | 2013 | | Certified | |
| | | | Mandang Estate | 2013 | | Certified | |
| | | | Puri Estate | 2013 | | Certified | |
| | Jak Luay Mill (PT Tapian Nadenggan) | 2015 | Pantun Mas Estate | 2015 | Kalimantan Timur Province | Certified | |
| | | | Jak Luay Estate | 2015 | | Certified | |
| | | | Jak Luay KKPA | 2022 | | - | |
| | | | Long Buluh Estate | 2015 | | Certified | |
| | | | Long Buluh Estate (HGU on progress - 329.66 Ha) | 2023 | | - | |
| | | | Bukit Subur Estate | 2015 | | Certified | |

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|--|--|------|--|------|-----------------------------|-----------|--|
| | | | Bukit Subur Estate (HCV identification on process - 569.62 Ha) | 2023 | | - | |
| | | | Bukit Subur KKPA | 2022 | | - | |
| | Leidong West Mill (PT MP Leidong West Indonesia) | 2014 | Leidong West Utara Estate | 2014 | Bangka Belitung Province | Certified | |
| | | | Leidong West Selatan Estate | 2014 | | Certified | |
| | | | Bukit Intan Estate (PT Bumipermai Lestari) | 2014 | | Certified | |
| | | | Bukit Mas Estate (PT Bumipermai Lestari) | 2014 | | Certified | |
| | Muara Wahau Mill (PT Kresna Duta Agroindo) | 2014 | Muara Wahau Estate | 2014 | Kalimantan Timur Province | Certified | |
| | | | Gunung Kombeng | 2014 | | Certified | |
| | Gunung Kombeng Mill (PT Kresna Duta Agroindo) | 2022 | Gunung Kombeng KKPA | 2022 | Kalimantan Timur Province | - | |
| | Rantau Panjang (PT Kresna Duta Agroindo) | 2022 | Rantau Panjang Estate | 2022 | Kalimantan Timur Province | - | |
| | | | Rantau Panjang KKPA | 2022 | | - | |
| | Jelatang Mill (PT Kresna Duta Agroindo) | 2014 | Bangko Estate | 2014 | Jambi Province | Certified | |
| | Pelakar Mill (PT Kresna Duta Agroindo) | 2020 | Pelakar Estate | 2020 | Jambi Province | Certified | |
| | | | Batang Merangin Estate | 2020 | | Certified | |
| | | | Tiga Serumpun KKPA | 2022 | | - | |
| | Langling Mill (PT Kresna Duta Agroindo) | 2014 | Bangko Estate | 2014 | Jambi Province | Certified | |
| | | | Batang Gading Estate (PT Satya Kisma Usaha) | 2022 | | - | |
| | | | Batang Gading KKPA (PT Satya Kisma Usaha) | 2022 | | - | |
| | Sungai Bengkal Mill (PT Satya Kisma Usaha) | 2015 | Sungai Bengkal Estate | 2015 | Jambi Province | Certified | |
| | | | Sungai Bengkal KKPA | 2015 | | Certified | |
| | | | Muara Kilis Estate | 2015 | | Certified | |
| | | | Kilis KKPA | 2022 | | - | |
| | Bukit Kapur Mill (PT SMART Tbk) | 2022 | Bukit Kapur Estate | 2022 | Kalimantan Selatan Province | ST-1 | |
| | | | Sungai Cantung Estate | 2022 | | ST-1 | |
| | Samsam Mill (PT Ivomas Tunggal) | 2009 | Samsam Estate | 2009 | Riau Province | Certified | |
| | | | Samsam Estate (HGU on progress – 29.09 Ha) | 2022 | | - | |
| | | | Kandista Estate | 2009 | | Certified | |
| | | | Kandista Estate (HGU on progress – 158.46 Ha) | 2022 | | - | |
| | | | Palapa Estate | 2009 | | Certified | |
| | Libo Mill (PT Ivomas Tunggal) | 2009 | Libo Estate | 2009 | Riau Province | Certified | |
| | | | Nenggala Estate | 2009 | | Certified | |
| | | | Nenggala Estate (HGU on progress 419.9 Ha) | 2022 | | - | |
| | | | Sei Rokan Estate | 2009 | | Certified | |

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|---------------------------------|--|------|---|------|-----------------------------|-----------|--|
| | | | Sei Rokan Estate (HGU on progress – 102.7 Ha) | 2022 | | - | |
| | | | Sungai Tapung Plasma | 2009 | | Certified | |
| | Ujung Tanjung Mill (PT Ivomas Tunggal) | 2009 | Ujung Tanjung Estate | 2009 | Riau Province | Certified | |
| | | | Ujung Tanjung Estate (HGU on progress – 557.3 Ha) | 2022 | | - | |
| | Naga Sakti Mill (PT Buana Wiralestari Mas) | 2010 | Naga Mas Estate | 2010 | Riau Province | Certified | |
| | | | Naga Mas Estate (HGU on process – 253.39 Ha) | 2022 | | - | |
| | | | Naga Sakti Estate | 2010 | | Certified | |
| | | | Naga Sakti Estate (HGU on process – 59.79 Ha) | 2022 | | - | |
| | | | Rama Bakti Estate | 2010 | | Certified | |
| | Kijang Mill (PT Buana Wiralestari Mas) | 2010 | Kijang Estate | 2010 | Riau Province | Certified | |
| | | | Kijang Estate (HGU on process – 56.07 Ha) | 2022 | | - | |
| | | | Kijang Kencana Plasma | 2010 | | Certified | |
| | Ramarama Mill (PT Ramajaya Pramukti) | 2010 | Ramarama Estate | 2010 | Riau Province | Certified | |
| | | | Ramarama Estate (HGU on process – 318.76 Ha) | 2022 | | - | |
| | | | Amartajaya Plasma | 2010 | | Certified | |
| | | | Smallholder (Ramarama KKPA) | 2023 | | - | |
| | Indrasakti Mill (PT Meganusa Inti Sawit) | 2011 | Indralestari Estate | 2011 | Riau Province | Certified | |
| | | | Indrasakti Estate | 2011 | | Certified | |
| | | | Indragiri Plasma | 2011 | | Certified | |
| | | | Indrasakti Plasma | 2011 | | Certified | |
| | Bumipalma Mill (PT Bumipalma Lestari Persada) | 2012 | Bumi Lestari Estate | 2012 | Riau Province | Certified | |
| | | | Bumi Palma Estate | 2012 | | Certified | |
| | | | Bumi Sentosa Estate | 2012 | | Certified | |
| | | | Bumi Palma Estate (HGU on process – 39.21 Ha) | 2022 | | - | |
| | Sawita Mill (PT Sawitakarya Manunggul) | 2021 | Sawita Estate | 2021 | Kalimantan Selatan Province | ST-1 | |
| | | | Pamukan Estate | 2021 | | ST-1 | |
| | | | Sawita KKPA | 2021 | | ST-1 | |
| | Kenari Mill (PT Bangun Nusa Mandiri) | 2023 | Gaharu Estate (PT Bangun Nusa Mandiri) | 2023 | Kalimantan Barat Province | - | |
| | | | Kenari Estate (PT Bangun Nusa Mandiri) | 2023 | | ST-1 | |
| | | | KerANJI Estate (PT Bangun Nusa Mandiri) | 2023 | | ST-1 | |
| | | | Smallholder (Gaharu Plasma) | 2023 | | - | |
| | | | Smallholder (Kenari Plasma) | 2023 | Kalimantan Barat Province | - | |
| | Sungai Air Jernih Mill (PT Bahana Karya Semesta) | 2022 | Sungai Air Jernih Estate | 2022 | Jambi Province | - | |
| | | | Sungai Mentawak Estate | 2022 | | - | |
| | | | Sungai Mentawak KKPA | 2022 | | - | |
| | | | Sungai Merak Estate | 2022 | | - | |
| | | | Sungai Badak Estate | 2022 | | - | |
| TBP is approve on January 2021. | | | | | | | |

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| | <p>There is revision of timebound plan on 21 January 2021 made by Head of Sub Div SPO Certification and Low GHG Strategy. There are justification for mills and estates that postpone, with explanation:</p> <ul style="list-style-type: none"> • Pandawa KKPA are postponed to 2022 due to the SHM process. • Tanjung Rusa KKPA are postponed to 2022 due to the SHM process. • Kenangan Estate dan Delima Estate are postponed to 2021 due to pandemic covid-19 so that on-site audit in 2020 cannot be implemented. • Batang Gading Estate are postponed 2022 due to still in process for RaCP (LUCA review). • Rama-Rama KKPA are postponed to 2023 due to still in process for land rights (SHM). • Kasuari Mill and supply bases are postponed to 2022 due to still in process of EIA (AMDAL) revision and permit for hazardous waste warehouse • Pekawai Mill and supply bases are postponed to 2021 due to pandemic covid-19 so that on-site audit in 2020 cannot be implemented. • Belian Mill and supply bases are postponed to 2021 due to pandemic covid-19 so that on-site audit in 2020 cannot be implemented. • Sungai Kikim Mill and supply bases are postponed to 2022 due to still in process of EIA (AMDAL) revision. • Sungai Magalau Mill and supply bases and supply bases are postponed to 2022 due to still in process for RaCP (LUCA review). • Jalemo Mill and supply bases are postponed to 2023 due to still in process for HGU and RaCP (LUCA review). • Gunung Kombeng Mill and supply bases are postponed to 2022 due to still in process for land rights (SHM). • Rantau Panjang Mill and supply bases are postponed to 2022 due to still in process for RaCP (LUCA review). <p>In this timebound plan revision, it is known that Bukit Lestari Estate (PT Bumi Bangka Lestari) and Bukit Permai Estate (PT Bumi Permai Surya Lestari) no longer exist. The company explained this because that management unit was not part of GAR because it had not been acquired. The company showed evidence that has been reporting to the RSPO on 7 December 2020 the entire management unit that is under GAR as many as 47 mills and 166 real (own and smallholders) and there is no Bukit Lestari Estate (PT Bumi Bangka Lestari) and Bukit Permai Estate (PT Bumi Permai Surya Lestari). There is also information that there has been a merger of estates such as Balasang Estate which have merged into Jalemo Estate at PT Agro Lestari Sentosa and Sungai Sambon Estate has merged into Tajur Beras Estate at PT Agrokarya Prima Lestari. Therefore, in this revised timebound plan there is no longer Balasang Estate and Sungai Sambon Estate.</p> <p>There are some companies that are not fully certified, due to some area still on process to get land title (HGU) and RaCP process, consist of:</p> <ol style="list-style-type: none"> 1. PT Ivomas Tunggal (Samsam Estate, Kandista Estate, Nenggala Estate, Sei Rokan Estate, Ujung Tanjung Estate); 2. PT Rama Jaya Pramukti (Ramarama Estate); 3. PT Buana Wira Lestari (Nagasakti Estate; Nagamas Estate and Kijang Estate); 4. PT Forestalestari Dwikarya (Tanjung Rusa Estate); 5. PT Djuanda Sawit Lestari (Muara Kandis Estate & Muara Tawas Estate). 6. PT Sumber Indah Perkasa (Sungai Merah Estate and Sungai Buaya Estate). 7. PT Sawit Mas Sejahtera (Sawit Mas Estate) 8. PT Bumi Sawit Permai (Bumi Sawit Estate) 9. PT SMART Tbk (Kinta Pura Estate) 10. PT Tapian Nadenggan (Log Buluh Estate and Bukit Subur Estate) 11. PT Satya Kisma Usaha (Sungai Bengkal Estate, Kilis Estate abd Sungai Bengkal KKPA) 12. PT Bumipalma Lestari Persada (Bumi Palma Estate) |
| 1.10.2 | Progress of Associated Smallholders and Outgrowers for Certifiable Standard |
| | Sungai Buaya Mill receive FFB from own estate and scheme smallholder. All supply base has been RSPO Certified. |

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| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| Remote ASA 1.1 | <p>1. Arif Faisal Simatupang (Lead Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm plantation company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit, he was assessing the aspects of best management practices of agronomy and processing. During this assessment has verified legality, land and business permit, and Supply Chain.</p> <p>2. Bayu Yogatama (Auditor). Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, RSPO Lead Training, Green Industry Lead Training, SA 8000, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this assessment has verified environment, conservation and GHG aspect. During this assessment has verified environment, conservation and GHG aspect and Social aspect</p> <p>3. Dwi Haryati (Auditor). Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study : Agronomy. She has experienced on Palm Oil Plantation as Sustainability staff. Training have been followed include: Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 & 17065, HCV, General Health Safety Expert, Health Safety Management System, GHG Workshop by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest, and Social Accountability SA 8000 Training. RSPO audit experience since March 2015 and ISPO since May 2014. During this audit, she assigned the aspect of Transparencies, Occupational Health and Safety, and Worker Welfare.</p> <p>4. Johaness Pandiangan (Observer). Bachelor of Agriculture Department of Social Economics of Agriculture, Faculty of Agriculture. He has 7 years experience working as operational staff of one of the leading private oil palm plantation companies in Indonesia.</p> |
| Onsite ASA 1.1 and ASA 1.2 | <p>1. Mohamad Amarullah (Lead Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has been conducted several ISPO, RSPO and MSPO audit scheme as an Auditor since 2014 in all aspects. Fluent in Malay and English. During this assessment has verified Best Management Practices, Transparency and Manpower aspect.</p> <p>2. Trismadi Nurbayuto. Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore, he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; RSPO Next, and SA 8000. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. In this audit activity performs the assessment of OHS and worker welfare aspect.</p> |

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| | <p>3. Haikal Ramadhan Kharismansyah. Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001:2015, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS. Did some audit ISPO scheme with aspects Best management practices. During this assessment verified Legal, FPIC, SCCS and Contractor.</p> <p>4. Erika Lucitawati (Auditor Trainee). Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. Has one-year experience in waste water treatment plant company. The trainings that have been attended include In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. Has participated in audit activities for the ISPO and RSPO scheme for environmental, GHG, conservation, and social responsibility aspect. In this audit activity performs the assessment of environmental, social, conservation and GHG aspects and is supervised by Lead auditor.</p> |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| Remote ASA 1.1 | <p>Number of auditors: 3 auditors and 1 auditor trainee</p> <p>Number of days for Remote audit dokumen review: 2 days</p> <p>Number of working days for Remote RC document review: 6 Working days</p> |
| Onsite ASA 1.1 and ASA 1.2 | <p>Number of auditors: 3 auditors and 1 auditor trainee</p> <p>Number of days for Onsite audit: 4 days</p> <p>Number of working days for Onsite audit: 12 Working days</p> |
| 2.2.2 | Assessment Process |
| Remote ASA 1.1 | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sumber Indah Perkasa to the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</p> <p>For this section (Remote Audit ASA 1.1) The assessment was conducted in One method: document review, aiming to observe the sufficiency of types or substances from required documents. Some opportunities for improvement of the results Recertification by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1.2. Improvement of findings from recertification findings were observed by auditors at this ASA 1.1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 1.1..</p> <p>The assessment program please find Appendix 2</p> |
| Onsite ASA 1.1 and ASA 1.2 | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sumber Indah Perkasa to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria, Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20th April 2020.</p> <p>This assessment conducted concurrently between onsite audit ASA-1.1 and ASA-1.2, it due to during pandemic covid -19 situation PT Sumber Indah Perkasa applying Scenario No. 4 in accordance with Contingency RSPO Audit Procedure 25 August 2020. Remote audit ASA-1.1 has been carried out on 6 and 8 May 2020 and until ASA 1.2 audit schedule, there is no field visit due to group safety policy, travel restriction, extended lockdown, restrictive quarantine</p> |

procedures. Because PT SIP implemented scenario 4, the process of certification on this audit held in accordance with Contingency RSPO Audit Procedure 25 August 2020 with covers two (2) period of audit (**ASA 1.1 and ASA-1.2**) with a sample audit increase of 50%, (site, record and interviews).

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Opportunity for improvement of the results ASA-1.1 & 1.2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from RC findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.1 & 1.2.

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| 2.2.3 | Locations of Assessment |
| Remote ASA 1.2 | <p>Sungai Buaya Mill (SBYM) – 19 April 2021</p> <ul style="list-style-type: none"> • FFB Grading Station. Observation to Foreman (initial RS) and 2 FFB Grader activities (initial BY and SY). • Loading Ramp Station. Observation to 7 loading ramp operators. • Sterilizer Station. Observation to 3 sterilizer operators. • Tippler/Threshing Station. Observation to 1 operator (initial HR). • Press Station. Observation to 2 operators (initial NG and JN). • Clarification Station. Observation to 2 operators (initial ES and NN). • Nut and Kernel Station. Observation to 2 operators. • Engine Room. Observation to 1 operator (initial TR). Sighted 3 Generators with capacity 185 kVA, 320 kVA and 385 kVA that operated in 2 shift. • Boiler Station. Observation to 2 operators and 1 helper. Sighted 2 set Boiler with capacity 2 x 20 ton/hour that runs simultaneously in 2 shift. • Laboratory. Observation to 3 laboratory staff. Sighted hazardous and hazardous waste management. • Processing Station Environment. Observation to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, chemical and hazardous materials management, condition of first aid box, fire extinguisher, mill drainage and cleanliness. • Effluent Treatment Plant. Observation regarding to environmental and OHS aspect. • Housing complex. Observation regarding environmental and OHS aspect. • Water inlet from Buaya River. Observation regarding to environmental and OHS aspect. • Chemical Storage, Calcium Carbonate Storage, and Lubricant Storage. Observation regarding to environmental and OHS aspect. • Workshop. Observation regarding to environmental and OHS aspect. • Hazardous Waste Storage. Observation regarding to environmental and OHS aspect. • Water Treatment Plant. Observation regarding to environmental and OHS aspect. • Hydrant No. 4. Observation regarding simulation of emergency response of Hydrant No. 4. • EFB Stacking Area. Observation regarding to environmental aspect. <p>Sungai Buaya Estate (SBYE) – 19 April 2021</p> <ul style="list-style-type: none"> • Division 1 Block I10. Observation to EFB mulching on mature areas for palms and <i>Turnera subulata</i> planting points. Dosage of EFB was 30 ton/ha/year (or about ±220 kg/palm/year). • Division 2 Block G14. Observation to pesticide application activities. Pesticide applied was Roll Up mixed with Starane, sprayed on palm circle and harvesting path. Sighted workers PPE, first aid box brings by Foreman (initial SP), information board on pesticide application and hazardous symbols on work devices. Applicators observed with initial SN, NH and RD (all male). • Division 2 Block G16. Observation to harvesting team activities which consist of harvesters and loosefruit pickers. Sighted workers PPE, FFB platform, first aid box brings by Foreman (initial DK). Harvester team |

observed with initial ZS and TS.

- **Division 2 Block G15.** Observation to Land Application on the permitted area. Dosage of POME applied was about 375 m³/ha/year.
- **Division 3 Block E10.** Observation to **nursery** area that covers about 47.20 ha. sighted Fertilizer Store, Administration Room, information boards, emergency tools, etc.
- **Division 4 Block O16.** Observation to **replanting** area (planted in 2020). Sighted **land cover crop** condition, **field drain** and **integrated pest management conducted** (beneficial plants, barn owl box, light trap, pheromone trap and net trap).
- **Division 5 Block K28.** Observation to **replanting** area (planted in 2019). Sighted **land cover crop** condition, **field drain** and **integrated pest management conducted** (beneficial plants, barn owl box, light trap, pheromone trap and net trap).
- **Division 5 Block L28.** Observation to **fire monitoring tower** with height about 25 m.
- **Division 5 Block L33.** Observation to **HCV area** (1.1 and 4.1) in **riparian of Tapa River**. Sighted riparian zonation (radius 50 m), information board, warning information board, peat and water management implementation, field drain pattern 1:4 and **Water Gate** (water level measured during visit is at 30 cm).
- **Division 5 Block L26.** Observation to **water level stick** (later level during visit is at 60 cm), **piezometer logger** (as recommended by KLHK and **subsidence pole** that installed on harvesting path and inter row). Subsidence poles are installed in 2018 with average rate about 1 cm/year.
- **Boundary stone (BPN 22), block B31, Division 6.** Observation the boundary stone condition.
- **Boundary stone (BPN 14), block I/J 19, Division 2.** Observation the boundary stone condition.
- **Housing complex on Division 5&6.** Observation the housing condition and clean water sources for workers.
- **Child care on Division 5&6.** Observation the child care facilities.
- **Central Storage.** Observation about PPE's stock.
- **Diesel Tank.** Observation about environment and OHS aspect.
- **Agrochemical storage.** Observation about storage condition, chemical stock, MSDS, and interview with worker about PPE, worker welfare, and OHS implementation
- **Fertilizer storage.** Observation about storage condition and interview with worker about PPE, worker welfare, and OHS implementation
- **Diesel tank.** Observation about tank condition, secondary containment, emergency equipment.
- **Schedule waste.** Observation regarding to environment and OHS aspect.
- **Workshop.** Observation regarding to environment and OHS aspect.
- **First aid post.** Observation regarding to Worker Health aspect, medical waste management.
- **Fire Control, Block L28, Division 5.** Observation about fire control tower and OHS aspect.

Gedung Aji Lama Plasma (GALA) – 20 April 2021

- **Division 3 / 4 Block A19.** Observation to **HCV** (6) cemetery complex and **barn owl box**.
- **Division 3 Block A21.** Observation to **harvesting** team activities which consist of harvesters and loosefruit pickers. Sighted workers PPE, FFB platform, first aid box brings by Foreman (initial MR). Harvester team observed with initial SP and MR.
- **Division 7 Block A46.** Observation to **pesticide application** activities. Pesticide applied was Roll Up mixed with Starane, sprayed on palm circle and harvesting path. Sighted workers PPE, first aid box brings by Foreman (initial WN), information board on pesticide application and hazardous symbols on work devices. Applicators observed with initial AM, MA and YA (all male).
- **Division 7 Block C45.** Observation to **fire monitoring tower** height about 20 m.
- **Fire Control, Block C45, Division 7.** Observation about fire control tower and OHS aspect.
- **Agrochemical Storage.** Observation regarding to environmental and OHS aspect.
- **Emergency Response Tools Storage.** Observation regarding to availability of emergency response tools.
- **Hazardous Waste Storage.** Observation regarding to environmental and OHS aspect.
- **Fertilizer Storage.** Observation regarding to environmental and OHS aspect.
- **Diesel Fuel Tank.** Observation regarding to environmental and OHS aspect.
- **Worker Housing (Division 2 Block C45).** Observation regarding to environmental and OHS aspect.

| | |
|-----------------------------------|---|
| | <ul style="list-style-type: none"> • Landfill (Division 2 Block C21). Observation regarding to environmental aspect. <p>Mesuji Plasma (MSJA) – 20 April 2021</p> <ul style="list-style-type: none"> • Harvesting. Blok B12 Division 2. Observations regarding technical aspects of harvest implementation, OHS aspects, and manpower aspects • Racking. Blok B12 Division 2. Observations regarding manual upkeep and OHS aspects • Barn Owl Box. Block 16 Division 2. Observations regarding the implementation of biological control for rat • Circle and Path Spraying. Block D2. Division 1. Observations regarding pesticide use, OHS aspects, and manpower aspects • Woody Growth Control. Block A1 division 1. Observations regarding manual upkeep and OHS aspects |
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| Remote ASA 1.1 | will be completed during the onsite audit |
| Onsite ASA 1.1 and ASA 1.2 | <p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Sumber Indah Perkasa was held by:</p> <ol style="list-style-type: none"> 1. Stakeholder consultations with NGOs have been conducted by sending questionnaires via email to several NGOs (Non-Government Organization) on 08 April 2021. 2. Public consultation meeting with internal stakeholders (worker union, committee gender and local communities) by interviews on 19 to 23 April 2021. 3. Stakeholder consultations with local community have been conducted on 19 to 23 April 2021. Stakeholder consultations with government have been conducted by phone call to several governments in Mesuji and Tulang Bawang Regencies on 19 April 2021. <p>Numbers of input from stakeholders were clarified by PT Sumber Indah Perkasa</p> |
| 2.3.2 | Stakeholder contacted |
| | Please find appendix 1 |
| 2.4 | Determining Next Assessment |
| | The next visit (ASA-1.3) will be conducted eight (8) month to twelve (12) month after date of annual license |

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

Mutuagung Lestari has conducted a remote assessment of Sungai Buaya Mill – PT Sumber Indah Perkasa subsidiary of Golden Agri Resources Holdings Ltd operation consisting of one mill and three estates.

During the assessment, there were four (4) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that Sungai Buaya POM - PT Sumber Indah Perkasa complied with the requirements of **Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20 April 2020**

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

| Ref Std. | VERIFICATION RESULT of MUTU-Certification | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|------------------|--------|------------------|-------------------|-----------------------|-------------|-----------------------|-------------|--------------------|---------------------|-------------|----------------------|-------------|-----------------------------|-------------|----------------------------|-------------|--------------------|-------------|---------------------|-------------|-------------------|---------------------------------------|-------------|------------------|-------------|-----------------|-----------|-------------|-----------|-------------|------------------|-------------|-----------------|-------------|
| PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.1.1 There is no revision on list of documents which is available or could be accessed by public, as presented in document procedure No. F/SMART/UMUM/SADV/004/005 (Rev 0.0) dated 01 July 2014. Information's that could be accessed by external stakeholders are: forest conservation policy (FCP), social and community engagement policy (SCEP), free prior informed and consent (FPIC), social conflict resolution procedure, grievance management procedure, consultation and communication procedure, smallholder development procedure, company social responsibility (CSR) procedure, stakeholder engagement procedure, high conservation value (HCV) identification report, social impact assessment (SIA) report and high carbon stock (HCS) report. Apart from those documents, stakeholder need approval from related top management before released for public. Based on interview with related agencies in Mesuji Regency and documents review, it could be concluded that the company has socialized information that publicly available to related stakeholders. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.1.2 Unit of certification shows evidence of compulsory report delivery carried out by the unit of certification, summarized in the following Table: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table><tr><th>Agency</th><th>Report</th><th>Date of Delivery</th></tr><tr><td rowspan="2">Land Agency (BPN)</td><td>Land title usage 2019</td><td>24 Apr 2020</td></tr><tr><td>Land title usage 2020</td><td>08 Jan 2021</td></tr><tr><td rowspan="6">Environment Agency</td><td>Effluent Sem I 2020</td><td>20 Jul 2020</td></tr><tr><td>Effluent Sem II 2020</td><td>27 Jan 2021</td></tr><tr><td>Scheduled waste Qtr IV 2020</td><td>27 Jan 2020</td></tr><tr><td>Scheduled waste Qtr I 2021</td><td>16 Apr 2021</td></tr><tr><td>RKL/RPL Sem I 2020</td><td>20 Jul 2020</td></tr><tr><td>RKL/RPL Sem II 2020</td><td>27 Jan 2021</td></tr><tr><td rowspan="2">Plantation Agency</td><td>Plantation progress (LPUP) Sem I 2020</td><td>04 Feb 2021</td></tr><tr><td>LPUP Sem II 2020</td><td>04 Feb 2021</td></tr><tr><td rowspan="4">Manpower Agency</td><td>WLTk 2019</td><td>10 Mar 2020</td></tr><tr><td>WLTk 2020</td><td>25 Mar 2021</td></tr><tr><td>P2K3 Qtr IV 2020</td><td>27 Jan 2021</td></tr><tr><td>P2K3 Qtr I 2021</td><td>13 Apr 2021</td></tr></table> | Agency | Report | Date of Delivery | Land Agency (BPN) | Land title usage 2019 | 24 Apr 2020 | Land title usage 2020 | 08 Jan 2021 | Environment Agency | Effluent Sem I 2020 | 20 Jul 2020 | Effluent Sem II 2020 | 27 Jan 2021 | Scheduled waste Qtr IV 2020 | 27 Jan 2020 | Scheduled waste Qtr I 2021 | 16 Apr 2021 | RKL/RPL Sem I 2020 | 20 Jul 2020 | RKL/RPL Sem II 2020 | 27 Jan 2021 | Plantation Agency | Plantation progress (LPUP) Sem I 2020 | 04 Feb 2021 | LPUP Sem II 2020 | 04 Feb 2021 | Manpower Agency | WLTk 2019 | 10 Mar 2020 | WLTk 2020 | 25 Mar 2021 | P2K3 Qtr IV 2020 | 27 Jan 2021 | P2K3 Qtr I 2021 | 13 Apr 2021 |
| Agency | Report | Date of Delivery | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Land Agency (BPN) | Land title usage 2019 | 24 Apr 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Land title usage 2020 | 08 Jan 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Environment Agency | Effluent Sem I 2020 | 20 Jul 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Effluent Sem II 2020 | 27 Jan 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Scheduled waste Qtr IV 2020 | 27 Jan 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Scheduled waste Qtr I 2021 | 16 Apr 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | RKL/RPL Sem I 2020 | 20 Jul 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | RKL/RPL Sem II 2020 | 27 Jan 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Plantation Agency | Plantation progress (LPUP) Sem I 2020 | 04 Feb 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | LPUP Sem II 2020 | 04 Feb 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Manpower Agency | WLTk 2019 | 10 Mar 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | WLTk 2020 | 25 Mar 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | P2K3 Qtr IV 2020 | 27 Jan 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | P2K3 Qtr I 2021 | 13 Apr 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | |
|-------------------|----------------------|-------------|
| Regent / Governor | Fire monitoring 2019 | 09 Jan 2020 |
| | Fire monitoring 2020 | 15 Apr 2021 |

All reports are available in Bahasa and in accordance with applicable regulations.

1.1.3

There is no revision on information request and response procedure, as well as and communication and consultation procedure, as presented in document No. SOP/SOP/SMART/LH-01 dated 01 July 2010 and No. SOP/SMART/UMUM/SADV/I/004 dated 01 July 2014, respectively. Socialization of procedures had conducted directly to all stakeholder since July 2014. Both procedures mentioned that all information requested shall be responded less than one month and managed by SPO Officer which supported by Head of Administration (KTU) on each unit. Record of information requested and its response traceability is presented in document of Letter In-Out Logbook. For example, record of information request is presented as follows:

- Letter-In dated 11 December from Tri Tunggal Jaya Village (initial YK) about SBYM school bus rent had responded and approved in 16 December 2019.
- Letter-In dated 24 February 2020 from Tri Rejomulyo Village (initial SW) about Pantekosta Church development donation had responded by SBYE Manager on 04 March 2020 and passed to Region Controller (RC) for approval. Afterwards, the letter is passed to the HQ management in 23 March 2020 and approved on 06 April 2020. Donation given is 100 bags cements values for IDR 5.5 million.
- Letter-In dated 22 February 2021 to GALA from Youth Organization (KNPI) about support of herbicide for *Balai Kampung* has responded and approved by Manager on 04 March 2021.

1.1.4

Socialization on communication procedure had conducted to all stakeholders on 30 January 2020 and 15 January 2021.

1.1.5

Unit of certification shows list of stakeholder, summarized as follows:

- SBYM: the list has updated on 08 January 2021, consist of 2 elders, 9 villages and agencies representatives, 4 suppliers and contractors, 2 labor union representatives and 1 gender committee representative.
- SBYE: the list has updated on 15 January 2021, consist of 2 elders, 11 villages and agencies representatives, 3 suppliers and contractors, 2 labor union representatives and 1 gender committee representative.
- GALA: the list has updated on 18 January 2021, consist of 2 elders, 21 village and customary representatives, 1 labor union representative, 1 gender committee representative and 10 suppliers and/or contractors.
- MSJA: the list has updated on 09 January, consist of 9 village and agencies representatives, 5 contractor or suppliers, 1 labor union representative and 1 gender committee representative.

List of stakeholders has informs name of person in charge, position, address and contact number. The list approved by KTU and Estate or Mill Manager.

Status: Comply

1.2

The unit of certification commits to ethical conduct in all business operations and business transactions.

1.2.1

Company code of conduct towards business ethic is presented in document of "*Kebijakan Sosial dan Lingkungan*" or Social and Environment Policy issued by Head of Upstream, Executive Director and Chief Finance Officer, Chief Executive Officer (CEO) Downstream and Commercial, managing Director of Sustainability and Strategic Stakeholder Engagement on 08 September 2015. In unit level, the policy has also presented in Business Ethic Policy dated 02 January 2015. Latest socialization on this matters to surrounding communities and contractors had conducted on 13 February 2020 and 15 February 2021, as well as to contractors and other stakeholders on 23 March 2020 and 15 February 2021. Attendance Form of socialization is available. Socialization has also conducted through signboard which installed on strategic area (Office Division, Emplacement and Estate Fields).

Based on interview with FFB transportation contractor, it was known that company code of conduct has delivered

annually and it also presented in the work agreement.

1.2.2

Mechanism of monitoring compliance towards company policy and code of conduct of internal and external stakeholders is conducted through several methods, as follows:

- Commitment of contractor as presented in work agreement and refreshment of code of conduct as carried out in 13 February 2020 and 15 February 2021. Furthermore, contractors commitment towards applicable regulation has also presented in contract agreement.
- Daily and monthly monitoring by Foreman and Assistant on work quality checking and progress.
- Internal audit RSPO that conducted annually by internal auditor.

Based on field observation to the estate and mill, it was known that FFB transportation mostly carried out by local contractor. Implementation towards safety and manpower aspect has regularly and evaluate periodically by estate or mill management every month, as presented in the Form No. F/SMART/UMUM/SADV/006/002 about evaluation and recommendation of contractor.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

2.1.1.

Compliance with Manpower Regulation

Certification unit in general has complied with manpower regulation, including:

- Reporting of Labor Report for PT Sumber Indah Perkasa in 2020 to the Manpower and Transmigration Agency of Lampung Province on April, 2020.
- The application of the minimum wage in 2021 is in accordance with the Minimum Wage established by the Mesuji Regent in 2020.
- Payment of overtime wages to workers in accordance with Decree of the Minister of Manpower No. 102 of 2004.
- Application of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.

The unit of certification also shown the follow up OFI on remote audit of ASA-1.1 regarding electrical and boiler operator licenses, such as:

- Electrical License from Manpower Minister with number Ser.1396-TK3-LIST-DPNK3/10.11 dated 7 September 2020.
- Boiler operator License from Manpower Minister with number 466/PNK3-PUBT/OB-I/VIII/07 dated 10 August 2020.

Compliance with OHS Regulation

Certification unit in general has complied with OHS regulation, including:

- The establishment of the P2K3 (OHS Committee) for PT Sumber Indah Perkasa which were registered by the Manpower and Transmigration Agency of Lampung Province.
- Provision of PPE for free to all workers and arrange the use of PPE according to the type of work based on the free predetermined HIRAC
- Have permits for all factory operating machines such as boiler and sterilizer machines that have been tested for eligibility according to applicable regulations.
- Has a license / competency for some special jobs that require more expertise such as OHS experts, hyperkes, boiler operators, diesel engine operators, welder, wheel loader operators and others in accordance with the requirements contained in the legislation.
- Has carried out a general health check (Medical Check Up) every year for all workers and special checks (cholinesterase, spirometry and audiometry) according to the level of risk / danger for certain jobs.

Legal Aspect

The unit of certification shows compliance with legal aspects, for example, are as follows :

- Land Rights :
 - Land Use Tile for SBYE with an total area of 5,114.29 ha
 - Freehold Title (*SHM*) for MSJA dan GALA with total area of 10,196.26 ha
 - Building Right Title (*HGB*) for MSJA and GALA with total area of 8.45 ha
- Business Permit :
 - Based on the plantation business registration letter number 956 / Menhutbun-VII / 2000 dated August 8, 2000 from the minister of forestry and plantation director general of plantations which explains that PT Sumber Indah Perkasa with SK HGU 1 / HGU / BPN / 1993 dated January 30, 1993 has types Processing of products in the form of estate covering an area of 9046.33 ha and mill with a total permit capacity of 30 tons of FFB / hour and installed capacity of 30 tons of FFB / hour
 - Decree of the head of the investment coordinating body of the investment coordinating body number 936 / T / AGRICULTURE / INDUSTRY / PERHUBUNGAN / 2005 dated 25 October 2005 for a plantation area of 9,102.20 ha
 - Certificate of the Investment Coordinating Board no 800/200 / BID.V / II / 06/2013 dated 1 July 2013 regarding the processing capacity of 60 tons of FFB / hour in Mesuji Regency and 60 tons of FFB / hour in Tulang Bawang Regency, respectively. The letter also stated that PT Sumber Indah Perkasa's Plantation Business Permit was still valid without needing to be changed
- Plantation Business Assessment: In accordance with certificate Number: 525/3722 / V.22 / E.3 / 2018 dated 18 December 2018, valid for three years with the results of class II (Good)

Compliance with Environmental Regulation

Certification unit in general has complied with environmental regulation, including:

- Environment Impact Assessment (AMDAL) of PT Sumber Indah Perkasa is issued in February 2008, which covers of Sungai Buaya and Sungai Merah Area in Tulang Bawang Regency, for oil palm plantation and has agreed by the Head of AMDAL Commission of Lampung Province through Decree No. 16/KOMDAL/II.04/IV/2008 dated 14 April 2008.
- Environment Evaluation Document "*Dokumen Evaluasi Lingkungan Hidup*" (DELH) of KKPA had been approved by Environment Agency of Lampung Province through Decree No. 12/II.04/2011 on 26 September 2011.
- Environmental Impact Assessment Addendum (ANDAL and RKL-RPL Addendum) of PT Sumber Indah Perkasa has been carried out in 2020 has been approved by AMDAL Commission of Lampung Province through Decree No. 85/KOMDAL/V.10/2020 on 26 June 2020.
- Permit of TPS-LB3 for SBYE, GABA, SMRM and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.9/TB/V/2017 dated 29 May 2017, valid for five years (2022).
- Permit of TPS-LB3 for SBYM, MSJA and SMRE is presented in Decree of Environment Agency Head No. 660/02/LBBB/IV.14/MSJ/2017 dated 14 December 2017, valid for five years (2022).

Compliance towards BMP Aspect

Several regulation compliances towards BMP implementation for example as follows:

- Estate management has conducting zero burning during land preparation, as well as considering water and soil conservation.
- Planting materials (DxP) planted has only derived from seed producers recognized by the government of Indonesia.
- Has implementing integrated pest management, as well as using of pesticides that have license of distribution.

2.1.2

The certification unit has SOP to comply with regulations & other requirements (SOP / SMART / GENERAL / SADV / I / 002, dated July 1, 2014). Regulatory updates are carried out at least once a year. The officers responsible for updating the list of regulations according to the SOP are: Identification of regulations at the national level by SADV and at the regional level by Regional SPO Officer and SPO Officer unit.

It has been able to show a compliance evaluation form with other regulatory requirements for the period of April 2021

which divides regulatory compliance with aspects of OHS (57 items), Employment (58 items), Social (12 items), HCV (27 items), and Licensing (51 items). Based on this document, it is known that there are several regulatory updates such as:

- Regulation of the Minister of Manpower of the Republic of Indonesia No. 18 of 2020 concerning amendments to regulation of manpower minister of Republic Indonesia No. 21 of 2016 concerning Decent Living Needs
- Government Regulation No. 36 of 2021 concerning wages
- Government Regulation No. 35 of 2021 concerning *PKWT*, Outsourcing, Working Time, Rest Time and Layoffs
- Government Regulation No. 22 of 2021 concerning the Implementation of Environmental Protection and Management

2.1.3

The certification unit has boundary pole maintenance procedures (SOP / SMART / CERS-EHSD / SADV / I / 004, 1 July 2014). The procedures include stating that the PMNP team ensures and coordinates with the head unit so that the position and number of the stake are in accordance with the Land Use Tile / and Building Right map. In addition, it is also stated that the stakes care is carried out at least 1 x 6 months.

Based on the information contained in the SBYE boundary pole map (Scale 1: 35,000), it is known that there are 35 boundary pole for covering an area of 5,058.82 ha and 4 boundary pole covering an area of 55.57 ha. The certification unit has also demonstrated a maintenance plan for the boundary pole which consists of cleaning the boundary pole circle, repainting and routine monitoring with a frequency of 4 times a year. Based on the results of routine monitoring in March 2021, it was found that the boundary pole were in good condition such as the BPN boundary pole No 1, the BPN boundary pole no 17, the BPN boundary pole no 05, the BPN boundary pole no 03 and the BPN boundary pole No 18.

Based on the field observation to BPN boundary pole number 22 in block B31 Division 6 and BPN boundary pole number 14 in Block J18 Division 2 SBYE, it was found that the boundary pole were in good condition and well maintained.

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|-----------------------|
| Status: Comply |
|-----------------------|

2.2

All contractors providing operational service and supplying labour, and Fresh Fruit Bunch (FFB), comply with relevant legal requirements.

2.2.1

The unit of certification has well documented the third parties that have cooperative ties as follows:

- SBYE: Kipni, Ali Rahman, and Agus Haryaji as FFB transport contractors
- SBYM: Triyono, Sumanto, Sugito and Alamsyah as civil and mechanical contractors
- MSJA: Adam bin Ishak, Ahmad Bandi, and Abdul Muharom as the FFB transporter
- GALA: Sudarmaji, Sugeng, Daniyal Anwar, Siti Fatimah, Supriyadi, Mat Khalimi, Sudali, and Bibit Winarno as FFB contractors

Contractors who work with the company are individual contractors who do not have a legal entity. In this regard, the certification unit has made a written appeal to each contractor, for example on March 26, 2020, to gradually start forming a legal entity.

2.2.2 & 2.2.3

The certification unit can show examples of Cooperation Agreements with contractors, for example, Work Agreement Letter No.001-MSJA / SPK / I / 2020 / TBS Transport and Work Agreement Letter No SIP-SBYE / SPKL / Jan-20- / 001-Transportation, Loading and Unloading of FFB and Empty Fruit Bunch.

In each work agreement between the certification unit and the contractor, there are separate clauses regarding the compliance of legal obligations in Indonesia as one of the obligations that must be comply by the contractor. Some of these obligations are related to the registration of the workers *BPJS* (Government Insurance Scheme), minimum wage provisions, the obligation to use PPE, other permits such as tax payments (NPWP), vehicle licenses (STNK), and others. To ensure compliance with this clause, the unit of certification always asks for requirements for completeness

before the contractor does / starts work

Based on the interviews with representatives of SBYE and SBYM contractors, it is known that so far the company has always educated and provided direction related to sustainable palm oil management policies, including the prohibition of employing minors, child protection, and commitment to comply with applicable laws in Indonesia. Commitment not to hiring employees of human trafficking and forced labor listed in contractor commitment signed by each contractor

The certification unit also conducts routine checks through the contractor evaluation mechanism to ensure compliance with applicable legal aspects such as the fulfilment of wages, *BPJS*, and work agreements. Including the compliance of PPE.

Status: Comply

2.3

All FFB supplies from outside of the unit of certification are from legal sources.

2.3.1 & 2.3.2

The certification unit does not receive fruit from other sources and only processes certified FFB from main estate and associated smallholder

Status: Comply

PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE

3.1

There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.

3.1.1

Unit of certification shows longterm business plan that presented in document of "Summary of Longterm Work Plan PT SIP for Period 2020 to 2024 (SBYM and its supply base), issued by Director on June 2020 which covers budget, hectare statement, production, throughput and profit. For example, estimation of production (FFB, CPO, PK), CPO price, FFB cost and replanting for period 2020 to 2023 is presented in the following Table:

| Parameter | 2020 | 2021 | 2022 | 2023 |
|--|---------|---------|----------|----------|
| FFB production (mt/year) | 244,596 | 228,921 | 218,617 | 206,491 |
| CPO production (mt/year) – OER 20.13 % | 49,237 | 46,082 | 44,008 | 41,567 |
| Kernel production (mt/year) – KER 5.17 % | 12,646 | 11,835 | 11,303 | 10,676 |
| FFB cost (IDR/kg) | 1,300 | 1,300 | 1,300 | 1,300 |
| CPO price (IDR/kg) | 6,959 | 6,959 | 6,959 | 6,959 |
| Replanting (ha) | - | 658.89 | 1,756.20 | 1,032.90 |

Unit of certification informed that there are no plan for increment of SBYM processing capacity nor estate operational areas. Furthermore, longterm business plan mentioned above is subjected to be changed and reviewed annually by the respective top management such as KTU, Mill or Estate Manager, Regional Controller, Production Controller and Director through considering actual trends and dynamic situation which predicted could be changed in the future.

3.1.2

Up to surveillance 1.1 and 1.2 audit, there is no revision on replanting program for period 2017 to 2025. Replanting program in 2020 to 2015 is presented in the following Table:

| Year | SBYE | GALA | MSJA |
|--------------|-----------------|-----------------|----------|
| 2020 | - | - | - |
| 2021 | 658.89 | - | - |
| 2022 | 1,396.20 | 360.00 | - |
| 2023 | 1,032.90 | - | - |
| 2024 | - | - | - |
| 2025 | - | 1,614.00 | - |
| Total | 3,087.99 | 1,974.00 | - |

Evaluation of replanting program has conducted annually. Unit management informed that some changes of replanting

program has started from 2020 due to some reasons, as follows:

- To simplify operations, replanting is carried out by estate per estate in one stretch.
- Division with relatively low FFB production will be priority for replanting program.
- Specifically for KKPA/Plasma, changes of replanting plan were based on agreement with cooperative (KUD) management.

Based on review on replanting realization and hectare statement 2021, it was known that replanting program in 2019 has delayed and carry forward to 2020, due to prolong drought season from July to December 2020 (rainfall average rate about 100 mm/month). Thus, realization of replanting in 2020 was totalling about 844.45 ha.

3.1.3

Management review has shows through several documents, for example as follows:

- Regional controller of Lampung inspection dated 23 May 2019 which inform 4 notes that need to be improved. All notes has comply on July 2019.
- RSPO and SCCS internal audit report dated February 2020. Audit was conducted by five internal auditor on 27 January to 05 February 2020, resulting full compliance towards indicators verified. Management review on this matter has conducted on 11 February 2020. Result of audit approved by all Manager Estate and Mill.
- RSPO Annual Communication Progress 2019 and 2020.
- Inspection and monitoring of contractor pursuance towards Indonesia Laws and Regulations which presented in document Form No. F/SMART/UMUM/SADV/006-001 and document Form No. F/SMART/UMUM/SADV/006/002 about evaluation and recommendation of contractor. Among parameter checked are work environment condition, PPE, emergency situation, proper work tools/devices and equipment, work condition with special requirement (permit, license, etc.), safety symbols, contractor competencies and busines ethics conformity.
- Annual Finance report that had carried out by Public Accountant as an Independent Auditor from Tanubrata Sutanto Fahmi bambang & Rekan. The Opinion mentioned that the accompanying financial statements present fairly, in all material respects, the financial position of PT SIP as of 31 December 2019, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards. Furthermore, financial position audit for period 2020 was still ongoing as shown through Letter of Public Accountant Office Tanubrata Sutanto Fahmi bambang & Rekan No. 039/S019/BD/2021 dated 01 April 2021.
- Apart from the document above, management review has also presented in document annual KTU inspection report, operations of internal audit (OIA) for plasma, SPO Officer inspection on contractors employees work quality.

Status: Comply

3.2

The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.

3.2.1

Unit of certification shows several internal audits which aims to monitor consistency of continuous improvement in every aspect, as shows through RSPO and SCCS internal audit report dated February 2020. Audit was conducted by five internal auditor on 27 January to 05 February 2020, resulting full compliance towards indicators verified. Management review on this matter has conducted on 11 February 2020. Result of audit approved by all Manager Estate and Mill.

Some continuous improvement implementation conducted by the unit of certification are:

- Installation of clamp in housing bearing fruits elevator in SBYM.
- Innovation on epifit teleoptic pesticide sprayer In MSJA.
- Modification of complete spinner disc Fertilizer Spreader in GALA.
- Biological control of Oryctes population control through net trap, pheromone trap and light trap, on the replanting or immature areas.
- Involving of surrounding village representatives on makin annual CSR program.
- Consistently conducting environment periodic testing, by-product usage for nutrient cycle strategy and sources of renewable energy.

3.2.2

According to RSPO announcement dated 03 February 2021, it was informed that the metrics template will come into effect on 01 June 2021 (<https://www.rspo.org/news-and-events/announcements/rspo-launches-2018-principles-and-criteria-metrics-template>). At the time of onsite audit (in April 2021), unit of certification is still ongoing for data and information completion.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

here is no revision of procedure of oil palm agronomy and processing. All procedure were available in Bahasa, summarized as follows:

Oil Palm Agronomy Procedure

Procedure of Agronomy is arranged by Management Committee Agronomy and Research (MCAR) on 12 June 2012, for example as follows:

- Procedure No. SOP/SMART/MCAR/I/TA-PPA about new planting.
- Procedure No. SOP/SMART/MCAR/II/TA-PRP about replanting.
- Procedure No. SOP/SMART/MCAR/III/TA-BBT about nursery.
- Procedure No. SOP/SMART/MCAR/IV/TA-PLB about land preparation.
- Procedure No. SOP/SMART/MCAR/V/TA-TNM about planting.
- Procedure No. SOP Nomor SOP/SMART/MCAR/VI/TA-HPT replanting.
- Procedure No. SOP/SMART/MCAR/VII/TA-TNM about integrated pest management.
- Procedure No. SOP/SMART/MCAR/VIII/TA-PGM about weeding management.
- Procedure No. SOP/SMART/MCAR/IX/TA-PPK about manuring.
- Procedure No. SOP/SMART/MCAR/X/TA-PTB about field upkeep on immature area.
- Procedure No. SOP Nomor SOP/SMART/MCAR/XI/TA-PMP about harvesting preparation.
- Procedure No. SOP Nomor SOP/SMART/MCAR/XIII/TA-PNN about harvesting.
- Procedure No. SOP/SMART/MCAR/XIV/TA-PPT about FFB transportation and delivery.
- Procedure No. SOP/SMART/MCAR/XV/TA-PCH about rainfall measurement.

Oil Palm Processing and Supply Chain

Procedure of oil palm processing is presented in document procedure No. 04-09/MCMD-SOP/438 (Rev. 04) dated 01 September 2010. Procedure has covers technical mechanism in all processing Stations, i.e. Weighbridge, Sortation, Sterilization, Threshing, Press, Clarification, Sub Stasiun Oil Recovery Tank, Nut and Kernel, Boiler, Engine Room, Water Treatment, Final Effluent and Storage Tank. Furthermore, there is also procedure No. PT TN-SMLM/SOP/07 dated 01 May 2012 about CPO and Kernel delivery, and procedure No. SOP/SMART/CERS-EHSD/SADV/II/001 dated 01 July 2014 about product identification and supply chain.

Safety Aspect

Procedure of occupational health and safety aspect has refers to HIRAC and MSDS of the respective agrochemical products, used by mill and/or estate management.

Based on procedure documents review, it could be concluded that the oil palm agronomy, processing and safety procedures are still relevant with current situation and covers all main aspects from the field to the factory. All procedures are available in Bahasa. Furthermore, based on observation to estate and mill activities during onsite audit, it was known that training or refreshment on the technical matters has conducted annually and always refers to the applicable procedures.

3.3.2

Based on field observation, it was known that to ensure compliance on procedure implementation, unit of certification has conducting daily checking by Foreman and Assistant, operations internal audit, RSPO external audit, SPO Officer inspection on work quality, annual KTU inspection report, contractor inspection, evaluation and recommendation of contractor.

3.3.3

Monitoring and follow up of oil palm agronomy and processing procedure pursuant are presented in several documents, such as daily foreman report, monthly manager report, annual advisory report, KTU inspection report, operations internal audit report (OIA), occupational safety and health (OSH) audit report, inspection and monitoring of contractor pursuant towards Indonesia Laws and Regulations report, SPO Officer Inspection on contractors employee work quality report, annual finance by public accountant report, RSPO internal audit report its management review. Those documents mentions above are available onsite.

Status: Comply

3.4

A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.

3.4.1

Unit of certification has been conducted environmental impact assessments which have been shown in several documents as follows:

1. Environment Impact Assessment (AMDAL) of PT Sumber Indah Perkasa is issued in February 2008, which covers of Sungai Buaya and Sungai Merah Area in Tulang Bawang Regency, for oil palm plantation for about **9,254.00 ha** and two (2) Mill units with processing capacity for each Mill were 60 ton FFB/hour. The report is carried out by CV Kolvingkas from Bandar Lampung and has agreed by the Head of AMDAL Commission of Lampung Province through Decree No. 16/KOMDAL/II.04/IV/2008 dated 14 April 2008. Based on hectare statement analysis, it could be concluded that area covers in AMDAL is bigger that actual PT SIP Inti operational area (**9.160.40 ha**). Matrix of Environment Management Plan (RKL) and Environment Monitoring Plan (RPL) has consisted of several impacts towards air quality, noise, soil and ground water quality, loss of soil fertility and surface run-off, biodiversity of flora and fauna, works opportunity and health community level.
2. Environment Evaluation Document "*Dokumen Evaluasi Lingkungan Hidup*" (DELH) of KKPA was carried out by PT Indoconsultant Cipta Prestatama and had been approved by Environment Agency of Lampung Province through Decree No. 12/II.04/2011 on 26 September 2011. Scope of DELH is oil palm plantation for plasma (smallholder KKPA) covers **14,883.825 Ha** and air strip. Based on hectare statement analysis, it could be concluded that area covers in DELH is bigger that actual PT SIP Plasma operational area (**14,702.01 ha**). Matrix of RKL-RPL has consisted of several impacts towards physic-chemicals components (air quality, surface water quality, and soil quality); socio economic and culture components (community perception, works opportunity, creating job opportunity, society income and PAD or local government income); public health component (sanitation quality); and security and orderliness society component (work accident).
3. Environmental Impact Assessment Addendum (ANDAL and RKL-RPL Addendum) of PT Sumber Indah Perkasa has been carried out in 2020 by PT Bina Madani and has been approved by AMDAL Commission of Lampung Province through Decree No. 85/KOMDAL/V.10/2020 on 26 June 2020. Scope of Addendum of ANDAL and RKL-RPL has been covered all operational activities in PT Sumber Indah Perkasa in Mesuji and Tulang Bawang Regency including development of main and plasma (smallholder KKPA) oil palm plantation, increased of mill production capacity into 90 TonFFB/hour each, and development of biogas plant. Matrix of RKL-RPL has covered impacts management and monitoring in all activities in PT SIP including pre construction, construction, operation, and post operation of main and plasma palm oil plantation, mill, air strip and biogas plant.

Social Impact Assessment of PT Sumber Indah Perkasa including MSJA and GALA KKPA was carried out in 2012. Social, economic, culture and perception survey data were obtained by direct and indirect methods with data collection system is utilizing list of questionnaires and interviewing with stakeholders. Scope of study in SIA 2012 includes Village of Talang Batu, Batu Ampar, Panggung Jaya, Wiratama, Pasar Batang, Suka Makmur, Bina Bumi, Sukarame, Bogatama, Trirejomulyo, Tritunggal Jaya, Sidang Gunung Tiga, Brabasan, and Gedung Ram. Public consultation has been conducted on 10 November 2011 which has been participated by representatives of PT SIP, Bogatama Village, Wiratama Village, Wiratama Agung Sari Village, Sukarame Village, Gedung Ram Village, Binabumi Village, Pasar Batang Village, Brabasan Village, etc. The scope of study is impacts of plantation and mill operation to workers and surrounding community. This assessment also has identified negative and positive impacts of plantation and mill operation towards social aspect.

Based on result of interview with Tri Rejomulyo Village representatives, during the rainy season for areas adjacent to

estate and by chance the EFB applied it, many flies appear to resident settlements. Based on document review, unit of certification has identified this issue and established the follow-up actions. Result of investigation towards flies that appeared during rainy season states that it is very unlikely that flies will always come from the EFB application because the distance of the blocks applied by EFB is far from residential areas, which is > 6 km. Besides that, if you look at the trend, wherever the location is, if indeed the rainfall, the presence of flies is relatively well developed. The results of the investigation have been submitted to the Village Party.

3.4.2

Unit of certification has implemented environmental management and monitoring plan and presented in document of Report of Environmental Permit Implementation PT SIP Semester II on January 2020. Based on document review, it was known that the report divided into 2 parts. The first part has explained implementation of management and monitoring of planning of palm oil plantation development for company and smallholder & Biogas Plant and also operational of existing palm oil plantation. The second part has explained implementation of management and monitoring of operational activities of smallholder and airstrip. Both parts have contained program of environmental management and monitoring is in accordance with matrix mentioned in ANDAL and RKL RPL Addendum document which consist of several environmental management and monitoring impacts as follow:

1. Impacts of palm oil plantation development for company and smallholder & biogas plant including social impact (job opportunities, business opportunities and community income), air quality, community perceptions, soil quality, pests and diseases of plants, water quality, noise, public health, hazardous and toxic waste, waterflow (water level), land fires, and peat subsidence.
2. Impacts of Operational Activities of Smallholder and Airstrip including air quality, surface water quality, soil quality, community perception, job opportunity, business opportunity, community income, regional net income, sanitation, and work accident.

Evaluation stated that environment management and monitoring has conducted effectively and periodically reported to Environment Agency. All parameters analysed were suits applicable regulation.

Report of Environmental Permit Implementation PT SIP has been delivered to Environment Agency of Mesuji Regency on 28 January 2021, Talang Batu Regency and Lampung Province on 27 January 2021. Furthermore, electronic receipt No. 1619149021-1471 of "*Sistem Informasi Pelaporan Elektronik Lingkungan Hidup*" or SIMPEL from Ministry of Environment and Forestry for period Semester II 2020.

PT SIP has conducted social impact assessment which covered SBYM, SMRM, SBYE, SMRE, GALA, GABA, dan MSJA. Social, economic, culture and perception survey data were obtained by direct and indirect methods with data collection system is utilizing list of questionnaires and interviewing with stakeholders. Scope of study in SIA 2012 includes Village of Talang Batu, Batu Ampar, Panggung Jaya, Wiratama, Pasar Batang, Suka Makmur, Bina Bumi, Sukarame, Bogatama, Trirejomulyo, Tritunggal Jaya, Sidang Gunung Tiga, Brabasan, and Gedung Ram. Public consultation has been conducted on 10 November 2011 which has been participated by representatives of PT SIP, Bogatama Village, Wiratama Village, Wiratama Agung Sari Village, Sukarame Village, Gedung Ram Village, Binabumi Village, Pasar Batang Village, Brabasan Village, etc.

Social impact assessment of PT SIP has covered aspects of demographics, community income, economy, culture, public health, prevalence of disease, environmental sanitation, and community perception. Besides, SIA has also explained positive and negative impacts from operational of company as follows.

1. Positive Impacts has been identified from aspects of worker, economy, transportation infrastructure, education, religion and social. Positive impacts from operational of company includes:
 - a. Reduction of unemployment rate
 - b. Employee welfare
 - c. Development of community economic potential
 - d. Promotion of economy and community income
 - e. Development of village economy
 - f. Community activity and mobilization are smoother
 - g. Increase of public awareness towards education

- h. Increase of educational facilities and quality of education
- i. Religious activity of community continues smoothly
- j. Fulfilment of needs of the community
- k. Respect for cultural heritage
- 2. Perception of negative impacts from operational activity of the company includes:
 - a. Partial jealousy in community due to lack of social assistance management from company, especially for those who do not get assistance feel dissatisfied.
 - b. Decrease of land for agricultural development
 - c. Air pollution due to smoke and smell of mill waste
 - d. Decrease of public health due to increase of fly population from empty bunch application.

Besides, social and environmental management and monitoring plans have been developed with participation of affected stakeholders. For example, social and environmental management and monitoring plans 2020 has been developed based on public consultation which was held on 11 – 15 February 2020 and participated by representatives of PT SIP, smallholders, and several surrounding villages e.g., village of Batu Ampar, Sido Mukti, Sumber Jaya, etc

3.4.3

Unit of certification has already updated management and monitoring plan of environmental and social impact periodically. Environmental management and monitoring plan has updated and presented in ANDAL and RKL-RPL Addendum document in 2020. Implementation of environmental management and monitoring plan has been presented in Report of Environmental Permit Implementation PT SIP Semester II and delivered to Environment Agency of Mesuji Regency on 28 January 2021, Talang Batu Regency and Lampung Province on 27 January 2021. Furthermore, electronic receipt No. 1619149021-1471 of “*Sistem Informasi Pelaporan Elektronik Lingkungan Hidup*” or SIMPEL from Ministry of Environment and Forestry for period Semester II 2020. Based on document review result, environmental monitoring has been conducted based on environmental management and monitoring plan which had been made and all parameters have been complied towards relevant regulations.

Besides, implementation of social impacts management and monitoring plan in 2020 has been presented in Report of Management of Social Impact of Palm Oil Plantation Report in 2020. Based on document review, unit of certification has implemented management and monitoring of social impact plan as follows.

| No | Impacts | Management and Monitoring Result |
|----|--|--|
| 1 | Dust pollution from operational vehicles of the company | Maintenance of warning signs on vehicle operational routes and socialization & appeals by operational parties Application of water on roads regularly (1 - 2 days) Air quality results (such as in Pondok SMRM) every semester have fulfilled air quality standards. |
| 2 | Community perception towards lack of social assistance management from company | Realization of CSR program in 2020 covers the social, infrastructure, health, education and economic sectors. |
| 3 | Sport facility in employee residential which is not utilized properly | Cleaning the remaining shells from the FFB production on the soccer field. |

Based on interview with communities, unit of certification has implemented management towards impacts of mill and plantations operational such as application of water on roads and CSR implementation.

Based on document review, implementation of monitoring and management of SIA 2019 and 2020 has involved all affected parties including representative of Sidang Gunung Tiga Village (part of Sungai Siding Village which has been expanded and entered into the company's area) and Tanjung Sari Village that became an OFI in RC because they were not monitored. Unit of certification has established management and monitoring plan of social impact and presented in Work Program of 2021 – 2022 (Management and Monitoring Social Impact Plan) which has been identified positive and negative impact based on public consultation. Public consultation has been held on 16 February – 20 April 2021 and participated by representatives of PT SIP, smallholders, and several surrounding villages including Makartitama, Suka Bhakti, Wiratama, Tri Rejo Mulyo, Tri Tunggal Jaya, Sidang Gunung Tiga, Bogatama, Sidomulyo, Sidomukti, Sidoharjo, Trijaya, Suka Makmur, Pasar Batang, Bina Bumi, Sukarame, Bangun Rejo, Bangun Rejo, Panca Tunggal Jaya, Gedung

Harapan, Gedung Rejo Sakti, Gedung Asri, Wonorejo, Karya Makmur, Paduan Rajawali, Karya Bhakti, Kecubung Raya, Kecubung Mulya, Aji Jaya KNPI, Bujung Buring, Brabasan, Gedung Ram, Harapan Jaya, Harapan Mukti, Margo Rahayu, Mekar Sari, Tanjung Sari and Wira Bangun. Herewith management and monitoring which has been planned.

| Impacts | Management | Location/ Management Parameter | Management period |
|---|--|--|--|
| Negative Impacts | | | |
| Dust pollution from operational vehicles of the company | <ul style="list-style-type: none"> Conduct air quality test Conduct application of water on roads regularly to reduce dust pollution | Pondok 1 SMRM | <ul style="list-style-type: none"> Twice a year Once a month |
| Community concern of the emergence of Oryctes after replanting | Conduct socializations of replanting and preventive action which has been done by company towards appearance of Oryctes after replanting. | Village of Makartitama, Wiratama, and Bogatama | Once every three months |
| Positive Impacts | | | |
| Partnership with smallholders contributes to economic improvement and life quality of the community | <ul style="list-style-type: none"> Conduct training of cooperative organization as needed Improve communication through routine meeting and its documentation. Establish communication channels between company or smallholder members with cooperative management. | Village of Brabasan, Suka Makmur, Sukarame, Suka Bhakti, Tri Tunggal Jaya, Bogatama, Pasar Batang, Gedung Harapan, gedung Rejo Sakti, Gedung Asri, Karya Makmur, Kecubung Raya, Harapan Jaya, Tanjung Sari | Once a month |
| Local labor Absorption | Information of job vacancy as company needed is delivered to local community and documented (if needed) | Village of Makartitama, Wiratama, Sidang Gunung Tiga, Sido Mulyo, Trijaya, Sidoharjo, Sukarame, Gedung Asri, Paduan Rajawali, Karya Bakti, Aji Jaya KNPI, Gedung Ram, Harapan Mukti, Margo Rahayu, Tri Rejo Mulyo, Sidoharjo, Talang Batu, Wira Agung Sari, Bandar Aji Jaya, Batu Ampar, Sumber Jaya, Aji Mesir, Karya Makmur, Bogatama, Tri Tunggal | Once a month |

| | | | |
|--|---|--|--------------|
| | | Jaya | |
| Positive perception of change of employee status into permanent employee | <ul style="list-style-type: none"> • Socialization of rights and obligations of permanent employee is documented. • Provide communication access through book of grievance and dissatisfaction. | Employee of SBYE, SBYM, SMRE, SMRM, GABA, GALA, MSJA | Once a year |
| Positive perception towards company assistance to community | Arrange CSR programs (long and short term) and its realization throughout the year | SBYE, SMRE, SMRM, GABA | Twice a year |

Status: Comply
3.5
A system for managing human resources is in place.
3.5.1.

The unit of certification has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labour Agreements period of 2021 - 2023 written in Bahasa. In general, these procedures describe:

- Recruitment of workers is based on needs and adjusted to the ability of the company.
- The age of the prospective worker is a minimum of 18 years at the time of recruitment of workers.
- Recruitment of workers is based on the ability, expertise and assessment of prospective workers.
- The company is authorized to carry out the placement, transfer and promotion of workers in accordance with applicable regulations.
- Termination of employment can occur when a worker retires, dies, resigns, and terminates an employment agreement due to a serious violation and others.

In addition to being publicly listed in CLA, the certification unit has other procedures in the form of Policies, SOPs, Internal Memorandums and others related to recruitment, promotion, retirement, termination of employment and others. These procedures have been documented to all workers and their representatives. For example, some procedures that are owned by the company include CLA article 7 about recruitment.

From this explanation it can be concluded that the company have procedures for recruitment, selection, employment, promotion, retirement and termination of employment must be documented / available to workers and their representatives.

3.5.2

The unit of certification has implemented the Manpower procedure during period of 2020/2021, for example:

- Work termination agreement number initial JND (SBYE) dated 21 March 2021. All of worker right been paid by the company.
- Promotion proposal from non permanent to permanent workers (4 person) in SBYE: this promotion is in accordance to discipline, work quantity, work quality, teamwork, work attitude and responsible.

Based on interview with worker union and several workers on estates and mill it was known that the Manpower procedure been fulfilled by the company.

Status: Comply
3.6
An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.
3.6.1

The unit of certification has had a policy of occupational safety and health were written in Bahasa. The policy has been legalized on 01 November 2013. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of

Occupational Safety & Health (*P2K3*) every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the regular meetings to assess effectiveness.

The unit of certification has hazard identification, risk assessment and risk control (HIRAC) documents issued annually and will be evaluated at the end of each year. The preparation of the HIRAC for the year 2020 & 2021 is the latest review compiled by the unit and will be reviewed in the event of a work accident. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at boiler and engine room in SMRM, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reducing the potential risk by routine socialization about OHS, providing PPE, MCU and OHS signboard are available in workplace.

The company will always ensure that every worker is in good health by conducting regular and special routine health checks. The results of the health checks of each employee have been stored correctly. The last health check was conducted in the fourth quarter of 2019. The results of medical tests showed that the workers were in good health to work. If there are employees who need medical checkup continued, the company will follow up in accordance with the doctor's recommendations. The specific of MCU (such as: cholinesterase & spirometry) in the 2020 is postpone to the next year. It's accordance to *Dirjen Pembinaan Pengawasan K3* Circular Letter with number 5/151/AS.02/XI/2020 dated 30 November 2020. If the safety and health protocol on the company are not established, in order temporarily delay.

3.6.2

The unit of certification has conducted regularly review to evaluate the effectiveness of OHS Program during period of 2020/2021, for example:

- OHS meeting dated 30 October 2020, it was known about nil work accident on October 2020, all workers been use PPE's during work, COVID-19 preventive protocol socialization and implementation.
- OHS meeting dated 22 January 2021, it was known about nil work accident on January 2021, HIRAC in 2021 review, socialization about work accident and occupational illness, all workers been use PPE's during work.

Status: Comply

3.7

All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.

3.7.1

The unit of certification has a training program that is organized annually based on identifying employee training needs. The 2020/2021 training program compiled by SPO in each unit such as the socialization of the use of PPE, OHS, HIRAC, emergency response preparedness channel, Human Rights Policy, Sexual Harassment, Industrial Relations, HCV, minimum age limit, Freedom of Association Policy, Reproductive Protection for Women, Prohibition of Women spraying for pregnant and breastfeeding mothers, collective labor agreement socialization, Company Code of Conduct, SOP for stakeholder involvement, SOP for Conflict Management, SOP for Complaints and Dissatisfaction, SOP for Communication and Consultation. All of training program been involved all contractor workers.

Identification of the needs of the Estate and Mill Training has been made based on the organization's position and type of competency, for example heavy equipment operators need training types such as: lift operator license, OHS policy, SOP / work instruction, PPE, risk analysis, prohibited from burning waste, socialization of business ethics, hazardous waste toxic Control , working age limit, GSEP, Industrial Relations, SOP for Grievance and Dissatisfaction, Communication and Consultation SOP, Understanding ISPO, RSPO, and ISCC.

3.7.2

The company has stored training records / documentation in each unit or in the SPO officer. At the time of the audit activity, the company can show documentation, materials and attendance list of trainees.

Training records also include the attendance of workers who received training, for example :

- SBYM: HIRAC, first aid, evacuation route, MSDS, OHS socialization on February 2020.
- SBYE: First Aid, MSDS, Chemical Handling Management, Fire fighting simulation, spraying and fertilizing, OHS socialization to contractor, emergency response preparedness on February and March 2020.
- MSJA: First Aid Officer Training, PPE's training, MSDS, HIRAC on February 2020; IPM training on February 2021,

Chemical handling on February 2021.

- GALA: IPM training on March 2021, GSEP socialization on January 2021, LSU training on January 2021, spraying training, MSDS training, hazardous material and hazardous waste handling training on January 2021.

The unit of certification been record the personal training record, for example: healthy work doctor number 5/346/AS.02.02/VIII/2019 dated 21 August 2019 and power house operator license number Ser.779/OPM.K3/PTP/V/2019 dated 9 Mei 2019. Based on interview with several workers and contractor workers on the estates and mill sighted that they had been understood about job description, SOP and RSPO aspects.

3.7.3

Unit of certification provided an understanding of SCCS to weighbridge operators, sorting, sustainability, security, and logistics on 03 January 2020, 09 March 2021, and 18 March 2021. The materials discussed included the definition of RSPO SCCS, new standards for RSPO SCCS, principles for compliance with RSPO SCCS. The training was attended by 32 participants.

Based on the results of interviews with weighbridge officers and SBYM security, it was found that so far the company had routinely provided training and socialization regarding the supply chain system. Employees can properly explain the sources of FFB that can be processed, including the supply chain system used is IP.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

The Mill implement IP module that only receive FFB from certified sources, and has no separated physical line to process the uncertified FFB.

3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate, and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year's production. The data are shown in the following table:

| Product | Last Year Projected Certified Volume (MT) | Last Year Actual Certified Volume (MT) April 2019 – March 2021 | Estimate Production of 12 month (MT) |
|---------|--|--|---|
| FFB | 552,780.49 | 502,302.66 | 248,000 |
| CSPO | 102,143.99 | 100,326.87 | 49,000 |
| CSPK | 29,461.31 | 27,195.24 | 13,500 |

Since the last period of assessment, SBYM applied scenario 4 in accordance with RSPO Contingency Audit Procedures. Due to Covid 19 pandemic the ASA-1.1 postponed and conducted concurrently with ASA 1.2 with there is no new license since the expired period, palm trace id of SBYM extended every three months since the license expired (01 May 2020) and the volume of certified products will be added according to the request of the certification unit. throughout 2020 - 2021 there are several additional RSPO Product as follows:

| Dated | Additional Volume (MT) | | | |
|------------------|------------------------|-----------------------------|--------|-------|
| | FFB Estate | FFB scheme or associated | CSPO | CSPK |
| 11 August 2020 | 12,730 | 42,478 | 10,080 | - |
| 08 December 2020 | 64,659 | - | 12,396 | 3,359 |
| 21 January 2021 | - | 98,247 | 9,387 | 2,807 |
| 13 April 2021 | - | - | - | 2,436 |

3.8.4

Sungai Buaya Mill has registered as RSPO member under Golden Agri Resources Ltd (No. 1-0096-11-000-00), and

also registered in RSPO Palm Trace as Sungai Buaya Mill – PT Sumber Indah Perkasa with License ID CB86327, and Member ID RSPO_PO1000001342.

The reporting requirements has been conducted by the Mill through RSPO Palm Trace, such as CSPO and CSPK sales announcement and confirmation from the buyer. Other than that, the CSPO and CSPK sold in another certified scheme, or sold as non-certified, has been removed.

3.8.5

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain Model of Identity Preserve (No. PT.SIP.SBYM/SOP/SCCS-IP/24 Rev 6 dated 1 March 2020), SOP of FFB Processing (No. SOP/SMART/MCMD/I/TM-PKS), SOP of Reporting of Certified Product (No. SOP/SMART/CERS-EHSD/SADV/003), and SOP of Document and Record Controlling (No. SOP/SMART/UMUM/SADV/I/001).

The regular dissemination and training of the procedures has been conducted on 08 March and 18 March 2021 attended by 32 participants. The procedure has covered all aspects in SCCS IP model, such as receiving and recording that identify the traceability of RSPO certified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

3.8.6

The RSPO SCCS Internal Audit for the 2019 period was conducted on 27 January to 5 February 2020. Meanwhile for the 2020 period it was held on 01 - 11 February 2021. Based on the results of verification by the Internal auditor team, it was stated that SBYM had met all the RSPO SCCS requirements

3.8.7

The Mill has maintain the record of goods in such as in FFB Delivery Note and Mass Balance data, that identify amount and sources of FFB certified, as well as the certified products (CSPO and CSPK), shown as follows :

May 2019 – April 2020

| Month | FFB (MT) | | |
|--------------|-------------------|---------------|-------------------|
| | RSPO Certified | Non Certified | Total |
| Apr-19 | 13,609.54 | - | 13,609.54 |
| May-19 | 16,220.97 | - | 16,220.97 |
| Jun-19 | 16,522.97 | - | 16,522.97 |
| Jul-19 | 20,834.02 | - | 20,834.02 |
| Aug-19 | 22,919.01 | - | 22,919.01 |
| Sept-19 | 29,897.46 | - | 29,897.46 |
| Oct-19 | 30,929.75 | - | 30,929.75 |
| Nov-19 | 31,622.70 | - | 31,622.70 |
| Dex-20 | 28,933.66 | - | 28,933.66 |
| Jan-20 | 23,044.32 | - | 23,044.32 |
| Feb-20 | 18,402.87 | - | 18,402.87 |
| Mar-20 | 13,188.23 | - | 13,188.23 |
| Total | 266,125.50 | - | 266,125.50 |

April – March 2021

| Month | FFB (MT) | | |
|-------|----------|--|--|
|-------|----------|--|--|

| | RSPO Certified | Non Certified | Total |
|--------------|---------------------------|----------------------|-------------------|
| Apr-20 | 11,365.01 | - | 11.365,01 |
| May-20 | 11,542.58 | - | 11.542,58 |
| Jun-20 | 12,120.64 | - | 12.120,64 |
| Jul-20 | 9,645.71 | - | 9.645,71 |
| Aug-20 | 9,944.73 | - | 9.944,73 |
| Sep-20 | 18,849.00 | - | 18.849,00 |
| Oct-20 | 28,667.46 | - | 28.667,46 |
| Nov-20 | 32,789.51 | - | 32.789,51 |
| Dec-20 | 32,325.97 | - | 32.325,97 |
| Jan-21 | 28,307.18 | - | 28.307,18 |
| Feb-21 | 20,672.00 | - | 20.672,00 |
| Mar-21 | 19,947.37 | - | 19.947,37 |
| Total | 236,177.16 | - | 236.177,16 |

Total certified FFB that accepted in period of April 2019 – March 2020 are 502,302.66 MT

| Product | Last Year Projected Certified Volume (MT) | Last Year Actual Certified Volume (MT) April 19 – March 21 |
|----------------|--|---|
| FFB | 552,780.49 | 502,302.66 |
| CSPO | 102,143.99 | 100,326.87 |
| CSPK | 29,461.31 | 27,195.24 |

Based on the table above, know that there is no FFB overproduction of against credit given during one year of license. For handling non-conforming oil palm products, has been set in the SOP of Complaints and Grievance Handling (No. SOP/SMART/GIMS-SCMD/USDV/II/001 dated 02 June 2016 revised 11 April 2017). This procedure is generally applied to all complaints aspects, including complaints and non-conforming products from customers/buyers. During the audit, there is no written complaint from stakeholders related to nonconforming products.

3.8.8

The CSPO and CSPK from the Mill were sold has met the requirements of certified product information. Supporting documents shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name and address of the seller.

Based on document verification and interview with management representative obtained information in last 24 months before audit (April 2019 – March 2021) it was known if the certified product sold under RSPO, ISCC and conventional as described in the table below :

| | Dispatch period (MT) | | Total |
|------------------------------|------------------------------------|------------------------------------|--------------|
| | April 2019 – March 2020 | April 2020 – March 2021 | |
| CSPO sold under RSPO Scheme | 21,587.50 | 47,088.72 | 68,676.22 |
| CSPO sold under other scheme | 31,045.12 | - | 31,045.12 |
| CSPO sold as | - | - | - |

| | | | |
|------------------------------|-----------|-----------|-----------|
| conventional | | | |
| CSPK sold under RSPO Scheme | 12,327.83 | 12,937.25 | 25,265.10 |
| CSPK sold under other scheme | - | - | - |
| CSPK sold as conventional | 1,715.15 | - | 1,715.15 |

Supporting documents shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name and address of the seller. Based on documents verifications the unit of certification can present if the Shipping announcement is announced no longer than three months, for example :

Shipping Announcement Transaction ID : TR-aba7021b-5252

| | |
|--|--|
| Seller Member Name : Sungai Buaya Mill Member ID : RSPO_P010000001342 Country : Indonesia | Buyer Member Name : PT Sumber Indah Perkasa Member ID : RSPO_P01000002035 Country : Indonesia |
| Transaction Seller contract number : DIC/2550/100321/001 Seller reference number : 4800057179 Buyer reference number : 2550/CPO/25502/021/C016 | Confirmation Confirmation date : 31/03/2021 |
| Product Details Product name : CSPO Supply chain model : IP Volume : 1,117.27 MT | Traceability Transaction ID : TR-aba7021b-5252 Transaction status : confirmed Creation date : 26/03/2021 |

Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- RSPO certificate number;
- A description of the product, including the applicable supply chain model

3.8.9; 3.8.10; 3.8.11

The Mill do not use contractor for processing of physical handling of RSPO certified oil palm products. Transportation for CPO and PK were conducted by the buyer based on sales contract

3.8.12

The Mill has maintained accurate, complete, and up to date records related RSPO Supply Chain implementation that kept at least 2 years in accordance with Mill's procedure, such as mass balance data, announcement and remove of stock. The records cover FFB received from certified and uncertified sources, production of CPO and PK (certified, noncertified, total), products dispatch (as RSPO certified, sold in another certified scheme, sold as noncertified, total sold), as well as balance/stock of certified products. However, related mass balance record, the certified products that sold conventionally recorded in separate data, even though the product can be traced and the balance can be monitored.

The Mill balancing the certified products and dispatch on a three-monthly basis. Based on the Mass Balance record, the Mill only sells certified products from a positive stock in three monthly periods. The summary of Mass Balance data 24 months previous the audit can be seen on the table below:

Mass balance record of CPO (April 2019 – March 2020)

| Period | All CPO Production (MT) | | | CSPO Dispatch (MT) | | | | Stock of CSPO |
|-------------------------------------|-------------------------|--------------|------------------|--------------------|---------------------|-------------|---------------------|-----------------|
| | CSPO | Non-Cert CPO | Total | CSPO | Other Scheme (ISCC) | As Non-Cert | Total CSPO Dispatch | |
| Balance from previous period | | | | | | | | 686.80 |
| Apr-19 | 2,784.39 | - | 2,784.39 | - | 2,719.85 | - | 2,719.85 | |
| May 19 | 3,197.36 | - | 3,197.36 | - | 3,341.89 | - | 3,341.89 | |
| Jun-19 | 3,148.27 | - | 3,148.27 | - | 3,388.35 | - | 3,388.35 | |
| Closing 3 Monthly | 9,130.02 | - | 9,130.02 | - | 9,450.09 | - | 9,450.09 | 366.73 |
| Jul-19 | 4,067.44 | - | 4,067.44 | - | 3,689.64 | - | 3,689.64 | |
| Aug 19 | 4,537.20 | - | 4,537.20 | - | 3,536.38 | - | 3,536.38 | |
| Sep-19 | 5,634.54 | - | 5,634.54 | - | 5,671.55 | - | 5,671.55 | |
| Closing 3 Monthly | 14,239.00 | - | 14,239.00 | - | 12,897.57 | - | 12,897.57 | 1,708.16 |
| Oct 19 | 5,870.89 | - | 5,870.89 | 297.76 | 5,160.96 | - | 5,458.72 | |
| Nov-19 | 6,115.88 | - | 6,115.88 | 5,663.49 | 329.71 | - | 5,993.20 | |
| Dec 19 | 5,627.55 | - | 5,627.55 | 4,006.13 | 1,466.67 | - | 5,472.80 | |
| Closing 3 Monthly | 17,614.32 | - | 17,614.32 | 9,967.38 | 6,957.34 | - | 16,924.72 | 2,397.76 |
| Jan-20 | 5,064.35 | - | 5,064.35 | 4,675.71 | 1,395.34 | - | 6,071.05 | |
| Feb-20 | 3,960.94 | - | 3,960.94 | 4,345.55 | 344.78 | - | 4,690.33 | |
| Mar-20 | 2,882.69 | - | 2,882.69 | 2,598.86 | - | - | 2,598.86 | |
| Closing 3 Monthly | 11,907.98 | - | 11,907.98 | 11,620.12 | 1,740.12 | - | 13,360.24 | 422.45 |
| Total | 52,981.32 | - | 52,981.32 | 21,587.50 | 31,045.12 | - | 52,632.62 | |

Mass balance record of CPO (April 2020 – March 2021)

| Period | All CPO Production (MT) | | | CSPO Dispatch (MT) | | | | Stock of CSPO |
|-------------------------------------|-------------------------|--------------|----------|--------------------|---------------------|-------------|---------------------|---------------|
| | CSPO | Non-Cert CPO | Total | CSPO | Other Scheme (ISCC) | As Non-Cert | Total CSPO Dispatch | |
| Balance from previous period | | | | | | | | 945.50 |
| Apr-20 | 2,382.29 | - | 2,382.29 | 2,625.36 | - | - | 2,625.36 | |
| Mei-20 | 2,337.61 | - | 2,337.61 | 2,126.38 | - | - | 2,126.38 | |
| Jun-20 | 2,436.52 | - | 2,436.52 | 3,022.75 | - | - | 3,022.75 | |

| | | | | | | | | |
|--------------------------|------------------|---|------------------|------------------|---|---|------------------|---------------|
| Closing 3 Monthly | 7,156.42 | - | 7,156.42 | 7,774.49 | - | - | 7,774.49 | 327.43 |
| Jul-20 | 1,877.57 | - | 1,877.57 | 1,678.50 | - | - | 1,678.5 | |
| Agu-20 | 1,877.46 | - | 1,877.46 | 1,952.09 | - | - | 1,952.09 | |
| Sep-20 | 3,520.42 | - | 3,520.42 | 3,355.82 | - | - | 3,355.82 | |
| Closing 3 Monthly | 7,275.45 | - | 7,275.45 | 6,986.41 | - | - | 6,986.41 | 616.47 |
| Oct-20 | 5,342.53 | - | 5,342.53 | 4,945.72 | - | - | 4,945.72 | |
| Nov-20 | 6,328.33 | - | 6,328.33 | 6,636.30 | - | - | 6,636.30 | |
| Dec-20 | 6,461.85 | - | 6,461.85 | 6,448.42 | - | - | 6,448.42 | |
| Closing 3 Monthly | 18,132.71 | - | 18,132.71 | 18,030.44 | - | - | 18,030.44 | 718.73 |
| Jan-21 | 5,570.13 | - | 5,570.13 | 5,815.33 | - | - | 5,815.33 | |
| Feb-21 | 4,270.18 | - | 4,270.18 | 4,278.26 | - | - | 4,278.26 | |
| Mar-21 | 42,53.86 | - | 4,253.86 | 4,203.79 | - | - | 4,203.79 | |
| Closing 3 Monthly | 14,094.17 | - | 14,094.17 | 14,297.38 | - | - | 14,297.38 | 515.52 |
| Total | 46,658.75 | - | 46,658.75 | 47,088.72 | - | - | 47,088.72 | |

| Mass balance record of PK (April 2019 – March 2020) | | | | | | | | |
|---|------------------------|---------------|-----------------|--------------------|---------------------|-----------------|---------------------|---------------|
| Period | All PK Production (MT) | | | CSPK Dispatch (MT) | | | | Stock of CSPK |
| | CSPK | Non-Cert CSPK | Total | CSPK | Other Scheme (ISCC) | As Non-Cert | Total CSPK Dispatch | |
| Balance from previous period | | | | | | | | 197.65 |
| Apr-19 | 698.65 | - | 698.65 | - | - | 440.66 | 440.66 | |
| May 19 | 744.95 | - | 744.95 | - | - | 962.15 | 962.15 | |
| Jun-19 | 809.76 | - | 809.76 | 592.60 | - | 312.34 | 904.94 | |
| Closing 3 Monthly | 2,253.36 | - | 2,253.36 | 592.60 | - | 1,715.15 | 2,307.75 | 143.26 |
| Jul-19 | 1,101.75 | - | 1,101.75 | 1,028.86 | - | - | 1,028.86 | |
| Aug 19 | 1,153.11 | - | 1,153.11 | 1,059.09 | - | - | 1,059.09 | |
| Sep-19 | 1,551.21 | - | 1,551.21 | 1,203.00 | - | - | 1,203.00 | |
| Closing 3 Monthly | 3,806.07 | - | 3,806.07 | 3,290.95 | - | - | 3,290.95 | 658.38 |
| Oct 19 | 1,680.84 | - | 1,680.84 | 1,893.84 | - | - | 1,893.84 | |
| Nov-19 | 2,020.02 | - | 2,020.02 | 2,035.03 | - | - | 2,035.03 | |
| Dec 19 | 1,582.08 | - | 1,582.08 | 1,590.00 | - | - | 1,590.00 | |
| Closing 3 Monthly | 5,282.94 | - | 5,282.94 | 5,518.87 | - | - | 5,518.87 | 422.45 |

| Monthly | | | | | | | | |
|--|------------------------|-------------|------------------|--------------------|---------------------|-----------------|---------------------|----------------|
| Jan-20 | 1,214.80 | - | 1,214.80 | 1,452.18 | - | - | 1,452.18 | |
| Feb-20 | 910.99 | - | 910.99 | 918.82 | - | - | 918.82 | |
| Mar-20 | 655.71 | - | 655.71 | 554.41 | - | - | 554.41 | |
| Closing 3 Monthly | 2,781.50 | - | 2,781.50 | 2,925.41 | - | - | 2,392.05 | 278.55 |
| Total | 14,123.87 | - | 14,123.87 | 12,327.83 | - | 1,715.15 | 14,042.98 | |
| Mass balance record of PK (April 2020 – March 2021) | | | | | | | | |
| Period | All PK Production (MT) | | | CSPK Dispatch (MT) | | | Total CSPK Dispatch | Stock of CSPK |
| | CSPK | Non-Cert PK | Total | CSPK | Other Scheme (ISCC) | As Non-Cert | | |
| Balance from previous period | | | | | | | | 278.55 |
| Apr-20 | 642.08 | - | 642.08 | 765.68 | - | - | 765.68 | |
| Mei-20 | 569.07 | - | 569.07 | 489.89 | - | - | 489.89 | |
| Jun-20 | 633.71 | - | 633.71 | 743.27 | - | - | 743.27 | |
| Closing 3 Monthly | 1,844.86 | - | 1,844.86 | 1,998.84 | - | - | 1,998.84 | 124.57 |
| Jul-20 | 514.37 | - | 514.37 | 454.22 | - | - | 454.22 | |
| Agu-20 | 501.02 | - | 501.02 | 564.64 | - | - | 564.64 | |
| Sep-20 | 952.09 | - | 952.09 | 883.15 | - | - | 883.15 | |
| Closing 3 Monthly | 1,967.49 | - | 1,967.49 | 1,902.01 | - | - | 1,902.01 | 190.05 |
| Oct-20 | 1,510.08 | - | 1,510.08 | 1,387.26 | - | - | 1,387.26 | |
| Nov-20 | 1,827.18 | - | 1,827.18 | 1,627.41 | - | - | 1,627.41 | |
| Dec-20 | 1,794.00 | - | 1,794 | 1,964.63 | - | - | 1,964.63 | |
| Closing 3 Monthly | 5,131.26 | - | 5,131.26 | 4,979.30 | - | - | 4,979.30 | 342.019 |
| Jan-21 | 1,637.39 | - | 1,637.39 | 1,675.03 | - | - | 1,675.03 | |
| Feb-21 | 1,178.05 | - | 1,178.05 | 1,336.23 | - | - | 1,336.23 | |
| Mar-21 | 1,114.66 | - | 1,114.66 | 1,045.84 | - | - | 1,045.84 | |
| Closing 3 Monthly | 3,930.10 | - | 3,930.10 | 4,057.10 | - | - | 4,057.10 | 215.01 |
| Total | 12,873.72 | - | 12,873.72 | 12,937.25 | - | - | 12,937.25 | |

3.8.13

The conversion rate of production of CPO (OER) and PK (KER) were based on actual production. Then the management will monitor if the rate reasonable. Based on production data 24 months previous audit, the average OER is 19.83 %, while KER is 5.37 %.

3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on three monthly basis. Then the management will monitor if the rate reasonable.

3.8.15

The mill has set the procedure and implement to verify that the RSPO certified oil palm product is kept separated from non-certified oil palm products, from the receiving verification, processing and transporting. During 24 months previous the audit, the Mill did not process the uncertified FFB.

Based on the field observation to SBYM and verification of FFB receipt documents, it is known that since 2019 SBYM has not received FFB from SBYE Non-certified (Divisions 3 and 6) and SMRE Non-certified (division 7 SMRE). Weight bridge officers have also been able to show evidence that the FFB received is only from certified areas, for example through SPB. Thus, it can be concluded that all FFB processed and products produced are RSPO certified

3.8.16

Based on document verification and interview with management representative obtained information in last 24 months before audit (April 2019 – March 2021) it was known if the certified product sold under RSPO, ISCC and conventional as described in the table below :

| | Dispatch period (MT) | | Total |
|------------------------------|----------------------------|----------------------------|-----------|
| | April 2019 – March 2020 | April 2020 – March 2021 | |
| CSPO sold under RSPO Scheme | 21,587.50 | 47,088.72 | 68,676.22 |
| CSPO sold under other scheme | 31,045.12 | - | 31,045.12 |
| CSPO sold as conventional | - | - | - |
| CSPK sold under RSPO Scheme | 12,327.83 | 12,937.25 | 25,265.10 |
| CSPK sold under other scheme | - | - | - |
| CSPK sold as conventional | 1,715.15 | - | 1,715.15 |

Based on delivery and transaction document review, it was known that announcement is carried out less than three months after delivery date. The removing stock of RSPO certified product which sold under other scheme (ISCC) and/or conventional are properly conducted by the Mill.

Based on documents verifications the unit of certification can present if the Shipping announcement is announced no longer than three months, for example Shipping Announcement Transaction ID : TR-aba7021b-5252. Seller contract number : DIC/2550/100321/001 . Seller reference number : 4800057179. Buyer reference number : 2550/CPO/25502/021/C016. Product name : CSPO. Supply chain model :IP. Volume : 1,117.27 MT confirmation Date 31/03/2021

Registration in Palmtrace for PK that sold as conventional

- Stock Transaction ID : ST-TR-f11c7db2-ce55 dated 25 May 2021. Volume 962.15 MT
- Stock Transaction ID : ST-TR-8c5f09b9-017e dated 25 May 2021. Volume 312.34 MT

The total number of PK sold as uncertified products is 1,715.15 MT in total. Based on palm trace registration data, it is known that 1,274.49 MT (May and June sales) have been removed from stock while the other 440.66 MT (April sales) have entered the previous license period.

3.8.17

The products are claimed as IP and conventional. The Mill does not use RSPO logo on product or off product.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.

4.1.1

The unit of certification has a commitment to respecting human rights and explained in the Social and Community Engagement Policy established on November 10, 2011 using Bahasa. The commitment of the company in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and mill.

The policy / declaration has been well documented and has been socialized to the workers at the time of the morning checkroll and by using signboard placed in several locations to make it easier for workers to find out.

4.1.2.

Based on interview result with several workers, worker union, villagers from Bujur Buring Village, Wirabangun Village, Talang Batu Village and Bangun Rejo Village it was known that there were no acts of violence or any form of intimidation in their operations

During onsite audit, there issues on internet as follows:

<https://radartuba.com/2021/03/23/adanya-dugaan-penggelapan-pt-sip-batasi-ruang-gerak-keluarga-tumino/>

Based on interview with MSJA management, it was known that the former head of administration (KTU) was corruption. There was no cooperation to return the money. So the security carries out surveillance, to anticipate the suspect from running away. The unit of certification also showing several news related to that issues, including:

<https://www.lampost.co/berita-polisi-mesuji-nyatakan-tumino-bukan-korban-penyekapan.html>

<https://m.lampung.rilis.id/heboh-penyekapan-karyawan-yang-gelapkan-uang-pt-sip-mesuji-ini-kronologi-lengkapny>

<https://www.youtube.com/watch?v=iUZx9u61UKI>

Based on field observation to the housing complex in MSJA sighted that the KTU family's has returned to Kalimantan Selatan. Meanwhile, the suspect is still being held at POLRES Mesuji to undergo legal proceeding.

Based on above explanation, it was known that the unit certification didn't conducted intimidation to all workers and stakeholders.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

4.2

There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.

4.2.1

The unit of certification has complaint and grievance procedure with number SOP/SMART/GIMS-SCMD/USDV/II/001 dated 02 June 2016 revised 11 April 2017. The protection for whistleblowers is contained in the document point 2.2.1. In the 2017 revisions, including changes to the flow chart and explanation, adding affirmation sentences according to

special provisions in INA NI and adding addresses, telephone numbers, and emails for submitting complaints.

Unit of certification also has GAR Social & Environmental Policy (GSEP) and has been socialized to the internal and external stakeholders, for example:

- Socialization of GSEP dated 11 September 2020 to communities from Sidoharjo Village, Talang Batu Village, Wiratama Village, Tri Tunggal Jaya Village, Sidang Gunung Tiga Village, Batu Ampar Village, Bandar Aji Jaya Village attended with 35 person (5 person/village).
- Socialization of GSEP dated 11 September 2020 to communities from S Asri Village, Karang Mulya Village, Karya Baru Village, G Harapan Village, Bandar Rejo Village, P Rajawali Village, Ps Balang Village, Binabumi Village, Sukarame Village.

Based on interview result with several workers, worker union, villagers from Bujur Buring Village, Wirabangun Village, Talang Batu Village and Bangun Rejo Village, it was known that they have been understood about that complaint and grievance procedure.

4.2.2; 4.2.3; 4.2.4

The unit of certification can demonstrate the existence of standard communication and consultation procedures as indicated by SOP-SMART-UMUM-SADP-I-004 regarding Communication and Consultation. The deadline for responses to requests for information or conflicts is 3 weeks. The SOP contains an explanation of communication procedures in terms of requests for information.

The company has appointed people who act as communicators between the company and the community so that illiterary can be informed by the related communicators.

Based on interview result with several workers, worker union, villagers from Bujur Buring Village, Wirabangun Village, Talang Batu Village and Bangun Rejo Village, it was known that they have been understood about that complaint and communication and consultation procedure.

During the onsite audit there were several complaints from the public based on the results of the public consultation, such as:

1. Complaints from the people of Talang Batu Village regarding control of a 2,000 ha land that has not been compensated for and flooding caused by the construction of river embankments by the company as well as the invasion of horn beetles into the community plantation area
2. Complaints from the people of Tri Rejo Mulyo who stated that during the rainy season many flies appeared due to the EFB application

Regarding these complaints, the company has documented the problem resolution process as follows:

- **The process of settling 2,000 ha of land claims**

Letter Number: 591/622 / L01 / MSJ / 2020 dated February 13, 2020, from the Regent of Lampung to the Head of the Mesuji Police, which states that PT SIP has been able to show land acquisition documents such as minutes of relinquishing rights, minutes of examination of committee B, to the decision to grant HGU . In addition, there is an agreement letter on behalf of PT SIP with the Talang Batu community (Mr. Hatta as the Village Head, Mr. Basli and Mr. Erwan) as community leaders regarding the release of land rights on July 22, 2004.

In this regard, it was conveyed that the PT SIP HGU is still valid and has met all the requirements for obtaining land rights totalling ± 9,522.11 ha and has been given recognition money for the use of former state land clan / state land in accordance with the Letter of the North Lampung Regent : 100/691 / I-LU / 1990 dated 24 August 1990

On January 16, 2020 there was an audience between the people of Talang Batu Village represented by Erwansyah and mediated by the Mesuji Police Chief. The customary community (Marga Mesuji) considers that the company's HGU still stands on customary land. In accordance with current conditions and seeing the threat from the community acting on behalf of the Talang Batu Village to the Mesuji government company, the Mesuji Government requests the Police Chief

to take security / law enforcement steps by applying a persuasive approach to control efforts to prevent horizontal conflicts between indigenous peoples and companies on land disputed

Separately, the Mesuji Regency Regional People Representative Council also mediated between PT SIP and the Talang Batu Community on December 23, 2020. The conclusion from the results of the mediation was that no agreement was reached and if the community still objected / did not accept the results of the mediation, they were welcome to submit a claim to the company through legal route

- **Embankment Which cause Flooding**

The Official Travel Report of the Mesuji Regency Government Environmental Service Field Survey team has been shown on May 10, 2019 in order to investigate the causes of flooding as reported by the community on April 8, 2019. The results of the investigation stated that the floods that spread to settlements were due to deforestation in Register 45 managed by PT Silva Inhutani. In addition there is a narrowing of the river body upstream. River normalization needs to be carried out with the cooperation of all parties such as *PUPR*, Agriculture and Plantation Service, Environmental Service, and Food Security Service.

- **Horn Beetle (*Oryctes Rhinocheros*)**

As a result of the replanting, there were horn beetles that invaded the residents plant areas. Related to this, the company has been able to demonstrate impact management such as the implementation of IPM in the company area. Apart from that, the residents were given assistance in the form of pesticides for handling horn beetles. In the outer border areas, nets have been installed to keep out the beetles

Based on the description above, it can be concluded that every complaint submitted has been followed up by involving the related parties. In addition, the resolution and progress of complaints are conveyed to the complaining party. Even if there are problems that

Status: Comply

4.3

The unit of certification contributes to local sustainable development as agreed by local communities.

4.3.1

Unit of certification has implemented community development program 2020 based on local community consultation result. The result of local community consultations are recorded in the 2019 Review of Social Impact Management Palm Oil Plantation and Mill Report with representatives of the surrounding community including Tri Rejomulyo Village, Wiratama Village, Sidang Gunung Tiga Village, Suka Bhakti Village, Bogatama Village, Sidodadi Village, Tri Tunggal Jaya Village, Desa Sidomulyo, Sidomukti Village, Sumber Jaya Village, Tanjung Sari Village, Talang Batu Village, Sidoharjo Village, Brabasan Village, Mekarsari Village, Bangun Rejo Village as well as representatives from the SBYM, SBYE, MSJA and GALA units which were held on 15 February 2020.

Unit of certification has contributed towards community development and presented in Recapitulation/ Actual CSR Program of PT Sumber Indah Perkasa document for January – December 2020 period in SBYM, SBYE, MSJA and GALA units. CSR activities carried out including sector of health, infrastructure, economy, social and education. For example, some of the activities carried out are as follows.

1. Social service of providing additional food and drinks for toddlers on 18 February 2020 in Sidoharjo Village.
2. Scholarships for 4 foster children during 2020 in villages around SBYE.
3. Cheap market bazar in April 2020 in Mekarasa Aji District, Penawar Aji District and Gedung Aji District.
4. Road repair (Penawar Intersection - Rabun Intersection) in Rawajitu Utara District of Mesuji Regency & Gedung Aji Baru District of Tulang Bawang Regency.
5. Material assistance for construction of SMPN 1 Atas 2 Mesuji Timur on 25 – 30 August 2020 in Talang Batu Village.
6. PPE assistance for Covid-19 prevention for medical personnel at Mutiara Bunda Hospital, Gala Hospital and Penawar Medica Hospital in Tulang Bawang Regency on 20 April 2020.

Management review and monitoring activities in 2020 have involved affected communities including 37 villages such as Makartitama Village, Suka Bhakti Village, Wiratama Village, Tri Rejo Mulyo Village, Tri Tunggal Jaya Village, Sidang

Gunung Tiga Village, Bogatama Village, as well as from the SBYM unit, SBYE, MSJA and GALA which has held on 16 February – 10 April 2021.

Based on the results of interviews with the surrounding community of SBYE, MSJA and GALA, company has managed impacts from operational activities such as watering roads and implementing CSR programs.

Status: Comply

4.4

Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).

4.4.1

Sungai Buaya Mill and its supply base (SBYE, MSJA, and GALA) has the land rights i.e Land Use Title (*HGU*), Building Right Title (*HGB*) and Freehold Title (*SHM*). With following detail :

- Land Use Title (*HGU*)
 - SBYE : *HGU* certificate number 14 dated 15 July 1993 for 5,058.82 ha land is valid until 31 December 2027 and *HGU* certificate number 2 dated 09 January 2001 for the area of 555,700 m² valid until 08 January 2036. So that the total SBYE *HGU* for the scope of certification is 5114.39 ha.
- Building Right Title (*HGB*)
 - GALA : *HGB* certificate number 04 year 2004 for the 24500 m² and 22500 m² so the total right is for covering an area of 4.70 ha
 - MSJA : *HGB* certificate number 07 year 2004 for the 15000 m² and certificate number 07 for the 22500 m² so the total right is for covering an area of 3.75 ha

So that the total *HGB* of GALA and MSJA is 8.45 ha

- Free Hold Title (*SHM*)

KUD Krida Sejahtera

| KKPA | Area (ha) | Total <i>persil</i> |
|------|-----------|---------------------|
| GALA | 5,002 | 5,553 |
| MSJA | 5,206 | 5,600 |

* The total area that has owned *SHM* until this assessment in GALA is 4,853.25 Ha and in MSJA 4,777 Ha

Planted area of KUD Krida sejahtera VS areal statement 2021

| KKPA | Area according to existing <i>SHM</i> and on progress (ha) | Areal statement 2019 | Variance |
|--------|--|----------------------|----------|
| GALA* | 5,002 | 5,009.25 | 7.95 |
| MSJA** | 5,206 | 5,194.76 | 11.24 |

* for GALA, there is a difference in the statement area of 7.95 ha which is a residential and office building area outside the planted area

** For MSJA, there is a difference between the total planted area and the statement of the area due to a reduction in the area due to the national toll road program covering an area of 11.24 ha.

Up to the assessment of ASA-1.1 and ASA-1.2, there is GALA areas (148.75 ha) and MSJA areas (429 ha) that do not yet have *SHM*. The management representative explained that *SHM* is still in progress. Based on this, the unit of certification the opportunity to ensure the progress of the *SHM* for the entire KKPA area. **OFI**

4.4.2

Up to ASA-1.1. and 1.2 no additions are made to the company's operations. The last land compensation process was carried out in 1990. Based on interviews with former land owners who were compensated in the 1990s in Tri Rejo Mulyo and Talang Batu villages, it was found that the company had negotiated and paid land compensation according to the agreement and there was no coercion. or intimidation during the land compensation process.

The origin of the land is 8,366.99 ha of state land and 1,115.12 ha are from community. In addition, it can also be shown minutes of the relinquishment of rights and compensation payments for each village in Mesuji and Gala sub-district which was carried out in April 1990. This report is completed by the signatures of each of the parties involved, for example the land service, sub-district head, and land owner, etc

4.4.3

In accordance with the information contained in the basic info and operational map of PT SIP, it is known that the total area included in the certification scope is 15,319.10 ha. The area is divided into HGU, SHM, and HGB as described in 4.4.1. Details of land use are planted areas with an area of 14,894.26 ha and other areas consisting of nurseries, buildings and factories, roads, ditches and swamps, airstrips, and HCV with an area of 424.84 ha. The total area of the certification scope a is 15,319.10 ha

In the area initially there were 1,155.12 ha of land with clan rights / land rights. The right has been given a replacement money for recognition as stated in the Letter of the Regent of North Lampung Number: 100/691 / I-LU / 1990 dated August 24, 1990.

The operational map shown by the company has a scale of 1 : 200,000

4.4.4; 4.4.5; 4.4.6

Up to ASA-1.1 and ASA-1.2, there was no increase in the company's operational area. The last land compensation process was carried out in 1990. Based on interviews with previous land owners from Tri Rejo Mulyo Village and Talang Batu Village, it was found that the company had negotiated and paid land compensation in accordance with the agreement and there was no coercion or intimidation during the compensation process. land. During the release of land, in general, the owner of the land acts as a representative for himself. Regular reviews of the FPIC process are embodied in the SIA document which functions to highlight the social issues of the affected people including land issues

Status: OFI

4.5

No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.

4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.6; 4.5.7; 4.5.8

Until ASA-1.1 and ASA-1.2 were implemented there was no expansion of the area or new planting. This was evidenced by the results of public consultations with the community and the absence of additional *GRTT* records since 1990. The certification unit can show land compensation documents which include informing about news. measurement program, master map of the compensation area, certificate of ownership, statement of relinquishment of land rights, map of the area to be compensated, receipts for compensation payments. The documents for the compensation process have been signed by both parties and are known to local officials such as the village head, sub-district head and witnesses. Existing and well-documented agreements are one that the FPIC process has implemented

Status: Comply

4.6

Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

4.6.1 & 4.6.2

The certification unit shows the Technical Guidelines for Land Preparation: Land / Land Compensation Document Number: SOP / NP / SMART / VII / D & L002 dated 1 July 2010. Procedures include explaining the land identification process, outreach to the community, physical inventory, to the compensation process.

Completeness of compensation payment documents: receipts, documentation, identification cards (*KTP*), minutes of landover and compensation, certificates of land ownership, statement letters, detailed maps of land and attendance lists of land measurements / percel.

4.6.3

Until the ASA-1.1 and ASA-1.2 assessments were carried out there were no new GRTTs. The last land acquisition was carried out in 1990. There is FPIC Procedure No. SOP / SMART / SENS-CSRD / SADV / I / 003, part 2.4 explains that identification of participatory maps related to legal ownership of the community takes into account gender, community leaders, local or transmigrant communities, ethnic groups, etc.

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| |
|-----------------------|
| Status: Comply |
|-----------------------|

4.7

Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.

4.7.1 & 4.7.2

The land compensation process was completed by the company in 1990. There is FPIC Procedure No. SOP / SMART / SENS-CSRD / SADV / I / 003, part 2.4 explains that identification of participatory maps related to legal ownership of the community takes into account gender, community leaders, local or transmigrant communities, ethnic groups, etc.

4.7.3

As the results of public consultations with community representatives from Tri Rejo Mulyo and Talang Batu Villages, one of the positive impacts of opening a company is the opening of road access. The village head of Talang Batu stated that prior to the existence of the company, the community's access to interact with other areas was only through rivers. After the company exists, the community can access the company's roads for daily activities.

Heads of Tri Rejo Mulyo and Talang Batu Villages also stated that the company's existence also provided access to recruitment and use of local contractors, including CSR. Another benefit received is the development of plasma plantations under the auspices of KUD Krida Sejahtera which is managed in a fully managed manner. The total number of members is 17,078 according to the percil.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

4.8

The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.

4.8.1; 4.8.2; 4.8.3; 4.8.4

The certification unit has SOP for Social Conflict Handling Document No SOP / SMART / SENS-CSRD / SADV / I / 002, dated 1 July 2014. The procedures include explaining the conflict information, conflict analysis, coordination of conflict handling, and preparation of reports on handling progress carried out periodically at least every one month.

When ASA-1.1 and ASA-1.2 were implemented, there was an issue of land problems with a group claiming to be representatives of the Talang Batu community regarding 2,000 ha of land which is considered to have originated from clan / state land that has not been compensated.

The process of settling 2,000 ha of land claims

Letter Number: 591/622 / L01 / MSJ / 2020 dated February 13, 2020, from the Regent of Lampung to the Head of the Mesuji Police, which states that PT SIP has been able to show land acquisition documents such as minutes of relinquishing rights, minutes of examination of committee B, to the decision to grant HGU . In addition, there is an agreement letter on behalf of PT SIP with the Talang Batu community (Mr. Hatta as the Village Head, Mr. Basli and Mr. Erwan) as community leaders regarding the release of land rights on July 22, 2004.

In this regard, it was conveyed that the PT SIP HGU is still valid and has met all the requirements for obtaining land rights totalling ± 9,522.11 ha and has been given recognition money for the use of former state land / state land in accordance with the Letter of the North Lampung Regent : 100/691 / I-LU / 1990 dated 24 August 1990

On January 16, 2020 there was an audience between the people of Talang Batu Village represented by Erwansyah and mediated by the Mesuji Police Chief. The customary community (Marga Mesuji) considers that the company's HGU still stands on customary land. In accordance with current conditions and seeing the threat from the community acting on behalf of the Talang Batu Village to the Mesuji government company, the Mesuji Government requests the Police Chief to take security / law enforcement steps by applying a persuasive approach to control efforts to prevent horizontal conflicts between indigenous peoples and companies on land disputed

Separately, the Mesuji Regency Regional People Representative Council also mediated between PT SIP and the Talang Batu Community on December 23, 2020. The conclusion from the results of the mediation was that no agreement was reached and if the community still objected / did not accept the results of the mediation, they were welcome to submit a claim to the company through legal route

Based on the field observation and document reviews, it is known that currently in the area claimed to be disputed, operational activities are running as usual. After the meeting on 23 December 2020, the community groups who stated that representatives of the Talang Batu community had not filed a lawsuit. Until the assessment of ASA-1.1 and ASA-1.2 finish group claiming to be representatives of the Talang Batu community cant demonstrate that they have legal, customary, or user rights

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

5.1.1; 5.1.2; 5.1.3; 5.1.6

Apart from the main estate, the company also gets a supply of FFB associated smallholder namely MSJA (Mesuji KKPA) and GALA (Gedung Aji Lama KKPA. In accordance with the MoU between the company and the FFB supplier, the purchase price of FFB by PT SIP follows the price fixing by the Provincial Plantation Office. Lampung, which is carried out every week through a joint meeting between the government and representatives of plantation companies in Lampung.

It has been able to show the price fixing of CPO, Palm Kernel, and FFB for the period 16 to 31 March 2021 in accordance with the price setting by the purchasing team for the purchase price of Palm Oil FFB Produced by Farmers in Lampung Province on April 7, 2021, namely:

- CPO price: IDR 9,916.89 / Kg
- Price of Palm Kernel: Rp 6,555.76 / Kg
- K Index 82.72%

The lowest FFB price is for 3 years old, namely ldr 1,596.45 / kg and ldr 2,051.46 / kg for ages 10 to 20 years. Based on the results of document review and interviews with KUD Krida Sejahtera farmer representatives, it was found that plasma management is fully managed so that all plantation management and FFB price information is conveyed through the Plasma Assistant. In addition, there have never been any complaints regarding the payment of FFB. Plasma FFB payments can be shown for the period January and February 2021. The payment is made in accordance with the billing provided by the KUD.

5.1.4

The company can show evidence that parties from the organization representatives like associated smallholder have

been involved in the decision-making process and understand the contents of the contract. This is stated in the document of the Work Agreement (SPK) signed by all representatives of the cooperative management and farmer groups. The Work Agreement (SPK) contains the FFB sale and purchase agreement to associated smallholders, as well as a partnership agreement with associated smallholder including financing, loans / credit, and repayment through cutting the FFB price for replanting programs and / or other support mechanisms

5.1.5

The certification unit has a cooperation agreement in the form of an eighth addendum to a cooperation agreement letter number 001 / SPK / KKPA / XI / 1994 dated 25 April 2017 between KUD Krida Sejahtera and PT Sumber Indah Perkasa. In addendum 8, it is explained that the FFB price fixing follows the FFB price setting for smallholder production which is determined by the plantation office or the local governor / regent's decree.

The initial agreement of cooperation was valid from 25 November 1994 which is valid for 25 years and can be extended according to the agreement of both parties. The terms and conditions stated in the first addendum agreement and so on until this eighth addendum have no changes

5.1.7

In accordance with the test results certificate Number: 148 / 510.3 / 226 / IX / 2020 and Number: 149 / 510.3 / 228 / IX / 2020 from the Metrological and Trade Supervision Division of Tulang Bawan Regency dated September 22, 2020, valid until September 1, 2021.

5.1.8

MSJA and GALA are fully managed by the company so that plantation management is in accordance with the standards of the parent company

5.1.9

The unit of certification shows the SOP for Handling Complaints and Dissatisfaction with No. SOP / SMART / GIMS-SCMD / USDV / I / 001 issued date 1 July 2014 with the last revision 11 April 2017. In the SOP, it is explained that the Social officer / KTU receives letters of complaint and dissatisfaction directly from the reporter or indirectly through the suggestion box. Information and data entered are recorded in the Complaint and Dissatisfaction Registration Form. Protection of whistleblowers is contained in the document, point 2.2.1 part a, which states that the Company guarantees the anonymity of whistleblowers and whistleblowers with the aim of reducing the risk of revenge. There are no specific complaints from farmers to the company regarding the cooperation / business process. In the procedure also stated the slowest response is 14 days

Status: Comply

5.2

The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

5.2.1;5.2.2; 5.2.3

Mesuji KKPA and GALA KKPA are fully managed by the company and are suppliers of RSPO certified FFB

5.2.4

The management of Mesuji KKPA and GALA KKPA is fully managed so that no farmers do work with pesticides. Spray teams are company employees who have been given regular training at least during the morning circle. Likewise for storage and management of pesticides. Officers who carry out activities are company employees and have a good understanding

5.2.5

Plasma management is fully managed so that the standard for plantation management is the same as for the management of the main estate. Currently MSJA and GALA are RSPO certified plasma.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS
6.1
Any form of discrimination is prohibited.
6.1.1.

The unit of certification has GSEP signed by Head of Upstream, CEO-Downstream & Commercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. In point 3 the Work Environment and Industrial Relations states: The company provides equal opportunities for all workers, and embraces diversity regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or union membership.

The unit of certification has ensures that workers are protected from acts of discrimination in all stages of labor relations, there is no forced labor system that can cause human rights violations and inconvenience of employees / prospective employees in the work or recruitment process.

Based on list of worker document verification it was sighted that the unit of certification doesn't discriminate and treat all workers fairly, the following is evidence that can be shown by companies:

- The composition of workers consisting of various ethnic groups, religions, sexes, and workers' origins.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- Worker placement and training is carried out according to their expertise / type of work, such as prospective harvest workers being placed as harvest workers and receiving routine harvest training.
- Women workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example there are several maintenance foremen who are female workers.

Based on the employee registration document, the company has provided equal opportunities and treatment in employment opportunities. This is evidenced by the diversity of ethnic accepted to work.

These explanations can conclude that the company has treated all workers equally without discrimination based on gender, ethnicity, religion, health conditions or others during period of 2020/2021.

6.1.2.

Based on interview with estate & mill workers result, and also interview with Manpower Agency of Tulang Bawang Agency and Mesuji Agency. It was known that during the period of 2020/2021 no information about the presence of foreign workers or migrant workers. In addition, there were no fee of recruitment for new workers. There were also no discrimination to the local communities, all person have chance to joint with company in accordance to qualification and competencies. Based on interview with gender committee sighted that no discrimination for women workers.

6.1.3.

Based on document verification and interview with estates and mill staff, it was known that there were no promotion in the year of 2020. However there are several promotion dated 25 January 2021, such as: four non permanent workers to the permanent workers in SBYE. That promotion in according to basic medical, skills, abilities, work quality and others. Based on interview and document verification sighted that there were no new recruitment during period of 2020/2021.

6.1.4.

The unit of certification conducts pregnancy checks not as a discrimination, however it's carried out as monitoring to ensure that the chemical applicators are not pregnant or breastfeeding conditions. Based on document verification and interview with women spraying workers sighted that the latest pregnancy test was conducted on April 3rd, 2021 to 7 spraying workers in MSJA. Meanwhile there are no women worker who exposure to chemicals material in SBYE & GALA.

6.1.5

Gender committees have been formed and are still active today in the unit of certification which is chaired by the committee chairperson along with coordinators in several sections and there are representatives in each unit. The main

objective of forming a gender committee is to provide a forum that can accommodate the aspirations / complaints of workers (especially women), as company partners in carrying out the activities of socialization related to gender and other policies related to workers' reproductive rights. In carrying out its activities this gender committee always collaborates with the labor union so that the socialization of matters related to women's rights can be conveyed properly and there is no discrimination in terms of gender. Based on interview with gender committee, it was known that no sexual harassment and reproductive rights violation during period of 2020/2021.

6.1.6

Equal payment of wages has been made by the unit of certification, taking into account the ability, performance, expertise, length of work and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the burden / duties / types of work respectively. Based on document verification the sample of payslip on December 2020 and March 2021. It was known that wages is above of minimum wage regulation. However, it different amounts based on years of service, ability, attendance and job performance. Based on interview with workers in the same grade (harvester) with different date of joined, it was known that they had obtained different basic wages in accordance to work period.

Status: Comply

6.2

Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1

The unit of certification has a Collective Labor Agreement for the period 2021 - 2023 in accordance with Decree No. KEP.188.4/...../V.08/02/2021, dated 15 April 2021. It has been ratified by the Manpower and Transmigration of Lampung Province. The CLA were made in Indonesian language which explains the working conditions and rights / obligations of workers such as, recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions.

The unit of certification showing

- Circular Letter from Mesuji Regent with number 561/5386/IV.16/MSJ/XII/2020 dated 16 December 2020 about minimum wage of Mesuji Regency year of 2021 is IDR 2,673,569.29.
- Director Decree Letter number 002/CEO/Lambabel/HR PSM Sumsel-Lambabel/01/2021 dated 28 December 2020 regarding the stipulation of the structure and scale of wage for permanent workers in PT Sumber Indah Perkasa Region Lampung year of 2021 with range between IDR 2,674,065 to IDR 3,125,069. Based on interview with estate and mill workers, and worker union. It was known that there were no problem related to wages and other worker rights.

The unit of certification were shown documentation of pay and working condition in accordance to regulation, for example:

- DRJ (as upkeep/non permanent workers on SBYE) with basic wage IDR 2,459,683 (absent: 2 day), BPJS allowance: IDR 174,851, gross wage: IDR 2,634,534.
- HND (Boiler shift 1) with gross wage IDR 2,785,569; overtime: IDR 2,706,992; electricity allowance: IDR 35,000; BPJS-TK allowance: IDR 168,343; BPJS-Kes Allowance: 111,423; Gross wage: IDR 5,830,910.
- HRY (Harvester on GALA) with gross wage: IDR 2,733,568; Premi: IDR 3,716,885; rice allowance: IDR 213,600; others (BPJS allowance): IDR 233,447; gross wage: IDR 6,897,501.

Based on document verification sighted that on each work agreement between the certification unit and the contractor, there are separate clauses regarding the compliance of legal obligations in Indonesia as one of the obligations that must be comply by the contractor. Some of these obligations are related to the registration of the workers *BPJS* (Government Insurance Scheme), minimum wage provisions, the obligation to use PPE, other permits such as tax payments (NPWP), vehicle licenses (STNK), and others. To ensure compliance with this clause, the unit of certification always asks for requirements for completeness before the contractor does / starts work. The certification unit also can be show payslip for contractor worker, it was known that they had been paid in accordance to minimum wage regulation.

6.2.2

The unit of certification has Collective Labor Agreements are made in Language than explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave and other provisions. In addition to being generally stated in CLA, the certification unit also has a decree, policy, memorandum and work contract for workers in orientation period that specifically explain these matters. Based on document verification sighted that Workers wage in 2020/2021 have been above the minimum wage set by the government and working hours is seven (7) hour a day with 6 days in a week and for the overtime has been paid in accordance with applicable regulations.

Based on interview with worker union and several workers on the mill and estates sighted that the latest CLA period of 2021-2023 had been socialized to the all worker level. There were several deduction of wages in accordance to regulation and CLA, for example: *BPJS Kesehatan or Ketenagakerjaan* deduction, worker union dues for members.

Therefore based on document verification sighted that the payroll document give accurate information on compensation for all work performed, for example: harvester premi, processing workers overtime, and security overtime.

6.2.3.

Based on document verification and interview sighted that the unit of certification were comply with the manpower regulation. Such as: working hours, wage deduction, overtime, leave, and rest day. There are sample of overtime calculation Pressing Operator on SBYM (grade PT2) with actual overtime: 62.17 hours; overtime calculation: 136.84 hours. The overtime total is IDR 2,162,204.

6.2.4.

The unit of certification has provided housing facilities on SBYM, SBYE, GALA & MSJA. For example on SBYM: 114 houses, mosque, church, workers hall, football field, volley ball field, badminton field and school bus. Based on field observation to the SBYM housing complex, division 6 SBYE and division 2 GALA housing complex. It was known that all housing on good condition and liveable, there were domestic waste sanitation, and adequate clean water facilities. Therefore based on interview with workers revealed that if any housing facilities were damaged, they had to report to the supervisor.

6.2.5.

Based on field observation to the housing complex on SBYM, SBYE, & GALA. It was known that the housing location is still close to the village. There are also some workers who choose to live in the private houses in the Village. Therefore the location of housing complex is close to markets or other foodstuff sellers.

6.2.6

The unit of certification has the determination of assessment prevailing wage and all kind of benefits for DLW simulation in 2020/2021. There are several component included in the calculation of food costs, housing facility costs, non food costs, non housing costs, and other costs. The results of these calculations are known that the standard of DLW are above of minimum wages, such as:

- PKWT: IDR 2,949,873 vs IDR 2,673,570: 10,33%
- PT 4A: IDR 2,950,419 vs IDR 2,674,069: 10,36%
- PT4B: IDR 3,338,551 vs IDR 2,674,069: 24,87%
- PT3: IDR 3,365,092 vs IDR 2,698,569: 25,87%
- PT2: IDR 3,403,009 vs IDR 2,733,569: 27,28%
- PT1: IDR 3,459,342 vs IDR 2,785,569 : 25.39%

6.2.7

Based on list of workers document verification sighted that on March 2021 are still non permanent workers on the estate and mill. The non permanent workers on estate are categorized as Field Workers with type of job description are upkeep activity and loose fruit picking (if needed). The number of non-permanent workers on each unit are SBYE: 86 workers, GALA: 298 workers, MSJA: 335 workers and SBYM: 1 workers. All of non permanent worker agreement been registered

to Manpower Agency, for example: agreement number 0277/GALA/Div.VII.RJWL'97/05/2020 dated 2 May 2020 with initial MHFD, the registration number: 560/600.09/PKWT/V.6/TB/2020 dated 18 May 2020. Based on interview with loose fruit picker on GALA, it was known that the majority activity are upkeep. However, if any peak crop or lots of loose fruit, they will be transfer to that activity.

Status: Comply

6.3

The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.3.1

Unit of certification policy towards recognizing freedom of association and right to collective bargaining is presented in Circular Letter No. 094/CEO2-SE/12/2010 dated 14 December 2010. The policy is provided in Bahasa and had socialized to the employee. Based in information from unit of certification management and employees on the estate and mill, it was known that there is only one labour union exist in PT SIP, namely "*Federasi Serikat Pekerja Pertanian dan Perkebunan Seluruh Indonesia*" (SPPP SPSI) or Federation of Agriculture and Plantation Labour Union of Indonesia, that already registered on the Department of Manpower and Transmigration No. 560/06-HI/IV/16/MSJ/VII/2020 dated 16 July 2020 and No. 560/61/IV.16/MSJ/II/2020 dated 20 February 2020.

Furthermore, unit of certification staff has LKS Bipartite as already registered through Decree of Manpower Agency Head No. 560/62/HI/BP/V.6/TB/2021 dated 07 April 2021, on organization for period 2021-2023. There is no intervention by CH on worker representatives in Bipartite.

6.3.2

Unit of certification shows minutes of meeting with labour union, for example as follows:

- Meeting with PUK SPSI PT SIP Lampung dated 11 Maret 2020 about renewal of collective work agreement (PKB), attended by 17 participants from SBYM, SBYE, SMRM, SMRE, GABA and GALA.
- Meeting with PUK SPSI PT SIP Lampung dated 25 march 2021 about renewal of PKB, attended by 15 participants from SMRM, SMRE, SBYM and SBYE.
- Meeting with PUK SPSI GALA dated 18 April 2021, attended by 16 participants.

6.3.3

Based on labor union structure review, as well as interview with employees on the estate and mill, it was known that union organization (SPSI) is consist of Chairman, Deputy of Chairman, Secretary, Treasurer, etc. All labour union committee members were employee which is not involved in company structural organization (staff up). This situation is expected to avoid conflict of interest between employer and employee representatives. Furthermore, there is no migrant workers in PT SIP.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

The unit of certification has a policy regarding the age requirements of workers is contained in Circular from HR Director to all Unit Head number 002 / SE-HRDV / 03/09 dated March 31, 2009 regarding the minimum age limit. Also in the process of hiring employees this is evidenced by the Identity Card at the time of employee recruitment.

Document verification results reveal that there are no workers under the age of 18 years old. In addition to having a policy governing the minimum age of workers for workers, the unit of certification also includes a clause on child protection and a prohibition on employing workers under the age of 18 in any agreement with the contractor. Based on interview with contractor on the estate and mill sighted that they been understood about this policy.

6.4.2 & 6.4.3.

Based on list of document verification sighted that there are no workers under the age of 18 years old. In addition, based on field observation and interview with several workers on the estates and mill, it were known that the Identity Card as administrative requirement on recruitment process.

6.4.4.

Based on document verification sighted that the unit of certification been socialized the prohibition of child workers to the communities, such as:

- Socialization of GSEP dated 11 September 2020 to communities from Sidoharjo Village, Talang Batu Village, Wiratama Village, Tri Tunggal Jaya Village, Sidang Gunung Tiga Village, Batu Ampar Village, Bandar Aji Jaya Village attended with 35 person (@ 5 person/village).
- Socialization of GSEP dated 11 September 2020 to communities from S Asri Village, Karang Mulya Village, Karya Baru Village, G Harapan Village, Bandar Rejo Village, P Rajawali Village, Ps Balang Village, Binabumi Village, Sukarame Village.

Therefore each of field assistant and foreman are socialized this policy to all of level workers during checkroll.

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| Status: Comply |
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6.5

There is no harassment or abuse in the workplace, and reproductive rights are protected.

6.5.1 and 6.5.2

Unit of certification policy towards protect reproductive reproductive rights and prevent all forms of sexual harassment and violence is presented in CEO Circular No. 003/CEO2-SE/01/2011 dated 10 January 2011 which mentioned that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The committee gender has socialized to the employees and the representatives of the committee gender are available in each division unit. Based on information from electronic media (website), gender committee and labour union representatives, as well as female employees on the estates and mill, it was known that there is no negative issues and such case related to reproductive right, sexual harassment, violence and discrimination in the work place.

6.5.3

Based on interview with the chairman of gender committee and female workers on the estates and mill, it was known that company implementation towards reproductive rights and new mother is summarized as follows:

- To conduct annual socialization towards reproductive, health care and healthy living.
- To check pregnancy to all female workers related to agrochemicals work every month. Moreover, there is annual evaluation for cholinesterase and spirometry test to the respective workers. Those who identified not fit to works or exposed to chemical will be transferred to manual upkeep works.
- To provide paid leave for periodic menstruation (H1) and giving birth or maternity (H2) for about 2 days and 3 months, respectively, as recommended by paramedics (doctor).
- To allows female workers for breastfeeding during working hours, after make coordination with its upper coordinator.
- To provide child care in employees housing complex.

Based on information from estate/mill management, it was known that there is no new mother and/or new pregnant workers within period of 2020/2021. Assessment will be carried out when pregnant workers were detected.

6.5.4

Mechanism of complaint and grievance is presented in procedure with number SOP/SMART/GIMS-SCMD/USDV/I/001 dated 02 June 2016 revised 11 April 2017. The procedure has assuring anonymous and protection to whistleblower (in the document point 2.2.1). Based on information from electronic media (website), gender committee and labour union representatives, as well as female employees on the estates and mill, it was known that there is no negative issues and such case related to reproductive right, sexual harassment, violence and discrimination in the work place.

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| Status: Comply |
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6.6
No forms of forced or trafficked labour are used.
6.6.1

The unit of certification have policy related prohibits forced or bonded labor or debt bondage. The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list in 2020/2021 and field observation result, it was known that there is no migrant workers, forced labor. Interview results is every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker. The majority of workers came from local communities. They have followed the recruitment process in the company, in accordance with applicable employee acceptance procedures.

Based on interview with several workers sighted that there is no significant obstacles related to employment or violations of company regulations. For example: the harvesters are working with 7 working hours. They should complete basic targets (1,092 Kg). The excess of tonnage will pay with incentives system: IDR 89.23/Kg. It will be converted to the hectare basic with target 6 Ha per day on the low crop condition. Therefore, they also explain that harvesting target are not burdensome. It causes the estate condition are relatively flat area.

6.6.2

Based on document verification sighted that currently there are non-permanent workers with two type of job description are upkeep and lose fruit picker (seasonal). The agreement been signed by both of parties, including to the clause of work transfer. The agreement also been registered to the Manpower Agency, for example: agreement number agreement been registered to Manpower Agency, for example: agreement number 0277/GALA/Div.VII.RJWL'97/05/2020 dated 2 May 2020 with initial MHFD, the registration number: 560/600.09/PKWT/V.6/TB/2020 dated 18 May 2020.

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| Status: Comply |
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6.7
The unit of certification ensures that the working environment under its control is safe and without undue risk to health.
6.7.1

The unit of certification have persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (P2K3) established in each management unit. The P2K3 team has received approval from the Head of Manpower and Transmigration of the Lampung Province and the P2K3 secretary is a certified occupational health and safety expert. For example:

The unit of certification has conducted regularly review to evaluate the effectiveness of OHS Program during period of 2020/2021, for example:

- OHS meeting dated 9 October 2020, it was known about COVID-19 preventive protocol implementation, PPE's using, medical checkup.
- OHS meeting dated 22 January 2021, it was known about OHS program review, work accident review, occupational illness on January 2021, and HIRAC review.

6.7.2

SOP for Work Accident and Occupational illness Handling number SOP / SMART / HESS - EHSD / SADV / I / 005 and Emergency Response No. SOP / SMART / GENERAL / SADV / I / 005 has been ratified by certification unit. In that procedure has explained the handling of accidents from reporting to coordination. Emergency response simulation was performed regularly to ensure the preparedness of emergency response equipment in the certification unit. The simulation was performed on hydrants located in the mill and water pump in Estate, the result of the simulation was concluded that the emergency tool that certification unit have is ready for use. Based on interview with first aid office and emergency response team, it was known that they been understood about this procedure. Therefore based on field observation result to the mill process, estate office and mill office. It was known that there were already evacuation route.

The latest first aid training has been conducted in 15 February 2020 and 30 March 2021, and also the unit of certification has licensed first aid officers. There are also has a first aid box in each unit and based on observations, it's

concluded that the contents in the first aid box are sufficient (21 items). The unit of certification has work accident record period of 2020/2021, during this period there is only one accident case which claim to the *BPJS Ketenagakerjaan* on SBYM dated 29 March 2020. All of work accident record and chronological. That work accident was reported to the Manpower Agency dated 14 April 2020.

However, during the onsite audit, there are several evidences as follows:

- Based on observation to processing stations in SBYM, it was found evidence of smoking activities in Press Station, such as ashtray and cigarette butts. Thus, unit of certification is encouraged to reconsider and established a permanent smoking area (OFI-observation).
- Based on observation to Division 1 (Brabasan) Block A in MSJA, it was found one (1) item on the first aid kit (iodine) has been expired since January 2021. Estate Manager mentioned that so far monitoring of kit has only been carried out only for the number (completeness) of items and missed the date of expired period. Moreover, Foreman as PIC for monitoring has just attended first aid training on 27 February 2021. However, the expired item had been replaced on 20 April 2021. Thus, unit of certification has an opportunity to re-evaluate the system of first aid kit items monitoring in the work place through put the date of expired as part to be concerned (OFI-observation).

6.7.3.

The unit of certification has provided free PPE's in the period of 2020/2021 to all estates and mill workers. The PPE's is in accordance to the potential risk in the field. In addition, the results of field observation to the central warehouse on SBYM, SBYE, MSJA, GALA sighted that there is excess PPE's stock as a reserve, if there is a damaged PPE for employees. It was related to the interview result with estates and mill workers, they were explained that damage PPE will be replaced with new PPE. Therefore, each of division were provided mixing area, PPE and work tools storage with adequate conditions.

However, during the onsite audit there are evidences as follows:

- Based on observation to Weighbridge Station, it was found contractors' driver did not wear safety shoes when giving FFB ticket to station operator. One of mill staff confirmed that the shoes is actually brings by the respective driver. Furthermore, it was found on Press Station that one operator did not wear earplug. As response for correction, unit of certification has delivered re-socialization to both workers towards obligation to use PPE in the workplace.
- Based on observation and interview with Upkeep Foreman in Division 1 (Brabasan) Block D2 at MSJA, it was found that the Foreman has only use cloth mask, instead of respirator, during time of pesticide application activities works. The Foreman explained that the respirator was leave on mixing area. the respirator is already given as shows through Letter of PPE Delivery on 23 March 2021.

According to the notes above, unit of certification has an opportunity to evaluate the time and effectiveness of socialization towards PPE usage and employees' discipline on its implementation (OFI - observation).

6.7.4.

Based on document verification results, it was known that all level workers been registered on Social Insurances (*BPJS Ketenagakerjaan & Kesehatan*). However, there are some employees who choose to be registered as Health Insurance from government with Contribution Beneficiary Categories. The auditor team has verified social insurance payment in each unit on December 2020 and March 2021. For example: SBYE: 658 permanent workers and 86 non-permanent worker paid dated March 31st, 2021 by bank transfer. There were also several work accident on the mill and estate claim during last year, for example: YYN (mechanical foreman) with minor accident dated 29 March 2020 been reported/claimed to the relevant agencies dated 30 March 2020.

6.7.5

The unit of certification is still consistent to monitor of work accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of non-effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of Severity Rate and Frequency Rate is reviewed regularly and monitoring will be evaluated

at the monthly meeting of Committee of Occupational Health and Safety. For examples in period of 2020 in GALA, there are 822 workers, working hours: 1,653,542; accident cases: 0; FR & SR: 0. MSJA period of 2020/2021, there are 649; accident cases: 4; FR: 3.00 & SR: 9.00.

6.7.2 Status: OFI

6.7.3

PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

7.1

Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

7.1.1

Program of integrated pest management (IPM) is consist of early warning system, through field monitoring, census and analysis of pest incidence founded during field observation. Pest and disease population control is conducted through biological and chemicals method, when incidence was more than threshold limits. The IPM program has refers to procedure No. SOP.SMART/MCAR/VII/TA-HPT. Record of realisation is presented in several document, for example as follows:

- Justification of pesticide usage as shows through census analysis. For example, based on census *Oryctes* in January 2020, it was identified 11 Blocks in Division 5 SBYE with level of incidence more than 5 % (threshold limit). Thus, insecticide is applied as recommended by SMARTRI. Based on census in February 2020, all incidence were bellow threshold limit, thus there is no pesticide application during that period.
- Estate management has prefer to control pest population towards biological method instead of chemicals. For example, rat population control through adopting *Tyto alba* on the field by installing barn owl box. Each box is expected to covers rat population in radius 10-30 ha. Furthermore, *Oryctes* sp. population control through pheromone trap, net trap, hole trap and light trap. Moreover, leaf eating caterpillar population control through planting of beneficial plants such as *Turnera subulata* and *Antigonon leptopus* that usually founded in adjacent with main or collection road. These biological control has verified during field observation to all estate.
- Estate management has conducting several trainings or refreshment which aims to maintain workers knowledge and skills towards IPM. For example, training of MSDS, scheduled waste management, work instruction of pesticide application, PPE policy and pesticide application policy had conducted in SBYE on 26 February 2020, attended by 88 participants from SBYE, MSJA and GALA.

7.1.2

Unit of certification has list of invasive species according to the Centre for Agriculture and Bioscience International (CABI) that founded within estate operational areas, i.e. *Antigonos leptopus* and *Tyto alba* (barn owl). Both species were used for pest population control on leaf eating caterpillars and rats, respectively. However, those species were not classified as invasive in Indonesia, as refers to PermenLKH No. 94 in 2019.

7.1.3

Based on field observation to the estate, it was known that there is no use of fire for pest management purposes. Estate management has prefer to control pest population towards biological method instead of chemicals, as seen on the field as follows:

- Rat population control through adopting *Tyto alba* on the field by installing barn owl box. Each box is expected to covers rat population in radius 10-30 ha.
- *Oryctes* sp. population control through pheromone trap, net trap, hole trap and light trap.
- Leaf eating caterpillar population control through planting of beneficial plants such as *Turnera subulata* and *Antigonon leptopus* that usually founded in adjacent with main or collection road.

Status: Comply

7.2

Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.

7.2.1

Based on pesticide consumption record for period 2020 to 2021, it was known that there were only herbicide and insecticides applied during those period. insecticide has only used for *Oryctes rhinoceros* on replanting areas, with

justification as follows:

- Estate Manager communication with Department Head of Crop Protection Libz via email on 27 October 2020 about oryctes population control had responded on 28 October 2020 with recommendation that application rotation of Cymbush and/or Marshal for *Oryctes* sp. population control should be conducted with certain period, depended age of palms. Furthermore, in line with application, census of pest incidence that shall be carried out every 2 months.
- Based on census of Oryctes in January 2020, it was identified 11 Blocks in Division 5 SBYE with level of incidence more than 5 % (threshold limit). Thus, insecticide is applied as recommended by SMARTRI. Based on census in February 2020, all incidence were bellow threshold limit, thus there is no pesticide application during that period.
- Based on census of Oryctes in February 2020, it was identified 5 Blocks in Division 4 SBYE with level of incidence more than 5 % (threshold limit). Thus, insecticide is applied as recommended by SMARTRI. Based on census in March 2020, all incidence were bellow threshold limit, thus there is no pesticide application during that period.

7.2.2

Unit of certification shows record of pesticide consumption for period 2020 to 2021 (up to March), summarized in the following Tables:

SBYE

| Pesticide | Active Ingredient (a.i.) | Consumption 2020 | | Consumption 2021 (up to Mar) | |
|-----------------|-------------------------------|---------------------|-------------|---------------------------------|-------------|
| | | Ltr or kg | (g a.i./ha) | Ltr or kg | (g a.i./ha) |
| Herbicide | | | | | |
| Roll Up 480 SL | Isoprophyl Amine Glyphosate | 5,640.31 | 0.30 | 957.37 | 0.27 |
| Erkafuron 20 WG | Methyl Metsulfuron | 469.73 | 0.17 | 14.82 | 0.05 |
| Starane 480 EC | Fluoroksipir | 628.84 | 0.08 | 241.97 | 0.11 |
| Garlon 670 EC | Triclophyr Butoxy Ethyl Ester | 278.53 | 1.13 | - | - |
| Garlon Mix 333 | Triclophyr Butoxy Ethyl Ester | 92.00 | 1.00 | 45.75 | 2.29 |
| Rolifos 150 SL | Ammonium Glufosinate | 573.87 | 0.53 | - | - |
| Insecticide | | | | | |
| Cymbush 50 EC | Cypermethrin | 3,265.77 | 0.20 | 441.46 | 0.28 |
| Decis 25 EC | Diltamethrin | 107.50 | 0.20 | 20.00 | 0.20 |
| Marshal 5 G | Carbosulfan | 11,003.84 | 1.36 | - | - |
| Marshal 200 EC | Carbosulfan | 199.60 | 1.36 | - | - |

MSJA

| Pesticide | Active Ingredient (a.i.) | Consumption 2020 | | Consumption 2021 (up to Mar) | |
|-----------------|-----------------------------|------------------|-------------|------------------------------|-------------|
| | | Ltr or kg | (g a.i./ha) | Ltr or kg | (g a.i./ha) |
| Roll Up 480 SL | Isoprophyl Amine Glyphosate | 4,460.98 | 0.25 | 1,443.91 | 0.25 |
| Erkafuron 20 WG | Methyl Metsulfuron | 221.94 | 0.12 | 5.00 | 0.12 |
| Starane 480 EC | Fluoroksipir | 652.03 | 0.06 | 326.61 | 0.06 |
| Garlon Mix 333 | Triclophyr Butoxy Ester | 596.23 | 1.00 | - | - |

GALA

| Pesticide | Active Ingredient (a.i.) | Consumption 2020 | | Consumption 2021 (up to Mar) | |
|-----------------|-----------------------------|------------------|-------------|------------------------------|-------------|
| | | Ltr or kg | (g a.i./ha) | Ltr or kg | (g a.i./ha) |
| Roll Up 480 SL | Isoprophyl Amine Glyphosate | 3,927.73 | 0.25 | 743.27 | 0.25 |
| Erkafuron 20 WG | Methyl Metsulfuron | 410.10 | 0.06 | 144.25 | 0.06 |
| Starane 480 EC | Fluoroksipir | 91.57 | 0.01 | 6.66 | 0.01 |
| Garlon Mix 333 | Triclophyr Butoxy Ester | 132.18 | 1.00 | 1.12 | 1.00 |

According to the Table above, it could be concluded that insecticide has only consumed in SBYE, especially on replanting areas in Division 4 and 5. Active ingredients used are relatively low and in accordance with agronomist recommendation.

7.2.3

Unit of certification has monitor and evaluate the consumption of pesticide annually. All estate management shows trend of pesticide consumption for period 2018 to 2020, summarized as follows:

- SBYE: consumption of herbicides were fluctuative, due to substitution among it. Insecticide has only used for *Oryctes* sp. population control starting from 2019 and increase during 2020 due to replanting activities that mostly carried out in 2020 at Division 4 and Division 5.
- MSJA and GALA: most of pesticide used were herbicides and there is no pesticide used which aims to manage insect or rat population.

7.2.4

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control, the use of pesticide with active ingredient Methyl Metsulfuron could be substitute with pesticide with active ingredient Triclophyr Butoksi Ethyl Ester and Isopropyl Amine Glyphosate. Estate management has no use paraquat since 2016. Furthermore, biological method has also adopted for pest population control such as planting of beneficial plants, pheromone trap, light trap and hole trap.

7.2.5

Unit of certification has a policy to prohibit the use of Paraquat since 2016, as presented in President Director Memorandum No. 032.PD/VIII/2016 dated 13 August 2016. According to the list of pesticide consumption in 2020 and 2021, it was known that pesticides used by PT SIP is summarized in the following Table:

| Pesticide | Active Ingredient (a.i.) | LD-50 |
|--------------------|-------------------------------|---------|
| Herbicide | | |
| Roll Up 480 SL | Isoprophyl Amine Glyphosate | > 5,000 |
| Erkafuron 20 WG | Methyl Metsulfuron | > 2,000 |
| Starane 480 EC | Fluoroksipir | > 5,000 |
| Garlon 670 EC | Triclophyr Butoxy Ethyl Ester | > 5,000 |
| Garlon Mix 333 | Triclophyr Butoxy Ethyl Ester | > 5,000 |
| Rolifos 150 SL | Ammonium Glufosinate | > 2,000 |
| Insecticide | | |
| Cymbush 50 EC | Cypermethrin | > 2,200 |
| Decis 25 EC | Diltamethrin | > 416 |
| Marshal 5 G | Carbosulfan | > 905 |
| Marshal 200 EC | Carbosulfan | > 2,001 |

According to the Table above, it was known that all pesticide used by the unit of certification were generally classified as Class II and Class III or moderately hazardous and slightly hazardous, respectively. There no pesticide classified as WHO 1A, 1B, and paraquat. This is confirmed during observation to Pesticide Store in Central Warehouse. Moreover, all pesticides used were listed on www.pestisida.id by Department of Agriculture, Republic of Indonesia.

7.2.6

Estate management has conducting several trainings or refreshment which aims to maintain workers knowledge and skills towards P&D management, for example as follows:

- Training of MSDS, scheduled waste management, work instruction of pesticide application, PPE policy and pesticide application policy had conducted in SBYE on 26 February 2020, attended by 88 participants from SBYE, MSJA and GALA.
- Training of IPM, work instruction on pesticide application, MSDS, hazardous material and scheduled waste handling had conducted in MSJA on 27 February 2020, attended by 47 participants.
- Training of integrated pest management in GALA had conducted on 16 March 2021, attended by 27 participants. Furthermore, training of work instruction on pesticide application, MSDS, hazardous material and scheduled waste handling had conducted on 13 January 2021, attended by 34 participants.

Based on observation to pesticide application activities in Division 2 Block G14 SBYE, Division 7 Block A46 GALA and Division 1 Block D2 MSJA, it was known that applicators had equipped with proper PPE (respirator, face shield, rubber

gloves, apron, set of wearpack and boots), as well as able to explain and demonstrate technical matters of application such as prohibition area for application (riparian zone and conservation areas), considering wind flows, PPE management, hazardous symbols, target of application, medical check up requirement, etc.

7.2.7

Based on field observation, it was known that all pesticides and other agrochemicals were stored on the Central Warehouse where located on SBYE emplacement complex. However, special place for pesticide mixing area were available on every emplacement Division. Furthermore, there are also special place for PPE of pesticide applicators storage. Pesticide placed on Division Store is only allowed for two days, during application process. Used pesticide containers later on to be delivered to Scheduled Waste Store that located at Central Warehouse complex. Moreover, as observed to employees housing complex in SBYM, SBYE, GALA and MSJA, it was known that there is no reuse of used pesticide containers for household purposed, plant pot and water containers.

7.2.8

Procedure of agrochemical as well as its wastes management is presented in document No. SOP/SMART/LEMS/EHSD/SADV/II/006 and document No. SOP/SMART/MCAR/VIII/TA-PGM on 01 July 2014. Procedure mentioned that Head of Chemical Store Keeper should arrange placement and expiry of chemicals stored. Empty used container then to be delivered to Hazardous Material Store or turning back to agrochemicals supplier. Furthermore, procedure of hazardous waste management is presented in procedure No. SOP/SMART/LEMS-EHSD/SADV/II/002 dated 01 July 2014, which covers hazardous waste inventorization, Store permit, program of hazardous waste management, implementation, evaluation, recording and administration. Moreover, specific used pesticide container management is also arranged on work instruction No. IK/SMART/LEMS-EHSD/SADV/002/001 on 01 July 2014, which mentioned that all used containers shall be three times rinsed and recorded as hazardous waste or to be reused. Used rinsed water kept on the receptacle, and then used for pesticide mixing.

Solid waste from pesticide were placed on the Permitted Hazardous Waste Store (TPS LB3), as follows:

- Permit of TPS-LB3 for SMRE, GABA, SBYE and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.9/TB/V/2017 dated 29 May 2017, valid for five years (2022)
- Permit of TPS-LB3 for SBYM, SMRE, and MSJA is presented in Decree of Environment Agency Head No. 660/02/LBBB/IV.14/MSJ/2017 dated 14 December 2017, valid for five years (2022)

Based on observation to Pesticide Store in Housing area of SBYE, MSJA and GALA, it was known that the company has provide special mixing area and catchment of used contaminated/rinsed water to be reused on the next mixing. Besides, pesticide containers have been handled responsibly by storing them into hazardous waste storage.

7.2.9

Based on information from estate management, surrounding communities and Government Institutions of Mesuji and Tulang Bawang Regency, it was known that there is no aerial pesticide application in PT SIP. The company has only applied pesticide manually by spraying equipment.

7.2.10

The latest specific medical check up (Cholinesterase & spirometry) been conducted in SBYE & GALA on December 2019; MSJA on November 2019. All of pesticide applicator on normal condition and fit to work. The unit of certification shown the Decree Letter from Director General of Labor Inspection and Occupational Safety and Health with number 5/151/AS.02/XI/2020 dated 30 November 2020; regarding the guidelines for medical check up for workers during the COVID-19 pandemic, that in terms of the OHS aspect, health check cannot be carried out (initial, periodic, specific check up). It can be postpone temporarily. However it doesn't invalidate the company obligation to carry out workers health checks.

The company doctor sent a letter to all Estate Manager and Mill Manager with number 2905/PLKL/XI/2020 dated 29 December 2020, regarding to the postponement of the 2020 health checks. It should have been done on August 24th to October 27th, 2020. However the health check up only be carried out at the SBYE and GABA. It was stopped due to a confirmation case in the surrounding village. Health check will be carried out again on December 16th to 23rd, 2020 (only audiometric test and general check up). The specific health check up (spirometry and cholinestrerase) will be conducted

on June and December 2021. The unit of certification to be consider to implement the specific health check with the strict health protocols. (**Observation**).

7.2.11

Based on document verification sighted that there are women spraying only in MSJA, the pregnancy test was conducted every month. In accordance to pregnancy test to 7 women worker, it was known that no pregnancy condition. Therefore based on interview result with spraying workers in SBYE and GALA sighted that there were no women workers during period of 2020/2021 on both of estates.

Unit of certification shows Decree of “*Dirjen Pembinaan Pengawasan Ketenagakerjaan dan Keselamatan dan Kesehatan Kerja*” or Director General for Labor Inspection and Occupational Safety and Health (OSH) No. 5/151/AS.02/XI/2020 dated 30 November 2020 about guidelines on OSH for the postponed of healthcare monitoring (medical checkup) implementation during COVID-19 Pandemic, temporarily. However, this postponed statement is not invalidated the company obligation to carry out such kind of medical check up (initial, periodic or special) to workers. As response on the decree, company doctor has delivered Letter to all Estate/Mill Manager No. 2905/PLKL/XI/2020 dated 29 December 2020 about the same subject as mentioned on the Latter. The medical check up will be postponed from the initial date on 24 August to 27 October 2020, to be carried out in 16-23 December 2020. Moreover, unit of certification has arranged program on special medical check up for pesticide applicators on June and December 2021 in all estates. According to the notes above, unit of certification is encouraged to implementing special medical check up program with adopting strict health protocols. **OFI**

7.2.11 **Status: OFI**

7.3

Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.

7.3.1, 7.3.2 & 7.3.3

Procedure of hazardous waste management is presented in procedure No. SOP/SMART/LEMS-EHSD/SADV/II/002 dated 01 July 2014, which covers hazardous waste inventory, Store permit, program of hazardous waste management, implementation, evaluation, recording and administration. Specific used pesticide container management is also arranged on work instruction No. IK/SMART/LEMS-EHSD/SADV/002/001 dated 01 July 2014, which mentioned that all used containers shall be three times rinsed and recorded as hazardous waste or to be reused. Used rinsed water kepted on the receptacle. Furthermore, procedure of agrochemical management included used pesticide containers is presented in document No. SOP/SMART/LEMS/EHSD/SADV/II/006 dated 01 July 2014 and document No. SOP/SMART/MCAR/VIII/TA-PGM dated 01 July 2014. Procedure mentioned that Head of Chemical Store Keeper should arrange placement and storage period of chemicals stored. Empty used container then to be delivered to Hazardous Material Store or turning back to agrochemicals supplier. All hazardous wastes were placed in the Permitted Hazardous Waste Store (TPS LB3), as follows:

- Permit of TPS-LB3 for SBYE, GABA. SMRM and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.9/TB/V/2017 dated 29 May 2017, valid for five years (2022).
- Permit of TPS-LB3 for SBYM, MSJA and SMRE is presented in Decree of Environment Agency Head No. 660/02/LBBB/IV.14/MSJ/2017 dated 14 December 2017, valid for five years (2022).

Unit of certification has transported hazardous and toxic waste in collaboration with PT Primanru Jaya on 19 January 2021 at SBYM using vehicle No. B 9311 QT and presented in Minutes of Handover of Hazardous and Toxic Waste and its manifest on each transported hazardous and toxic waste as follows.

| Type of Waste | Units | Volume | No. Manifest |
|----------------------|-------|--------|-----------------|
| Used lubricant | Ton | 1.3635 | KLHK-1613996417 |
| Used accu | Ton | 0.0178 | KLHK-1613996539 |
| Used rags | Ton | 0.2234 | KLHK-1614000528 |
| Used TL lamp | Ton | 0.009 | KLHK-1613998553 |
| Contaminated package | Ton | 993.39 | KLHK-1613999033 |

Management of factory solid waste is carried out using boiler fuel and applied to the field. Examples of waste utilization

are as follows:

| Year | Empty Bunch (ton) | Fiber (ton) | Shell (ton) |
|------|-------------------|-------------|-------------|
| 2020 | 46,713.30 | 27,805.53 | 12,790.55 |

Management of factory liquid waste is applied to the field. Examples of waste utilization are as follows:

| Month (2020) | Land Application (m ³) |
|--------------|------------------------------------|
| January | 22,903 |
| February | 24,231 |
| March | 23,233 |
| April | 21,611 |
| May | 21,503 |
| June | 28,638 |
| July | 25,263 |
| August | 12,993 |
| September | 9,463 |
| October | 18,514 |
| November | 15,744 |
| December | 40,812 |
| Total | 264,908 |

Based on the results of interviews with Environment Agency of Mesuji Regency, supervision of environmental management has been carried out by field visits to PT SIP and the results of last field visit is PT SIP is recommended to optimize domestic liquid waste management in housing area. Unit of certification has shown Minutes of Air Sampling and Liquid Waste on 15 December 2020 by Environment Agency of Mesuji Regency. In addition, there is Letter No. 31/SIP-D&L/IV/2021 concerning Application of Domestic Wastewater Management for Housing Area Permit on 16 April 2021 which is addressed to Environment Agency of Mesuji Regency.

Based on field observation in SBYM, solid and liquid wastes have been managed without polluting the environment. Solid waste management such as hazardous waste produced is stored in hazardous waste storage, empty bunch is disposed in empty bunch storage before being applied to land, shells and fiber are used as boiler fuel, and boiler ash is stored in boiler ash storage before being used as stockpile. Meanwhile, liquid waste from mill is processed through WWTP until it has been fulfilled quality standard before it is steamed to land application.

Based on field observation to Hazardous Waste Storage in SBYM, SBYE, and MSJA hazardous waste from each unit has been stored to hazardous waste storage which has been equipped with emergency response facilities such as fire extinguisher, alarm, spill kit, emergency shower, secondary containment and first aid kit. Besides, each stored waste is given MSDS and recorded in a logbook. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. Based on interview with management representative, solid waste management, e.g., in housing area of GALA, is sorted into organic and inorganic waste. Organic waste is composted in back yard while inorganic waste is disposed into landfill.

Status: Comply

7.4

Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

7.4.1

Procedure of soil fertility management is presented in procedure No. SOP/SMART/MCAR/IX/TA-PPK dated 12 June 2012 about manuring. Procedure mentioned that dosage of fertilizer application program on the nursery, immature and mature areas shall be based on Agronomist of SMARTRI recommendation as refers to leave and soil sampling analysis. Furthermore there is several work instruction (WI) related to this matters as follows:

- WI No. IK No. IK/SMART/MCAR/IX/TA-PPK/02 dated 26 March 2012 about manuring of legumes and land cover crop.
- WI No. IK No. IK/SMART/MCAR/IX/TA-PPK/03 dated 26 March 2012 about anorganic manuring on immature area.

- WI No. IK/SMART/MCAR/IX/TA-PPK/04 dated 26 March 2012 about empty fruit bunches (EFB) mulching in immature area.
- WI No. IK/SMART/MCAR/IX/TA-PPK/05 dated 26 March 2012 about leaf sampling unit.
- WI No. IK/SMART/MCAR/IX/TA-PPK/06 dated 26 March 2012 about soil sampling unit.
- WI No. IK/SMART/MCAR/IX/TA-PPK/08 dated 26 March 2012 about anorganic manuring in immature area.
- Appendix No. LAMP/IX/TA-PPK/01 dated 26 March 2012 about nutrient deficiency solving for macro and micronutrient towards field observation.

Several record related to soil fertility management shows are leaf and soil sampling analysis, program and realization record of fertilizer in all estates of PT SIP, by-products (POME and EFB) application record. Time of application has follows the schedule recommended by SMARTRI Agronomist. Furthermore, estate management informed that several strategies that had implemented which aims to enhance soil fertility are:

- Manuring as recommended by Agronomist team.
- By-products application, i.e.: empty fruit bunch (EFB) mulching and land application by palm oil mill effluent (POME) in the permitted areas.
- Planting of legume cover crops (LCC) such as *Mucuna bracteata* and maintaining soft grasses on immature areas. This legumes has used to enhance nutrient N and K content on the soils, at the same time could prevent surface run-off.
- To keep soil moisture through selective weeding, by-products application and LCC maintenance.
- Periodic drainage desilting on pet areas to enhance the value of pH, as well as monitoring of water level, water table and peat subsidence.

7.4.2

Fertilizer recommendation calculation has considering leaf and soil analysis result. The former has conducted annually while the later for every five year. Estate management shows several leaf sampling unit (LSU) and soil sampling unit (SSU) analysis for period 2020 and 2021, as follows:

Leaf analysis

- Document Ref. No. 163/DAUN/LAB-SMARTRI/IV/2019 dated 16 April 2019.
- Document Ref. No. 227/DAUN/LAB-SMARTRI/IV/2020 dated 29 April 2020.

Among paramater analysed in leaf sampling are dry matters of macro nutrient (N, P, K, Mg and Ca) and micro nutrient (B, Cu, Zn).

Soil analysis

- Document Ref. No. 118/TANAH/LAB-SMARTRI/OUT-18/II/2019 dated 20 February 2019.
- Document Ref. No. 43/TANAH/LAB-SMARTRI/III/2020 dated 23 March 2020.

Among parameter analysed in soil sampling are soil type, soil group, depth of sampling, pH, CEC, C-Org, N, C/N ratio, available P, P Total, soil nutrients content (Ca, Mg, K) and soil nutrient status.

Apart from LSU and SSU consideration, visual assessment of palm vigour land field condition by Agronomist has also carried out every year to monitor nutrient status change for some specific correction in fertilizer calculation.

7.4.3

Unit of certification has established nutrient recycle strategy such as empty bunch application, POME application to land, and recycling plant residue after replanting which has been set in several document as follows.

1. SOP/SMART/MCAR/XII/TA-PTM – Maintenance of Productive Plants, pruning fronds are arranged on dead trees in the form of L-Shape (on flat areas) and parallel to contours (on wavy areas) and cut into 2 parts (in land application area).
2. SOP/SMART/MCAR/II/TA-PRP – Replanting planning, replanting program submission refers to the following considerations: plant age >25 years, average tree height >13 meters, annual production <14 ton / ha, total stands <100 trees / ha.
3. SOP/SPO/SMART/LH-09 about waste management and IK.SMART/MCAR/IX/TA-PPK/14 about fertilization using palm oil mill effluent.

POME Application

Unit of certification has shown POME application document in 2020 as follows.

Plan : 95.005,00 m3 (760,04 Ha) = 125 m3/Ha/Year

Realization : 264.908,00 m3 (2.119,26 Ha) = 125 m3/Ha/ Year

Empty Bunch Application

Unit of certification has shown fronds application document in 2020 as follows.

Plan : 60.163,20 Ton (1.002,72 Ha) = 60 Ton/Ha/ Year

Realization : 50.468,69 Ton (1.429,75 Ha) = 35 Ton/Ha/ Year

7.4.4

Unit of certification shows program and realization of manuring program. For example, record of fertilizer during 2020 is summarized in the following Table:

| Fertilizer | Volume of Application (ton) | | |
|-------------------|-----------------------------|----------|----------|
| | SBYE | GALA | MSJA |
| Urea | 373.90 | 1,296.10 | 1,512.10 |
| DAP | 3.40 | - | - |
| MOP | 349.44 | 1,757.65 | 1,867.80 |
| HGFB | - | 31.68 | 33.36 |
| Super Dolomite | - | 17.95 | 30.05 |
| Kieserite | 64,41 | 2.60 | - |
| TSP | - | 273.70 | 278.80 |
| Egyptian RP | 389.44 | 253,750 | 642.65 |
| NPK 12.12.17.2 | 53.56 | - | - |
| NPK 15.15.6.4 | 4.93 | - | - |
| Agroblend | 0.67 | - | - |
| Bayfolan | 0.09 | - | - |
| Kaptan | 88.99 | - | - |
| CuSO ₄ | 7.22 | - | - |
| Land Application | 264.91 | - | - |
| EFB | 50,468.69 | - | - |

According to the Table above, it could be concluded that actual fertilizer application has satisfactory recorded by estate management, in accordance with the program. Realization report had approved by SPO Officer and Estate Manager.

Status: Comply

7.5
Practices minimise and control erosion and degradation of soils.
7.5.1

Unit of certification has soil map which derived from semi detail soil survey 2016 that conducted by Plantation Monitoring and Planning (PNMP) Division, with scale varies from 1:50,000 to 1:135,000. Estate soil properties is summarized as follows:

- Soil type in SBYE has consist of haplohemist, endoaquults, hapludults, udipsomments and endoaquepsts. It was identified marginal to currently not suitable areas as a presence of peat soils and sandy texture soils for about 15.81 % and 2.20 %, respectively. In general slope conditions were flat to undulating. Especially on peat areas, the depth of peat were varies on medium (1-3 m) to deep (>3 m) for about 8.21 % and 7.60 %, respectively.
- Soil type in GALA has consist of typic hapludults, dystrodepts, udipsomments, and endoaquepsts. There is no presence of peat soil and slope condition were dominantly flat.
- Soil type in MSJA has consist of typic hapludults, dystrodepts, udipsomments and endoaquepsts. There were marginal areas due to presence of rolling to somewhat hilly that covers about 7.45 %. However, there is no hilly to steep within estate operational areas.

Based on explanation above, it could be concluded that in general fragile and marginal areas were mainly due to

presence of peat with various depth. Furthermore, another marginal limitation was mainly due to presence sandy soil texture areas and low soil fertility.

7.5.2

Based on soil map and topography as derived from soil survey in 2016, as well as field observation to estate operational areas, slope characteristics in all estates is summarized as follows:

- Condition in SBYE were classified as flat to undulating (0-16 %). However, there is presence of peat on flat areas, which mostly situated in Division 5.
- Condition in GALA were dominantly flat, followed by undulating in small portion of areas (0-9 %).
- Condition in MSJA were varies from rolling to somewhat hilly (21-40 %). However, there is no areas categorized as hilly to steep.

Based on explanation above, it could be concluded that there were no areas classified as hilly to steep, within estate operational areas. Most of the area were dominantly flat to undulating.

7.5.3

As mentioned in Indicator 7.5.2, it was known that there were no presence of hilly to steep slope within estate operational areas. Most of the area were dominantly flat to undulating.

Status: Comply

7.6

Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

7.6.1

Unit of certification shows soil suitability class which used as reference for agronomy input towards oil palm cultivation, summarized in the following Table:

| Unit | Actual Suitability Class (ha) | | | | | Total (ha) |
|------------|-------------------------------|-----------|----------|----------|----|------------|
| | S1 | S2 | S3 | N1 | N2 | |
| SBYE | - | 2,246.74 | 1,832.43 | 1,035.23 | - | 5,114.40 |
| GALA | - | 4,690.61 | 314.64 | - | - | 5,005.25 |
| MSJA | - | 4,796.06 | 413.57 | - | - | 5,209.63 |
| Total (ha) | - | 11,733.41 | 2,560.64 | 1,035.23 | - | 15,329.28 |

Based on the Table above, it was known that about 76.54 % of estate operational areas was classified as slightly suitable (S2) and about 16.70 % and 6.75 % were classified as marginal (S3) to currently not suitable (N1), with limitation mainly due to presence of peat soil with depth various from medium to deep which lead to prone flooded and poor in drainage and rooting properties, as well as presence of sandy soil texture and low fertility. By proper agronomy input such as water management and soil fertility enhancement, potential soil suitability could be upgraded into 93.24 % of slightly suitable (S2) class and 6.75 % of marginal (S3) class.

7.6.2

Based on field observation to SBYE, GALA and MSJA, it was found several management input to overcome soil limitation for oil palm cultivation, summarized as follows:

Peat area

- To conduct drainability assessment before replanting. Replanting is stop when analysis shows status for "No-Go".
- To adopt drainage system on the main road and collection road, included field drain system with pattern 1:4 with palm density during replanting about 160 palms/ha.
- To conduct water management which aims to retain water as much as possible on the plantation areas through monitoring of water level on water gate, monitoring of water table by piezometer checking and monitoring of peat subsidence as main indicator of water management success. Water level is settled between 50 to 70 cm.
- To implement selective weeding which aims to retain soil moisture on the planting areas.

Sandy texture area

To enhance organic matters on sandy areas, as well as nutrient cycle strategy, estate management has conducting by-product application through EFB mulching with dosage about 30 ton/ha/year (or about 220 kg/palm/year), as observed to Division 2 Block I10 SBYE and through land application with dosage 375 m³/ha/year, as observed to Division 2 Block G15 SBYE.

Low soil fertility

For nutrient balance purposes on the marginal soils, estate management has follows manuring program as recommended by Agronomist from SMARTRI which considering leaf and soil sampling analysis on the manuring dosage calculation.

7.6.3

According to soil survey semi detail in 2016, it was known that main limitation for oil palm cultivation was mainly due to presence of peat soils with various depth. Based on field observation, estate management has adopting several strategy to overcome this situation through water management, described as follows:

- To install drainage system along main road and collection road, included field drain with pattern 1:4. Desilting has also carried out for water discharge thus expected to minimize acidity level.
- To install water gate as observed in Division 5 Block B33 SBYE for water supply in main drain. Water level management on collection drain is conducted through sandbag where the level is monitored on the measurement stick on the collection drains.
- To install piezometer, logger and subsidence pole as observed to Division 5 Block L26 SBYE. The subsidence pole installed on the harvesting path and inter-row.

Status: Comply

7.7

No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.

7.7.1

Based on review on hectare statement and information from Agriculture Agency of Tulang Bawang and Mesuji Regency, it was known that there is no new planting or land expansion in PT SIP operational areas.

7.7.2

Unit of certification shows peat distribution within PT SIP estate operational areas, summarized in the following Table:

| Land Usage Category | Certified Area (ha) | Non-Certified Area (ha) |
|-----------------------------|----------------------------|--------------------------------|
| Total planted area | 8,693.39 | - |
| Total planted on peat area | 2,137.59 | - |
| Infrastructure on peat area | 66.18 | - |
| Conservation on peat area | - | - |
| Peat rehabilitation area | - | - |

Identification on peat areas for peat inventory is derived from soil survey semi detail that conducted in 2016. Communication with RSPO about peat inventory submission has started since November 2019 as seen through email record between gotz.martin@sinarmas-agri.com with ghg@rspo.org.

In 17 March 2021, RSPO GHG Unit sent email which stated that in respect to the peat inventory that has been submitted by Golden Agri Resources (GAR) on 15 November 2019, RSPO like to ask for clarification on the following:

- Does the uncertified plantation on peat has been included in the peat inventory submitted (if yes, kindly specify which plantation/estate name)?
- Should GAR is also managing uncertified plantation on peat and did not include it in the previously submitted peat inventory, following the resolution GA.16.6e. the company are to perform the following:
 - To submit RSPO Peat Inventory (uncertified unit) and peat map by 31 March 2020.
 - Shapefiles can be submitted separately.

The above email has responded by GAR on 31 March 2020 for peat inventory submission for uncertified areas for some GAR subsidiary companies, included PT SIP. RSPO then give some comments that the company to inform estate name and specify the certification status on the inventory submitted. In 09 April 2020, the company sent tabulation data requested by RSPO and also separation between 1st and 2nd submission, which the map can be downloaded on the link given in the email (smartdrive.sinarmas-agri.com). Thus, RSPO GHG respond the email and stated acknowledge the receipt of the revised peat inventory, and will follow up if should further clarification is needed. Up to Surveillance 1.2 audit, there is no more questions from RSPO GHG.

7.7.3

Monitoring on subsidence is conducted every month. Form of monitoring inform location, number and position of poles, coordinates, date of checking and measurement table. In total, there are 22 subsidence poles within SBYE operational areas, installed nearby piezometer logger.

Based on observation to subsidence pole in Division 5 Block L26 which installed in 2018, it was known that average subsidence rate on these areas was about 1 cm/year. The subsidence pole installed on the harvesting path and inter-row. Just nearby subsidence pole, there was piezometer logger which the location of installation was recommended by Department of Environment and Forestry of Indonesia. Total logger installed in SBYE was 11 units. This is indicate that water management on peat areas in Division 5 is considered satisfactory. Furthermore, for water level control on the main drain, estate management has install Water Gate in Division 5 Block B33. At the time of field visit, it was found that after rain water level in main drain was 30 cm.

7.7.4

Estate management has water management strategy as stipulated in the peat ecosystem recovery and ground water level compliance. As part of water management strategy, estate management is able to shows soil map which inform soil peat distribution, compliance point, water gate and water flow that available in scale 1:50,000 to 1:100,000. Among the strategy describes as follows:

- To retain water as much as possible on the drainage system before dry season. Criteria of success on this strategy is zero fire incident within estate operational areas.
- Storing water level at the point of compliance ≤ 40 cm and the accumulation of peat subsidence less than 35 cm within 5 years.
- Water flushing or discharge on drainage system thus there is no pyrite exposed on peat areas.

Based on observation to water stick monitoring on the collection drains, it was found that water level were settled on 50 to 70 cm. meanwhile for water table monitoring, estate management has installed piezometer logger as recommended by Department of Environment and forestry of Indonesia. Furthermore, based on observation to peat areas in Division 5, it was known that land cover crop condition is considered satisfactory which covered by ferns, soft grasses, *Mucuna* sp. The latter cover crop is usually found on immature areas.

7.7.5

Unit of certification has conducting drainability assessment in April 2021 as refers to RSPO P&C 2018 (Indicator 7.7.5) and Drainage Limit Assessment Method for Oil Palm Plantation (Drainability Assessment Procedure RSPO, June 2019). Result of drainability assessment for PT SIP is summarized as follows:

- Drainability assessment in PT SIP (SBYE and SMRE) has conducted through peat characteristic and drainage/hydrology characteristic approach.
- Drainage limit time (DLT) analysis stated that from 52 unit of study analysis in PT SIP, 29 unit has categorized as "Go", 23 units has categorized as "Not Applicable" and there is no unit categorized as "No-Go".
- Especially for "Not Applicable" areas, it doesn't mean those areas are not suitable for replanting but due to $D_p \geq D_{DB}$ which not meet requirement of DLT calculation formula. Replanting is still be able to be conducted on these areas by concerning on several points such as: sub-stratum is not quartz-sand and sulphate acidic, the substratum layer/horizon is not exposed to surface due to peat stratum loss, and if drainage base bellow 50 cm of sub-stratum and causing drainage problem, these areas will be excluded from production areas and planted with another plants (not to be replanted by oil palms).
- In general, all peat areas were able to be replanted for more than 40 years or two cycles, from the time of

assessment.

Drainage assessment report of PT SIP had delivered to RSPo Secretariate on 20 April 2020 via devaladevi@rspo.org and responded that "No-Go" area will be confirmed to the reviewers if the transition arrangement can be applied (Ref. Page 51 of RSPo Drainability Assessment Procedure).

Based on observation to peat areas, estate management has conducting several peat and water management such as conducting monitoring of water level through water gate management, monitoring of water table through peat logger and/or logger measurement, monitoring of peat subsidence, selective weeding and installing field drains with patter 1:4 in all peat areas.

7.7.6

Based on observation to peat soil in Division 5, it was known that several peat management strategy that had carried out by estate management is summarized as follows:

- To conduct drainability assessment before replanting. Replanting is stop when analysis shows status for "No-Go".
- To adopt drainage system on the main road and collection road, included field drain system with pattern 1:4 with palm density during replanting about 160 palms/ha.
- To conduct water management which aims to retain water as much as possible on the plantation areas through monitoring of water level on water gate, monitoring of water table by piezometer checking and monitoring of peat subsidence as main indicator of water management success. Water level is settled between 50 to 70 cm.
- To implement selective weeding which aims to retain soil moisture on the planting areas.

7.7.7

Based on hectare statement review and soil survey 2016 report, it was know that there are no peat abandoned areas. Peat utilization in PT SIP areas were about 2,137.59 ha and 81.53 ha has been appointed for planting and infrastructure areas, respectively. Hence, conservation area dedicated for peat conservation is not applicable.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

Program of water management which aims to support efficient use of water sources in PT SIP is presented in document of AMDAL or environment impact analysis (EIA), which consist of to prevent leaking and infiltration of effluent in Effluent Ponds and land application areas, periodic monitoring on water quality parameter as refers to applicable regulation. Implementation of those strategy is presented as follows:

Ground Water Testing

Ground water quality testing is conducted by PT Mutuagung Lestari Testing Laboratory (KAN Reg. No. LP-001-IDN) in September 2020 and refers to Minister of Health Regulation (*Permenkes*) No. 32 in 2017. There were 12 parameters tested. For example, result of parameter BOD₅, pH, Cd, Pb and Zn is presented as follows:

| Parameter | Threshold | Semester II 2019 Results | | | | |
|-------------------------|-----------|--------------------------|-----------|-----------|-----------|-----------|
| | | Block H14 | Block BI4 | Block G16 | Housing 1 | Housing 2 |
| BOD ₅ (mg/l) | - | 2.46 | 3.00 | 6.77 | 3.44 | 3.76 |
| pH | 6.5 – 8.5 | 6.70 | 7.43 | 7.04 | 7.39 | 8.18 |
| Cd (mg/l) | 0.005 | <0.0015 | <0.0015 | <0.0015 | <0.0015 | <0.0015 |
| Pb (mg/l) | 0.05 | <0.0014 | <0.0014 | <0.0014 | <0.0014 | <0.0014 |
| Zn (mg/l) | 15.00 | <0.0031 | <0.0031 | <0.0031 | <0.0031 | <0.0031 |

| Parameter | Threshold | Semester II 2020 Results | | | | |
|-----------|-----------|--------------------------|-----------|-----------|-----------|-----------|
| | | Block H14 | Block BI4 | Block G16 | Housing 1 | Housing 2 |

| | | | | | | |
|-------------------------|-----------|---------|---------|---------|---------|---------|
| BOD ₅ (mg/l) | - | 17.40 | 19.40 | 11.40 | 2.77 | 2.53 |
| pH | 6.5 – 8.5 | 6.51 | 6.28 | 6.24 | 6.10 | 6.24 |
| Cd (mg/l) | 0.005 | <0.0015 | <0.0015 | <0.0015 | <0.0015 | <0.0015 |
| Pb (mg/l) | 0.05 | <0.0014 | <0.0014 | <0.0014 | <0.0014 | <0.0014 |
| Zn (mg/l) | 15.00 | <0.0031 | <0.0031 | <0.0031 | <0.0031 | <0.0031 |

Based on review on all parameter tested, it could be concluded that there were no parameters more than threshold limit.

Surface Water Testing

Surface water quality testing is conducted by PT Mutuagung Lestari Testing Laboratory (KAN Reg. No. LP-001-IDN) in September 2020 and refers to Water Quality Class II in Government Regulation (PP) No. 82 in 2001. There were 35 parameters tested that covers physics, anorganic chemistry, microbiology and organic chemistry criteria. For example, result of parameter pH, BOD₅, COD, total coliform, oil and fat, in Buaya River (upstream and downstream), as follows:

| Parameter | Threshold | Semester II 2019 Results | |
|-----------------------------|-----------|--------------------------|--------------------------|
| | | Buaya River (upstream) | Buaya River (downstream) |
| pH | 6 – 9 | 7.14 | 6.46 |
| BOD ₅ (mg/l) | 3 | 2.64 | 2.99 |
| COD (mg/l) | 25 | 7.15 | 6.46 |
| Total coliform (Qty/100 ml) | 5,000 | 79 | 3,300 |
| Oil and fat (µg/l) | 1,000 | 400 | 600 |

| Parameter | Threshold | Semester II 2020 Results | |
|-----------------------------|-----------|--------------------------|--------------------------|
| | | Buaya River (upstream) | Buaya River (downstream) |
| pH | 6 – 9 | 6.47 | 6.58 |
| BOD ₅ (mg/l) | 3 | 2.85 | 2.38 |
| COD (mg/l) | 25 | 8.25 | 6.67 |
| Total coliform (Qty/100 ml) | 5,000 | 22 | 17 |
| Oil and fat (µg/l) | 1,000 | 400 | 300 |

| Parameter | Threshold | Semester II 2019 Results | |
|-----------------------------|-----------|--------------------------|---------------------------|
| | | Pidada River (upstream) | Pidada River (downstream) |
| pH | 6 – 9 | 6.10 | 6.09 |
| BOD ₅ (mg/l) | 3 | 2.04 | 2.58 |
| COD (mg/l) | 25 | 5.16 | 6.11 |
| Total coliform (Qty/100 ml) | 5,000 | 170 | 17 |
| Oil and fat (µg/l) | 1,000 | 700 | 400 |

| Parameter | Threshold | Semester II 2020 Results | |
|-----------------------------|-----------|--------------------------|---------------------------|
| | | Pidada River (upstream) | Pidada River (downstream) |
| pH | 6 – 9 | 6.48 | 6.72 |
| BOD ₅ (mg/l) | 3 | 2.50 | 1.93 |
| COD (mg/l) | 25 | 7.67 | 5.37 |
| Total coliform (Qty/100 ml) | 5,000 | 1,700 | 4.50 |
| Oil and fat (µg/l) | 1,000 | 400 | 300 |

Based on review on all parameter tested, it could be concluded that there were no parameters more than threshold limit in all sample points.

Apart from periodic water quality monitoring, estate management has also conducting periodic maintenance on the river

as well as on its riparian zone, such as cleaning river banks from inorganic waste, installation of signboard warning, planting and enriching of woody plants as conducted on 26 October 2019 and 17 February 2020, etc. Furthermore, based on interview with Environment Agency of Mesuji and Tulang Bawang Regency, as well as with village representatives, it was known that there are no negative issues related to water pollution and access to the clean water is not restricted for public surrounding estate operational areas.

7.8.2

Unit of certification has shown Location Map of PT SIP (1:110.000) which has been consist of identification of river stream in PT SIP. Based on the map, there is 1 river on SMRE and Plasma area namely Pidada River. Water resource management has revers to procedure No. SOP/SMART/BCOS-EHSD/SADV/I/004 dated 01 July 2014. Monitoring of water quality testing is explained in Indicator 7.8.1. Based on field observation overview, it was known that riparian area is satisfactory preserved through instalment several signboard in water body (50 m) which is informed prohibition of agrochemical application, hunting, electric fishing and poisoning.

7.8.3

There is effluent Plant (IPAL) in SBYM. The company has implementing land application with permit No. B/411/I.02/HK/MSJ/2017 dated 03 October 2017, valid for 5 years. Monitoring of effluent outlet is conducted on monthly basis as refers to the Decree of Minister of Health (KepmenLH) No. 29 in 2003. Nine parameters measurement and analysis are conducted by Laboratorium of Environment Agency (LP-833-IDN) in Bandar Lampung. For example, results of testing during October 2020 – March 2021 are presented as follows:

| Parameter | Unit | Threshold | Results in October 2020 – March 2021 | | | | | |
|--------------|------|-----------|--------------------------------------|--------|--------|--------|--------|-------|
| | | | Oct | Nov | Dec | Jan | Feb | Mar |
| pH | - | 6.0 – 9.0 | 7.9 | 8.5 | 7.4 | 7.4 | 7.5 | 7.9 |
| TSS | mg/l | - | 12 | 1,180 | 878 | 708 | 750 | 1,620 |
| BOD | mg/l | 5,000 | 306 | 712 | 451 | 173 | 535 | 458 |
| COD | mg/l | - | 976 | 2,124 | 1,451 | 531 | 1,492 | 1,400 |
| Oil & Grease | mg/l | - | 6 | 16 | 12 | 16 | 16 | 6 |
| Pb | mg/l | - | 0.1 | 0.01 | 0.03 | 0.3 | 0.04 | 0.1 |
| Cu | mg/l | - | 0.1 | 0.1 | <0.1 | 0.1 | <0.1 | <0.1 |
| Cd | mg/l | - | 4 | 0.2 | 0.3 | 2 | 0.5 | 0.2 |
| Zn | mg/l | - | <0.003 | <0.003 | <0.003 | <0.003 | <0.003 | 0.01 |

Standard: Kepmen LH No. 29/2003

Based on the Table above, it could be concluded that testing results were less than the detection limit indicated (pH 5-9 and BOD <5,000 mg/l). Based on observation to Effluent Plant and land application area in Division 2 Block G15 SBYE, it was found that flowmeter was well functioned and there were no spills to the land. Treated effluent was distributed to the permitted areas. Furthermore, there is no issues from stakeholders related to land application.

7.8.4

PT SIP has permit of water resources usage (mining) for oil palm processing which presented in Decree of Minister of PUPR No. 513/KPTS/M/2017 dated 27 July 2017, valid for five (5) years. Total volume permitted is 8.9 lt/sec or 23,068.80 m³/month in 24 hours/day. According of water usage records, it was known that water usage in PT SIP is less than permitted volume. SBYM is able to shows water usage for oil palm processing from April 2019 to March 2020, presented as follows:

| Month (2020) | Total Water Used | | |
|-----------------|------------------|-------------------|--------------------------|
| | FFB | (m ³) | (m ³ /tonFFB) |
| January | 23,044.32 | 24,974.50 | 1.08 |
| February | 18,402.87 | 21,682.06 | 1.18 |
| March | 13,188.23 | 16,931.20 | 1.28 |
| April | 11,400.85 | 15,098.90 | 1.32 |

| | | | |
|-----------|------------|------------|------|
| May | 11,325.09 | 13,793.20 | 1.22 |
| June | 12,510.12 | 14,057.50 | 1.12 |
| July | 9,682.90 | 15,785.70 | 1.63 |
| August | 9,616.25 | 15,193.70 | 1.58 |
| September | 18,804.38 | 21,212.04 | 1.13 |
| October | 28,850.99 | 29,119.20 | 1.01 |
| November | 32,655.29 | 29,566.40 | 0.91 |
| December | 32,962.98 | 29,853.10 | 0.91 |
| Total | 222,444.27 | 247,267.50 | 1.11 |

According to the table above, some of water used ratio for oil palm processing in 2020 are above was about company budget which projected about 1.20 m³/ton FFB which are in March – May and July – August 2020. Unit of certification has evaluated its cause which is due to large number of washing equipment / machinery / tank factory so that it consumes more water in March – May 2020. Meanwhile, in July – August 2020, ratio of water consumption is higher than the budget due to low FFB processed. Based on field observation to WTP station in SBYM, it was found that flowmeter for domestic and processing (in Boiler Station) purposes were in good condition.

Status: Comply

7.9

Efficiency of fossil fuel use and the use of renewable energy is optimized.

7.9.1

Mill management has reused fiber and kernel shell as alternative of energy sources, replacing fossil fuels. Potential energy 1 kg of kernel shell and 1 kg of fibre in SBYM are 4,105 kCal and 2,637 kCal, respectively. Furthermore, energy needs for processing and non-processing were 1,000 kW and 200 kW, respectively. Estimation of 1 litre of Diesel could produced 3.50 kW or 9,063 kCal. For example, recapitulation efficiency during period January to December 2020 is presented as follows:

| Parameter | Number |
|---------------------------------|-----------------|
| Total Volume of Shell Used (kg) | 12,790,546 |
| Total Volume of Fibre Used (kg) | 27,805,534 |
| Total Energy Produced (kCal) | 125,828,381,879 |
| Energy Used (kCal/ton CPO) | 15,007 |
| Saving Diesel Usage (lt) | 1,175,146.86 |
| Saving Cost (IDR) | 7,666,391,230 |
| Saving of Diesel (lt/ton CPO) | 332.61 |

According to the Table above, it could be concluded that within one year, mill management has calculated that efficiency of by-products usage as energy source could reduce production cost for about IDR 7,666,391,230 per year or 332.61 litre/ton CPO. Based on document verification, there is plan of biogas plant development which has been captured in addendum of environmental permit in 2020.

Status: Comply

7.10

Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.

7.10.1

The company has conducted GHG emission calculations period 2020 (January – December) use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied “Apply full Version”.

| Production | t/yr |
|----------------|------------|
| FFB Production | 222,444.27 |
| CPO Production | 44472.56 |

Palm Oil Mill Effluent (POME) Treatment

| | |
|-------------------------------|-----|
| Divert to compost | 0 |
| Divert to anaerobic digestion | 100 |

POME Diverted to Anaerobic Digestion

| | |
|--|-----|
| Divert to anaerobic pond | 100 |
| Divert to methane capture (flaring) | 0 |
| Divert to methane capture (electricity generation) | 0 |

Summary of Net GHG Emissions

| Emissions per product | tCO ₂ e/tProduct |
|-----------------------|-----------------------------|
| CPO | 2.43 |
| PK | 2.43 |

| Description | Unit | Value |
|----------------------------------|------|----------|
| Oil palm planted on mineral soil | Ha | 18298.07 |
| Oil palm planted area on peat | Ha | 1101.94 |
| Total oil palm planted area | Ha | 19400.01 |
| Conservation area (Forested) | Ha | 0.00 |
| Conservation area (Non-Forested) | Ha | 80.20 |
| FFB Production per hectare | t/Ha | 17.31 |
| OER | % | 19.99 |
| KER | % | 5.27 |

Mill Emissions and Credits

| Description | tCO ₂ | tCO ₂ e/t FFB |
|--|------------------|--------------------------|
| Emission Sources | | |
| POME | 43602.84 | 0.20 |
| Fuel Consumption | 530.73 | 0.00 |
| Grid Electricity Utilisation | 0.00 | 0.00 |
| Credits | | |
| Export of Excess Electricity to Housing & Grid | 0.00 | 0.00 |
| Sale of PKS | 0.00 | 0.00 |
| Sale of EFB | 0.00 | 0.00 |
| Total | 44133.57 | 0.20 |

Summary of field emission and Sinks

| Emissions Sources | Own crop | | Group | | 3rd | Total |
|---|--------------------|-------------------------|--------------------|-------------------------|--------------------|----------|
| | tCO ₂ e | tCO ₂ e/tFFB | tCO ₂ e | tCO ₂ e/tFFB | tCO ₂ e | |
| Emission Source | | | | | | |
| Land conversion | 74328.24 | 0.33 | 0 | 0 | 0 | 74328.24 |
| CO ₂ emissions from fertilizer | 9899.01 | 0.04 | 0 | 0 | 0 | 9899.01 |
| N ₂ O emissions from peat | 5798.38 | 0.03 | 0 | 0 | 0 | 5798.38 |

| | | | | | | |
|------------------------------------|-----------------|-------------|----------|----------|----------|-----------------|
| N2O from Fertilizer | 9652.96 | 0.04 | 0 | 0 | 0 | 9652.96 |
| Fuel consumption | 4558.19 | 0.02 | 0 | 0 | 0 | 4558.19 |
| Peat oxidation Sinks | 37644.95 | 0.17 | 0 | 0 | 0 | 37644.95 |
| Crop sequestration | -49730.44 | -0.22 | 0 | 0 | 0 | -49730.44 |
| Sequestration in Conservation area | 0.00 | 0.00 | 0 | 0 | 0 | 0.00 |
| Total | 92151.28 | 0.41 | 0 | 0 | 0 | 92151.28 |

7.10.2 & 7.10.3

The company has identified sources of GHG which further explained in Indicator 7.10.1 Management plan and monitoring of GHG mitigation procedure was presented in document No. SOP/SMART/CERS-EHSD/SADV/I/005 dated 01 July 2014. Among GHG mitigation plan which agreed by SPO Officer, PC and RC lampung in 12 January 2019, which already implemented is presented as follows:

- Efficiency of fuel consumption and measures efficiency of by-products (kernel shell and fibre) usage as renewable energy sources in Boiler. For example, monitoring of efficiency is described in Indicator 7.9.1
- Fertilizer application as recommended by Agronomist, which considering an optimum dosage, time and place of application. Soil fertility improvement due to land application and EFB mulching shall be monitored.
- Pesticide consumption as refers to integrated pest management principle and adoption of biological method for pest population control. Pesticides used shall be recognized by Pesticide Commission.
- Efficiency of electric consumption. For example, monitoring of electricity efficiency is described in Indicator 7.9.1

Status: Comply

7.11

Fire is not used for preparing land and is prevented in the managed area.

7.11.1

Based on field observation to estate operational areas and information from village representatives, as well as representatives from Environment Agency and Agriculture/Plantation Agency of Tulang Bawang and Mesuji Regency, it was known that there is no use fire for land preparation and replanting activities. Furthermore, there is no eks fire marks in replanting areas, as observed in Division 4 Block O16 and Division 5 Block K28 which planted in 2020 and 2019, respectively.

7.11.2.

The unit of certification has established the preventive and control fire cases in the year of 2020 with several activities, such as: socialization of forest fire prevention to employees on check roll; therefore to the surrounding village, installing the signboard for prohibits of burning on the strategic places, basic training to the all of staff, adding fire fighting tools, hotspot and fire spot monitoring from towers and patrols, giving permission to several cow breeders to take grass as partners in case of an incident fires, daily monitoring of forest fire by public metrology center (satellite). Based on the results of monitoring in 2020, it was known that there have never been any fire cases. It was also strengthened by interview result from related agencies in Tulang Bawang Regency and Mesuji Regency

7.11.3.

The unit of certification been socialized the forest fire prevention to the surrounding village, for example:

- Socialization to communities from Villages of Sidoharjo, Talang Batu, Wiratama, Tri Tunggal Jaya, Sidang Gunung Tiga, Batu Ampar, Bandar Aji Jaya dated 11 September 2020.
- Socialization to communities from Wira Agung Sari dated 18 March 2021.
- Socialization to communities from Villages of S Asri, K Mulya, Karya B, G Harapan, B Rejo, P Rajawali, Ps Balang, Binabumi, Sukarame dated 15 February 2021.
- Socialization to communities from Villages of Mekar Sari, M Makmur, Wirabangun, Harja Mukti, Brabasan, H Jaya, G Ram, Tj Sari, Bogatama dated 15 February 2021.

Based on interview result with several workers, worker union, villagers from Bujur Buring Village, Wirabangun Village, Talang Batu Village and Bangun Rejo Village, it was known that the company has disseminated information about the prohibition of burning and effort to prevent forest fires on a regular basis, besides that there were also warning sign installed in the strategic places.

Status: Comply

7.12

Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.

7.12.1, 7.12.2, 7.12.5 & 7.12.8

There is no new planting after November 2005 and 01 January 2010. Reporting of zero liability (disclosure) or submission to RSPo has conducted on 29 August 2014. HCV assessment of PT SIP is carried out by Environment Department Staff of PT SMART from 08 June 2010 to 10 November 2011, with report finalisation in December 2011. There is four Assessors which all were RSPo-Approval HCV Assessor, lead by ALS Licensed Assessor No. ALS140217NM). Peer review of report is conducted by Resit Sözer, an independent consultant in December 2010, while public consultation had been carried out in 10 November 2011, attended by 51 stakeholders. Based on report study it was informed that HCV area is presented as follows:

SBYE

| Type of HCV | Identification Results | Location | Hectarage (ha) |
|--------------|---|--------------------------|----------------|
| 1.1 4.1 | Riparian zone | Tapak River | 47.30 |
| 1.2 | Protected Fauna: <ul style="list-style-type: none"> <i>Ictinaetus malayensis</i> (Elang Hitam) <i>Ardea sumatrana</i> (Cangak Abu) <i>Ardea purpurea</i> (Cangak Merah) <i>Alcedinidae</i> spp. | Buaya River SBYE Area | - |
| Total | | | 47.30 |

MSJA

| Type of HCV | Identification Results | Location | Hectarage (ha) |
|-------------------|---|--------------------------------------|----------------|
| 1.1 1.3 4.1 | Lake zone | Dasiem Lake | 5.42 |
| 1.2 | Protected Fauna: <ul style="list-style-type: none"> <i>Ardeola speciosa</i> (Blekok Sawah) <i>Bubulus ibis</i> (Kuntul Kerbau) <i>Ardea purpurea</i> (Cangak Laut) <i>Ardea sumatrana</i> (Cangak Merah) <i>Elanus caeruleus</i> (Elang Tikus) <i>Alcedinidae</i> spp. <i>Felis bengalensis</i> (Macan Akar) | MSJA Area | - |
| 6 | Cemetery of elders: <ul style="list-style-type: none"> Mbah Mul Mbah Setajim General Cemetery Sidodadi | Block D04 Block C07 Block B 20 | - |

| Total | | | 5.42 |
|-------------|--|--|----------------|
| GALA | | | |
| Type of HCV | Identification Results | Location | Hectarage (ha) |
| 1.2 | Protected Fauna: <ul style="list-style-type: none"> • <i>Ardeola speciosa</i> (Blekok Sawah) • <i>Bubulus ibis</i> (Kuntul Kerbau) • <i>Ardea purpurea</i> (Cangak Laut) • <i>Ardea sumatrana</i> (Cangak Merah) • <i>Elanus caeruleus</i> (Elang Tikus) • <i>Alcedinidae</i> spp. • <i>Felis bengalensis</i> (Macan Akar) • <i>Lariscus insignis</i> (Tupai Tanah) • <i>Crocodylus porosus</i> (Buaya Muara) | GALA area | - |
| 6 | General Cemeteries: <ul style="list-style-type: none"> • Old Cemetery Bangunrejo • General Cemetery Rejomulyo • General Cemetery Karyamakmur • General Cemetery Pasang Batang • General Cemetery Bangunrejo • General Cemetery Panca Tunggal Jaya • General Cemetery for babies | Block A19 Block B26 Div 5 Block C41 Div 6 Block C06 Div 1 Block D12 Div 3 BlockA29 Div 4 Block A59 Div 9 | - |
| Total | | | - |

The total HCV is 52.72 ha with details of 36.85 ha (SBYE) outside the planted area and 15.87 ha (SBYE and KKPA) still in the planted area.

According to the Tables above, it could be concluded that there are no RTE species (IUCN) within PT SIP operational areas. Furthermore, informative HCV Map of each estate are available in various scales.

7.12.3

Indicator 7.12.3. is not relevant to Indonesia, until further decisions by the RSPO.

7.12.4, 7.12.6 & 7.12.7

Unit of certification has established HCV management program which is presented in the annual HCV management plan based on the previous result of HCV management and monitoring. Result of HCV management and monitoring in 2020 is presented in Report of HCV Management and Monitoring PT SIP 2020 document. Based on document review, it is shown that result of HCV management and monitoring in 2020 has been implemented in accordance with management plan, e.g., HCV socializations to employee and local communities has been done, flora and fauna monitoring has been conducted, and HCV area in PT SIP is maintained. Besides, unit of certifications has established follow-up action towards HCV monitoring results in 2020, e.g., to maintain socialization of HCV to employees and to improve the performance of management and monitoring of HCV. These results have been fed back into the management plan 2021.

HCV management and monitoring plan 2021 is established in each estate and KKPA. For example, HCV management plan for period 2021 in SBYE was issued on 3 April 2021. Among the programs are monthly monitoring in riparian area

of Tapa river, quarter monitoring of primary and secondary fauna, annual HCV socialization to employees and surrounding communities, weekly monitoring patrol, monitoring and maintenance of HCV attributes in several locations.

Besides, several implementation of HCV managements is presented as follows:

- Signboard of protected fauna and UU No. 05/1990 installation and/or maintenance 2020 in SBYE, MSJA and GALA totalling for about 10, 11 and 18 pcs, respectively.
- Fauna monitoring results in 2020 in all PT SIP consist of 1 species of aves and 1 herpetofauna.
- Update List of fauna revision status from Government Regulation (PP) No. 7 in 1999 to Minister of Forestry and Environment Regulation (PermenKLHK) No. 106 in 2018.
- Monitoring of soil erosion, degradation, sedimentation rate and debit rate, as well as its evaluation is available and presented in HCV management and monitoring report 2020.

Unit of certification has policy of HCV (included RTE species) which presented in document No. SOP/NP/Smart/IV/LH001 and Policy of RTE Wildlife, issued by President Director of PT SMART, Tbk on 25 June 2012. In order to deliver HCV knowledge to all employees and surrounding communities, management unit has conducting signboard installation and socialization. For example, several socializations which has been carried out during 2020/2021 are presented as follow:

- HCV socialization in SBYE has been conducted on 10 & 20 March 2021 which were attended by employees of Division 1 and SBYE office. Besides, HCV socialization to surrounding communities has been conducted on 18 March 2021 which were attended by Talang Batu & Wira Agung Village representatives.
- HCV socialization in GALA has been conducted on 3 & 19 March 2021 which were attended by employees of Division 7 & 9. Besides, HCV socialization to smallholders has been conducted on 15 February 2021 attended by 32 participants.
- HCV Socialization in MSJA has been conducted on 4 January 2021 which were attended by employees of Division 6.1. Besides, HCV socialization to smallholders has been conducted on 13 February 2021 attended by 26 participants.

Unit of certification has already integrated management plan which is documented in Resume of Master Plan of HCV Management and Monitoring of 2019 – 2024. Furthermore, for improvement and input from stakeholders, it also has been delivered to relevant institution, e.g., Conservation and Natural resources Board (BKSDA) of Lampung Province on 13 April 2021.

Based on field observation in SBYE (riparian of Tapa River Block L33 Division 5), MSJA (Dasiem Lake Block E17 Division 4) and GALA (general cemetery Block A19 Division 3/4), HCV management has been implemented in form of HCV signboard in each location and no spray signboard in riparian instalment. Based on interview with employees and surrounding communities, it was known that they had known that there is RTE species and HCV area in the company operational area.

| |
|-----------------------|
| Status: Comply |
|-----------------------|

3.2 Conformity Checklist of Certificate and Trademark Use

| | | |
|----|--|--------------|
| 1. | Evidence of permission or approval certificate and logo from Certification Body which submitted by Client | X or√ |
| | The company does not use RSPO trademark. | √ |
| | Status: Comply | |
| 2. | Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use | X or√ |
| | The company does not use RSPO trademark. | √ |
| | Status: Comply | |
| 3. | Implementation of Certificate and Logo is not used on product | X or√ |
| | The company does not use RSPO trademark. | √ |
| | Status: Comply | |
| 4. | Controlling of Certificate and Logo, including withdrawing inappropriate logo. | X or√ |
| | The company does not use RSPO trademark. | √ |
| | Status: Comply | |

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Golden Agri-Resources, Ltd against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 5.5.3. A summary of findings is as stated below.

Golden Agri-Resources, Ltd Time Bound Plan (TBP) is explained in table 1.5. Golden Agri-Resources run forty-seven (47) mills and one hundred and thirty-six (166) estates (own and smallholders) in Indonesia and has achieved RSPO certified for thirty-one (31) mills and supply base in Indonesia. Golden Agri-Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri-Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri-Resources, Ltd on 21 January 2021 made by Head of Sub Div SPO Certification and Low GHG Strategy.

MUTU has verified partial certification for uncertified unit's subsidiary of Golden Agri-Resources, Ltd based on their Time Bound Plan. There are sixteen (16) uncertified management unit of GAR. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above.
- The company has followed RSPO requirements regarding the New Planting Procedure and Remediation and Compensation Procedure.
- There is no labor disputes that are not resolved through an agreed process.
- All plantations established since 2005 have been carried out in accordance with applicable laws in the country and there is no evidence of non-compliance with the law in any of the non-certified holdings that have not been declared above.

| 2.1 Un-Certified Units or Holdings | | |
|------------------------------------|---|---|
| Section | Requirement | Concerns to Discuss, if any |
| 2.2.1 | Did the company conduct an internal audit? If so, has a positive assurance statement been produced? | <p>Company Group/Holding Statement:</p> <p>The company has carried out a Compliance Audit / Internal Compliance Verification (ICV) to see compliance with RSPO standards and also the Set up System in the Company's units to be certified.</p> <p>There are Compliance Audit (ICV) reports for each company including:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul – Sawita Mill : Pre Audit 2015, Compliance Audit 15 June 2020 2. PT Smart Tbk – Bukit Kapur Mill: Pre Audit 2015, Compliance Audit 05 October 2020 3. PT Sinar Kencana Inti Perkasa – Kasuari Mill: Pre Audit 2015, Compliance Audit 19 October 2020 4. PT Agrolestari Mandiri – Pekawai Mill: Pre Audit 2015, Compliance Audit 06 July 2020 5. PT Binasawit Abadi Pratama – Perdana Mill: 08 June 2020 <i>Compliance Audit By System GSIS</i> 6. PT Agrokarya Prima Lestari – Kuayan Mill: Pre Audit 2014, Compliance Audit 21 September 2020 7. PT Mitrakarya Agroindo – Tangar Mill: Pre Audit 2015, Compliance Audit 13 July 2020 8. PT Paramita Internusa Pratama – Belian Mill: Pre Audit 2015, |

| | | |
|--|--|--|
| | | <p>Compliance Audit 13 July 2020</p> <p>9. PT Kresna Duta Agroindo – Rantau Panjang Mill: Compliance Audit 09 November 2020</p> <p>10. PT Kresna Duta Agroindo – Gunung Kombeng Mill: Compliance Audit 10 February 2020</p> <p>11. PT Sawit Mas Sejahtera – Sungai Kikim Mill: <i>Setup System</i>. Compliance Audit 02 March 2020</p> <p>12. Sinar Kencana Inti Perkasa – Sungai Magalau Mill: Compliance Audit 14 September 2020.</p> <p>13. PT Bahana Karya Semesta – Sungai Air Jernih Mill: Compliance Audit 07 December 2020</p> <p>14. PT Agrolestari Sentosa – Jalemo Mill: <u>Setup System</u>: Compliance Audit 20 January 2020</p> <p>15. PT Adi Tunggal Mahajaya – Sako Mill: Compliance Audit 17 November 2020.</p> <p>16. PT Bangun Nusa Mandiri – KNRM: Akan diaudit tahun 2021 (the Mill still in Commissioning process)</p> <p>Auditor Verification:</p> <p>Internal Audit report available for uncertified management unit:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) compliance audit on 19-30 October 2020. 2. PT Agrolestari Mandiri (Pekawai Mill and supply base) compliance audit on 6-15 July 2020. 3. PT Binasawit Abadi Pratama (Perdana Mill and supply base) compliance audit on 8-16 June 2020. 4. PT Agrokarya Prima Lestari (Kuayan Mill and supply base) compliance audit on 21 September 2020 – 2 October 2020. 5. PT Mitra Karya Agroindo (Tangar Mill and supply base) compliance audit on 13-23 July 2020. 6. PT Paramitra Internusa Pratama (Belian Mill and supply base) compliance audit on 13-24 July 2020. 7. PT Sawit Mas Sejahtera (Sungai Kikim and supply base) compliance audit on 2-11 March 2020. 8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) compliance audit on 14-18 September 2020. 9. PT Agro Lestari Sentosa (Jalemo Mill and supply base) compliance audit on 20-24 January 2020. 10. PT Adi Tunggal Mahajaya (Sako Mill and supply base) compliance audit on 17-27 November 2020. 11. PT SMART (Bukit Kapur Mill and supply base) compliance audit on 5-9 October 2020. 12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) compliance audit on 9-13 November 2020. 13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) compliance audit on 1-15 February 2020. 14. PT Sawitakarya Manunggul (Sawita Mill and supply base) |
|--|--|--|

| | | |
|-------|---|---|
| | | <p>compliance audit on 15-26 June 2020.</p> <p>15. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base) compliance audit on 7-21 December 2020.</p> <p>There is 1 management unit which under system development i.e PT Bangun Nusa Mandiri. PT Bangun Nusa Mandiri is on process to construct the mill (Kenari Mill), so an internal audit has not been carried out because the Mill is still in commissioning.</p> |
| 2.2.2 | <p>No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.12</p> | <p>Company Group/Holding Statement: Several companies under GAR were planted above November 2005, while the HCV assessment process was conducted in the period 2010 – 2013.</p> <p>GAR and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 29, 2014.</p> <p>25 companies have been developed after November 2005, from 25 companies made to 29 reports and are currently following the RaCP process with progress as of January 18, 2021 as follows:</p> <p>a) 5 concept notes have been accepted by RSPO including:</p> <ol style="list-style-type: none"> 1. PT Kresna Duta Agroindo – Kalimantan Timur 2. PT Agrolestari Sentosa – Kalimantan Tengah 3. PT Sumber Indah Perkasa – Papua 4. PT Kencana Graha Permai – Kalimantan Barat 5. PT Buana Arta Sejahtera – Kalimantan Tengah <p>b) 1 LUCA report has been accepted by RSPO the report is PT Tapan Nadenggan – Kalimantan Tengah with a total Compensation Liability covering an area of 1428.43 ha and HCV Remediation covering an area of 1009.87 ha. Submission of the revised Concept Note to RSPO will take place on 2 December 2019</p> <p>c) 16 LUCA report still in the process of being reviewed by the RSPO:</p> <ol style="list-style-type: none"> 1. PT Cahaya Nusa Gemilang – Kalimantan Barat 2. PT Bumi Sawit Permai – Sumatera Selatan 3. PT Satya Kisma Usaha (Sungai Bengkal Estate) - Jambi 4. PT Satya Kisma Usaha (Batang Gading Estate) - Jambi 5. PT Satya Kisma Usaha (Kilis Estate) – Jambi 6. PT Satya Kisma Usaha (Sungai Bengkal KKPA) – Jambi 7. PT Tapan Nadenggan (JLYE, BSRE, LBLE) – Kalimantan Timur 8. PT Tapan Nadenggan (BSRE) – Kalimantan Timur 9. PT Paramitra Internusa Pratama – Kalimantan Barat 10. PT Sawita Karya Manunggal – Kalimantan Selatan 11. PT Bangun Nusa Mandiri – Kalimantan Barat 12. PT Kartika Prima Cipta – Kalimantan Barat 13. PT Binasawit Abadi Pratama – Kalimantan Tengah 14. PT Aditunggal Mahajaya – Kalimantan Tengah 15. PT Mitrakarya Agroindo – Kalimantan Tengah 16. PT Agrokarya Primaestari – Kalimantan Tengah <p>d) 6 reports are in the process of being revised and will be sent to</p> |

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| | | <p>RSPO:</p> <ol style="list-style-type: none"> 1. PT Tapian Nadenggan (Hanau Mill) – Kalimantan Tengah 2. PT Agrolestari Mandiri – Kalimantan Barat 3. PT Persada Graha Mandiri – Kalimantan Barat 4. PT Satya Kisma Usaha – Kalimantan Barat 5. PT Buana Adhithama – Kalimantan Barat 6. PT Sinar Kencana Inti Perkasa – Kalimantan Selatan <p>e) 1 LUCA report is proposed to be postponed until the HCV HCS Integrated Report gets a Satisfactory status from the HCVRN, namely PT Sawit Mas Sejahtera - Sumateara Selatan.</p> <p>HCV assessment for 28 report from 24 companies was conducted in the period of 2010 - 2012, mostly carried out by external parties. HCV assessments are carried out by assessors who have been approved RSPO. reference to the HCV assessment using the Toolkit HCV 2008. peer review is carried out by an independent consultant who has also been approved by the RSPO. 1 HCV-HCS Assessment report still in progress review by HCVRN.</p> <p>The company always takes action on the RaCP process, but only the RSPO for uncertified units can be realized immediately.</p> <p>Auditor Verification:</p> <p>Based on auditor verification, not all uncertified unit conduct new clearing after Nov 2005, but for uncertified unit with land clearing after Nov 2005 has follow RaCP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base): no new land clearing after Nov 2005 and company already disclose to RSPO. 2. PT Agrolestari Mandiri (Pekawai Mill and supply base): LUCA review and the last review from RSPO received on 30 November 2020. 3. PT Binasawit Abadi Pratama (Perdana Mill and supply base): LUCA review and the last revision was sent to RSPO on 9 December 2020 4. PT Agrokarya Prima Lestari (Kuayan Mill and supply base): LUCA review and the last revision was sent to RSPO on 30 December 2020 5. PT Mitra Karya Agroindo (Tangar Mill and supply base): LUCA review and the company on process to response the second review. The last revision was sent to RSPO on 30 December 2020. 6. PT Paramitra Internusa Pratama (Belian Mill and supply base): LUCA review and last revision was sent to RSPO on 22 July 2020. 7. PT Sawit Mas Sejahtera (Sungai Kikim and supply base): LUCA review and last review from RSPO received on 12 January 2020. (LUCA Hold) until HCV-HCS Satisfactory on HCVRN 8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): LUCA review and the company on process to response the second review. 9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): Luca Review and the second review from RSPO received on 30 November 2020. 10. PT Adi Tunggal Mahajaya (Sako Mill) (under construction): LUCA review and the last revision sent to RSPO on 9 December 2020. 11. PT SMART (Bukit Kapur Mill and supply base): no new land clearing after Nov 2005 and company already disclose to RSPO. |
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| | | <p>12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): Concept note review.</p> <p>13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): disclose to RSPO</p> <p>14. PT Sawitakarya Manunggul (Sawita Mill and supply base): LUCA review and the company response the review on 20 June 2020.</p> |
| 2.2.3 | Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure. | <p>Company Group/Holding Statement:</p> <p>GAR and its subsidiaries planted oil palm plantation after January 2010. There were 18 companies that had conducted NPPs and had gone through a public consultation process in April 2014. The companies were:</p> <ol style="list-style-type: none"> 1. PT Satya Kisma Usaha – Jambi 2. PT Bumi Sawit Permai – Sumatera Selatan 3. PT Tapan Nadenggan – Kalimantan Timur 4. PT Kresna Duta Agroindo – Kalimantan Timur 5. PT Mitra Karya Agroindo – Kalimantan Tengah 6. PT Binasawit Abadi Pratama – Kalimantan Tengah 7. PT Aditungal Mahajaya – Kalimantan Tengah 8. PT Agrolestari Sentosa – Kalimantan Tengah 9. PT Agrokarya Primalestari – Kalimantan Tengah 10. PT Buana Adhitama – Kalimantan Tengah 11. PT Buana Artha Sejahtera – Kalimantan Tengah 12. PT Agrolestari Mandiri – Kalimantan Barat 13. PT Paramitra Internusa Persada – Kalimantan Barat 14. PT Persada Graha Mandiri – Kalimantan Barat 15. PT Bangun Nusa Mandiri – Kalimantan Barat 16. PT Kartika Pria Cipta – Kalimantan Barat 17. PT Kencana Graha Mandiri – Kalimantan Barat 18. PT Cahaya Nusa Gemilang – Kalimantan Barat <p>Auditor Verification:</p> <p>Based on auditor verification, not all uncertified unit conduct new clearing after January 2010 but for all uncertified unit with land clearing after January 2010 has follow NPP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base): there is no new land clearing after January 2010 2. PT Agrolestari Mandiri (Pekawai Mill and supply base): NPP on 26 April 2014 3. PT Binasawit Abadi Pratama (Perdana Mill and supply base): NPP on 8 July 2014 4. PT Agrokarya Prima Lestari (Kuayan Mill and supply base): NPP on 26 April 2014 and PT Buana Adhitama (supply base) conduct NPP on 4 June 2014. 5. PT Mitra Karya Agroindo (Tangar Mill and supply base): NPP on 26 April 2014 6. PT Paramitra Internusa Pratama (Belian Mill and supply base): NPP on 3 June 2014, PT Kartika Prima Cipta (supply base) conduct NPP |

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| | | <p>on 8 July 2014 And PT Persada Graha Mandiri (Supply base) conduct NPP on 6 June 2014.</p> <p>7. PT Sawit Mas Sejahtera (Sungai Kikim and supply base): there is new planting after January 2010 in Sungai Kikim Estate and Sungai Saling Estate, the company not conduct NPP. This is become subject of sanction. For PT Buana Sawit Mas (supply base) conduct NPP on 8 July 2014.</p> <p>8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): there is no new land clearing after January 2010.</p> <p>9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): NPP on 26 April 2014</p> <p>10. PT Adi Tunggal Mahajaya (Sako Mill) (under construction): NPP on 25 April 2014, PT Agrokarya Prima Lestari (supply base) conduct NPP on 26 April 2014 and PT Mitra Karya Agroindo (supply base) conduct NPP on 26 April 2014.</p> <p>11. PT SMART (Bukit Kapur Mill and supply base): there is no new land clearing after January 2010.</p> <p>12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014</p> <p>13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): NPP on 8 July 2014</p> <p>14. PT Sawitakarya Manunggul (Sawita Mill and supply base): there is new land clearing after January 2010 in Sawita KKPA and company not conduct NPP. This is become subject of sanction.</p> |
| 2.2.4 | <p>Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8</p> | <p><i>Company Group/Holding Statement:</i></p> <p>No land conflicts. The company has a land conflict resolution mechanism in accordance with the RSPO criteria 4.2, 4.6, 4.7 and 4.8. This procedure is contained in the SOP for handling social conflicts with the registration number SOP/SMART/SCRD/NSDV/II/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/II/001 revision 2 dates April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/GIMSSCMD/USDV/II/001 revision 2 dated 11 April 2017, handling complaints appropriately and quickly. GAR has initiated to become a member of the RSPO DSF as a "Grower" category.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <p>1. PT Kartika Prima Cipta: Complaints by FPP regarding the FPIC process Another 6 issues in 2014: RSPO with the approval of GAR</p> |

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| | | <p>and FPP divides the conflict resolution verification process into 5 phases. Currently it has been completed until phase 3 (phase 1 related to NPP, maximum land holding and new land development, phase 2 related to legality, phase 3 related to smallholders). As of January 3, 2021, GAR has sent additional explanations and supporting evidence related to the fulfilment of the related issues. Phases 4 and 5 will begin in February 2021.</p> <ol style="list-style-type: none"> 2. Kapuas Hulu Region (PT KPC, PT PGM and PT PIP) regarding the legality of 2018: that the legal review process is still ongoing. Until January 15, 2021 there has been no progress from the RSPO regarding the results of the legal review. 3. Eight company in Central Kalimantan (PT TN, PT BAP, PT BAS, PT ATM, PT AKPL, PT BAT, PT MKA, PT ALS): complaint from FPP in 2020 regarding land legality and bribery case that GAR has replied to the RSPO email related to GIS analysis of the location of the land on 22 December 2020. Until now, it is still waiting for further decisions from the RSPO. 4. The results of the Compliance Audit carried out in the 2020 period in the uncertified unit had no land conflicts and the unit had disseminated the SOP for handling complaints and grievances, Human Rights Policies and SOPs for handling social conflicts both internal and external, in general the FPIC process has been carried out according to procedures, so that there is no land or social conflicts. <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is no land conflicts in the following uncertified management unit:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) 2. PT Agrolestari Mandiri (Pekawai Mill and supply base). 3. PT Mitra Karya Agroindo (Tangar Mill and supply base) 4. PT Sawit Mas Sejahtera (Sungai Kikim and supply base) 5. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) 6. PT Adi Tunggal Mahajaya (Sako Mill and supply base) 7. PT SMART (Bukit Kapur Mill and supply base) 8. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) 9. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) 10. PT Sawitakarya Manunggul (Sawita Mill and supply base) 11. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base) 12. PT Bangun Nusa Mandiri (Kenari Mill and supply base) <p>There is a land conflict but was in the process of completion for PT Paramitra Internusa Pratama (Belian Mill and supply base). The supply base of Belian mill are PT Kartika Prima Cipta and PT Persada Graha</p> |
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| | | <p>Mandiri.</p> <p>There is complaint to RSPO Complaint Panel regarding land legality to the uncertified management unit such as PT Agrokarya Prima Lestari (AKPL), PT Binasawit Abadi Pratama (BAP) and PT Agro Lestari Sentosa (ALS). The updated progress is that GAR has submitted additional documents on GIS Analysis. Until now, it is still waiting for further decisions from the RSPO. The progress regarding the settlement of the complaint in detail at the following link:</p> <p>https://askrspo.force.com/Complaint/s/case/5000o00002u2QR1AAM/detail</p> |
| 2.2.5 | Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 4.2 | <p>Company Group/Holding Statement:</p> <p>The company has a procedure for handling employee complaints before they develop into conflicts. The process in question is SOP / SMART / SCRD / NSDV / I / 002 revision 1 dated 18 May 2016.</p> <p>Procedures related to employee problems are regulated in the internal flow form because employees are included in the category of internal stakeholders. The complaint medium used is an official letter submitted through the union or put in the suggestion box provided in strategic locations.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <ol style="list-style-type: none"> 1. PT AMNL, West Kalimantan, complained by the Ketapang Regency Indonesian Prosperity Labor Union (<i>Serikat Buruh Sejahtera Indonesia</i>) on August 30, 2018, Complaints related to the company allegedly dismissing workers in violation of Indonesian labor law. Current status complaint is closed (Based on a letter from RSPO No. RSPO / 2018/15 / SW dated 11 August 2020 in response to the Complaints Panel's decision on PT Agrolestari Mandiri "to reject the complaint" in accordance with the available evidence and sent to RSPO - Attached Letter). 2. PT SMART, North Sumatra, Complaints by 56 PT SMART Workers and local communities in Dusun Belongkut I, II and III, dated 18 October 2018, regarding <ol style="list-style-type: none"> a. The company is suspected of not paying severance pay in accordance with labor law No. 13 of 2003 to 56 former workers. b. Workers suspect that the company does not comply with regulations related to CSR, especially in the environmental sector. <p>Current status complaint is closed (Based on a letter from RSPO No. RSPO / 2018/22 / SW dated 1 October 2020 against complaints directed by Dusun X, Belongkut Village to PT SMART TBK and based on a decision from the RSPO Complaints Panel and existing evidence it is decided that the complaint has been declared "reject the</p> |

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| | | <p>complaint")</p> <p>3. PT SMART Tbk, PT MPLWI North Sumatra, Complaints from the Branch Consulate of the Federation of Indonesian Metal Workers Union (KC-FSPMI) regarding Discrimination against female workers and workers who are not provided with safety equipment and do not get maternity and maternity leave. Current status complaint is closed (Based on a letter from the RSPO dated January 29, 2020, addressed to the Branch Consulate of the Indonesian Metal Workers Union Federation (KC-FSPMI) regarding the complaint addressed to PT SMART TBK that the complaint has been followed up by both parties and has received agreement on October 5, 2019. In accordance with the letter stated that the complaint has been declared closed "closed")</p> <p>Auditor Verification:</p> <p>There is information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries, consist of:</p> <ul style="list-style-type: none"> Complaints from the Indonesian Prosperity Labor Union to PT Agrolestari Mandiri through the RSPO complaint panel and as explained by the company above that the case has been closed. Based on a letter from RSPO No. RSPO / 2018/15 / SW dated 11 August 2020. PT Sawitakarya Manunggul: https://dutatv.com/buruh-pt-sawita-karya-manunggul-mengadu-ke-dprd/. Regarding the news, the company explained that it was about reducing employees in terms of company efficiency policies. The company also showed evidence that it had attended an invitation to a hearing regarding the matter from the Kotabaru Regency Regional House of Representatives (DPRD) on 10 February 2020. From this meeting the company decided to proceed to the industrial relations court so that the matter could get legal certainty but until now part of the employee's party did not continue the problem to the industrial relations court. <p>There is no labor issue in other uncertified management unit.</p> |
| 2.2.6 | Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 | <p>Company Group/Holding Statement:</p> <p>Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Subsidiaries of GAR which still on going to process HGU consist of:</p> <ol style="list-style-type: none"> PT Djuanda Sawit Lestari (Muara Wahau Estate / Muara Tawas Estate) PT Sawit Mas Sejahtera (Sawit Mas Estate) |

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| | | <ol style="list-style-type: none"> 3. PT Bumi Sawit Permai (Bumi Sawit Estate) 4. PT Forestralestari Dwikarya (Tanjung Rusa Estate) 5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate) 6. PT Ivo Mas Tunggal (Samsam Estate, Kandista Estate, Nenggala Estate, Sei Rokan Estate, Ujung Tanjung Estate) 7. PT Buana Wiralestari Mas (Nagasakti Estate; Nagamas Estate and Kijang Estate) 8. PT Ramajaya Pramukti (Ramarama Estate) 9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate, Perdana Mill) 10. PT Agrokarya Prima Lestari (Mentaya Estate, Kuayan Estate, Bukit Santuhai Estate, Tajur Beras Estate, Seranau Estate) 11. PT Buana Adhitama (Sapiri Estate) 12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate) 13. PT Mitra Karya Agroindo (Sungai Nusa Estate) 14. PT Aditunggal Mahajaya (Sako Mill, Sungai Ayawan Estate) 15. PT Satya Kisma Usaha (Medang Sari Estate) 16. PT Agrokarya Prima Lestari (Kuayan Mill) 17. PT Buana Adhitama (Bukit Dua Estate) 18. PT Agrolestari Sentosa (Jalemo Mill, Jalemo Estate) 19. PT Agrokarya Prima Lestari (Kuayan Mill) 20. PT Mitrakarya Agroindo (Tangar Mill) 21. PT SMART Tbk (Sungai Cantung Estate, Bukit Kapur Estate, Bukit Kapur Mill) 22. PT Bangun Nusa Mandiri (Gaharu Estate, Kenari Estate, Keranji Estate, Gaharu Plasma, Kenari Plasma) <p>Beside that, there are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> 1. PT Kresna Duta Agroindo (Gunung Kombeng Mill, Gunung Kombeng KKPA) 2. PT Ramajaya Pramukti (Ramarama KKPA) 3. PT Kresna Duta Agroindo (Tiga Serumpun Estate) 4. PT Satya Kisma Usaha (Batang Gading KKPA, KILA) 5. PT Agrokarya Prima Lestari (Sungai Sambon Plasma) 6. PT Djuanda Sawit Lestari (Pandawa KKPA) 7. PT Forestra Lestari Dwikarya (Tanjung Rusa KKPA) 8. PT Sinar Kencana Inti Perkasa (Sungai Kupang KKPA) 9. PT Sawitakarya Manunggul (Sawita KKPA) 10. PT Kresna Duta Agroindo (Jakluay KKPA, Bukit Subur KKPA) 11. PT Kresna Duta Agroindo (Rantau Panjang KKPA) 12. PT Kencana Graha Permai (Kayung Kemitraan, Kencana Kemitraan, Kenanga Kemitraan) 13. PT Paramitra Internusa Pratama (Belian KKPA, Muara Tawang KKPA, Kapuas Hulu KKPA) |
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| | | <p>14. PT Mitrakarya Agroindo (Sulin Plasma) 15. PT Agrokarya Prima Lestari (Sapiri Plasma) 16. PT Adi Tunggal Mahajaya (Sako Plasma)</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa 2. PT Sumber Indah Perkasa 3. PT Sawit Mas Sejahtera 4. PT Bumi Sawit Permai <p>Auditor Verification: Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance. Supply base for Kasuari Mill are PT Sinar Kencana Inti Perkasa and PT Sumber Indah Perkasa. The legal non compliance which still on process is EIA revision in PT Sumber Indah Perkasa and Hazardous waste permit in PT Sinar Kencana Inti Perkasa. - PT Binasawit Abadi Pratama (Perdana Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Agrokarya Prima Lestari (Kuayan Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. Supply base for Kuayan Mill are PT Agrokarya Prima Lestari and PT Buana Adhitama. - PT Mitrakarya Agroindo (Tangar Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. - PT Sawit Mas Sejahtera (Sungai Kikim Mill and supply base), there is a legal non-compliance. Supply base for Sungai Kikim Mill are PT Sawit Mas Sejahtera and PT Bumi Sawit Permai. The legal non compliance which still on process is EIA revision. - PT Agrolestari Sentosa (Jalemo Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Adi Tunggal Mahajaya (Sako Mill and supply base), there is a legal non-compliance. Supply base for Sako Mill are PT Adi Tunggal Mahajaya, PT Mitra Karya Agroindo and PT Agrokarya Prima Lestari. The legal non compliance which still on process is Land Use Title (HGU). - PT SMART Tbk (Bukit Kapur Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base, doesn't have land use title (SHM), the SHM is still on process. Supply base for Gunung Kombeng Mill is communities plantation. - PT Bangun Nusa Mandiri (Kenari Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. |
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| | | <ul style="list-style-type: none"> - PT Djuanda Sawit Lestari: there is an area is still in process for HGU in Muara Wahau Estate (574.58 Ha) - PT Satya Kisma Usaha – Kalimantan Tengah: there is an area is still in process for HGU in Medang Sari Estate (24,41 Ha) - PT Sawit Mas Sejahtera: there is an area is still in process for HGU in Sawit Mas Sejahtera Estate (2,291 Ha) - PT Bumi Sawit Mas: there is an area is still in process for HGU in Bumi Sawit Mas Estate (773 Ha) - PT Sumber Indah Perkasa: there is an area is still in process for HGU in Sungai Buaya Estate (155.46 Ha) and Sungai Merah Estate (241.54 Ha) - PT Ivomas Tunggal: there is an area still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha) - PT Buana Wiralestari Mas: there is area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha) - PT Ramajaya Pramukti: there is an area still in process for HGU Rama Rama Estate (318.76 Ha) - PT Bumipalma Lestari Persada: there is an area still in process for HGU Bumi Palma Estate (39.21 Ha) <p>There are companies that already comply with regulation, consist of:</p> <ul style="list-style-type: none"> • PT Agrolestari Mandiri (Pekawai Mill and supply base). • PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base). • PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base). • PT Sawitakarya Manunggul (Sawita Mill and supply base). • PT Paramitra Internusa Pratama (Belian Mill supply base) |
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3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.1

There is no Non-conformity identified

3.4.2. Identification of Findings, Corrective Actions and Observations at Onsite ASA 1.1 and ASA 1.2

There is no Non-conformity identified

3.4.3. Opportunity for Improvement

| No | Ref. Std. | Description |
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| 1 | 4.4.1 | Up to the assessment of ASA-1.1 and ASA-1.2, there is GALA areas (148.75 ha) and MSJA areas (429 ha) that do not yet have <i>SHM</i> . The management representative explained that <i>SHM</i> is still in progress. Based on this, the unit of certification the opportunity to ensure the progress of the <i>SHM</i> for the entire KKPA area. |
| 2 | 6.7.2. | <ul style="list-style-type: none"> Based on observation to processing stations in SBYM, it was found evidence of smoking activities in Press Station, such as ashtray and cigarette butts. Thus, unit of certification is encouraged to reconsider and established a permanent smoking area (observation). Based on observation to Division 1 (Brabasan) Block A in MSJA, it was found one (1) item on the first aid kit (iodone) has been expired since January 2021. Estate Manager mentioned that so far monitoring of kit has only been carried out only for the number (completeness) of items and missed the date of expired period. Moreover, Foreman as PIC for monitoring has just attended first aid training on 27 February 2021. However, the expired item had been replaced on 20 April 2021. Thus, unit of certification has an opportunity to re-evaluate the system of first aid kit items monitoring in the work place through put the date of expired as part to be concerned (observation). |
| 3 | 6.7.3. | <ul style="list-style-type: none"> Based on observation to Weighbridge Station, it was found contractors' driver did not wear safety shoes when giving FFB ticket to station operator. One of mill staff confirmed that the shoes is actually brings by the respective driver. Furthermore, it was found on Press Station that one operator did not wear earplug. As response for correction, unit of certification has delivered re-socialization to both workers towards obligation to use PPE in the workplace. Based on observation and interview with Upkeep Foreman in Division 1 (Brabasan) Block D2 at MSJA, it was found that the Foreman has only use cloth mask, instead of respirator, during time of pesticide application activities works. The Foreman explained that the respirator was leave on mixing area. the respirator is already given as shows through Letter of PPE Delivery on 23 March 2021. <p>According to the notes above, unit of certification has an opportunity to evaluate the time and effectiveness of socialization towards PPE usage and employees' discipline on its implementation (observation).</p> |
| 4 | 7.2.11. | Unit of certification shows Decree of "Dirjen Pembinaan Pengawasan Ketenagakerjaan dan Keselamatan dan Kesehatan Kerja" or Director General for Labor Inspection and Occupational Safety and Health (OSH) No. 5/151/AS.02/XI/2020 dated 30 November 2020 about guidelines on OSH for the postponed of healthcare monitoring (medical checkup) implementation during COVID-19 Pandemic, temporarily. However, this postponed statement is not invalidated the |

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| | <p>company obligation to carry out such kind of medical check up (initial, periodic or special) to workers. As response on the decree, company doctor has delivered Letter to all Estate/Mill Manager No. 2905/PLKL/XI/2020 dated 29 December 2020 about the same subject as mentioned on the Latter. The medical check up will be postponed from the initial date on 24 August to 27 October 2020, to be carried out in 16-23 December 2020. Moreover, unit of certification has arranged program on special medical check up for pesticide applicators on June and December 2021 in all estates.</p> <p>According to the notes above, unit of certification is encouraged to implementing special medical check up program with adopting strict health protocols.</p> |
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3.4.4. Noteworthy Positive Components

| No | Description |
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| 1 | A good commitment in implementing sustainable palm oil system. |
| 2 | Outstandingly on providing relevant documents that supported by communicative and capable staff with good competencies. |
| 3 | Sungai Buaya Mill had certified by Proper Blue for period 2019-2020, on their performance towards environment management. |
| 4 | Sungai Buaya Mill had certified by ISCC with Certificate No. EU-ISCC-Cert-ID215-23200734, valid from 15 July 2020 to 14 July 2021. |
| 5 | KUD Krida Sejahtera (smallholder) had certified by ISCC with certificate No. EU-ISCC-Cert-ID215-23200736, valid from 15 July 2020 to 14 July 2021. |
| 6 | Sungai Buaya Mill and Estate had ISPO certified with certificate No. IDN 26200003, valid from 19 August 2020 to 18 August 2025. |

3.5 Summary of Arising Issues from Public and Auditor Verification

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
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| <p>KUD Krida Sejahtera of GALA Interviewee: Secretary committee (initial HB) Date of interview: 20 April 2021</p> <p>Notes:</p> <ul style="list-style-type: none"> • The cooperative (KUD GALA) is established since 1994 and covers 16 surrounding villages, with number of members about 17,254. • KUD is responsible for income sharing within its members. • PT SIP has follows FFB price determined by Plantation Agency which updated every 2 weeks. However, starting from April 2021, FFB price is updated every month. • PT SIP has paid the FFB accepted from KUD on time without any complaint on price transferred. • PT SIP management is transparent in providing GALA operational cost data which periodically released during monthly meeting coordination when carried out at 10th day on the respective month. | <p>In general, the presence of plasma program through KUD Krida Sejahtera of GALA has given a lot of benefit for its member. Implementation of agreement with PT SIP is in accordance with applicable regulation.</p> |
| <p>Surrounding communities and Land Owner GALA Interviewee: representative from 3 village, as follows:</p> <ul style="list-style-type: none"> - Village of Bogatama (initial HB), - Village of Bangun Rejo (initial RS) - Village of Sukarami (initial AS) <p>Date of interview: 20 April 2021</p> <p>Notes:</p> <ul style="list-style-type: none"> • There is no social and/or land conflict between PT SIP and community members so far. Presence of company is considered contribute a positive impact for village development and social economic increment. • Information on recruitment is transparent and socialize through information board in Village Office. A lot of village citizen become PT SIP employees. • Head of village (<i>Lurah</i>) is involving on annual community social responsibility (CSR) program. • CSR program has covered several aspects such as: infrastructure (road maintenance), religion (supporting holy day celebration, development of mosque and church), education (scholarship), social, etc. • Village community is plural which dominated by transmigrant from Jawa and locals (Mesuji and Lampung). • There are no negative issues related to environment aspect that caused by estate operational activities. | <p>In general, the presence of PT SIP within villages has gave positive impact to the society. There are no negative issues related social and environmental aspect so far during operational activities.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
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| <p>Gender Committee of GALA Interviewee: Head of committee Date of interview: 20 April 2021</p> <p>Notes:</p> <ul style="list-style-type: none"> • The interviewee become head of committee is since 2016. • There are no negative issues so far related to gender and child protection matters. • PT SIP has provided leave paid (H1 and H2) for women employees. • Gender committee program consist of socialization, pregnant checking, healthcare. • Woman employees is allowed for breastfeeding during working hours. • There is no discrimination on woman employees. | <p>Unit of certification is considered satisfactory in making conducive situation for woman employees. There are no negative issues related to harassment, abuse, exploitation towards woman and children in the work place. Reproductive right is also protected.</p> |
| <p>Head of Talang Batu Village and its Previous Land Owner</p> <p>The existence of the company still has a positive impact, for example by absorbing workers and opening access roads. Before the company existed, road access could only be through the river, after the company was established the community could take advantage of the company's road access in carrying out activities and transporting crops.</p> <p>In addition to these positive impacts, there are also a number of things that companies need to pay attention to such as:</p> <ol style="list-style-type: none"> 1. Land tenure of \pm 2,000 ha that has not been compensated. 2. Horn beetle (<i>Oryctes Rhinocheros</i>) invasion as a result of replanting to community plantations. The company did provide pesticide assistance, but it was deemed inaccurate and too slow so that the resident crops had damaged first 3. The existence of embankments made by the company in the river flow caused the village to become flooded | <p>The process of settling 2,000 ha of land claims Letter Number: 591/622 / L01 / MSJ / 2020 dated February 13, 2020, from the Regent of Lampung to the Head of the Mesuji Police, which states that PT SIP has been able to show land acquisition documents such as minutes of relinquishing rights, minutes of examination of committee B, to the decision to grant HGU . In addition, there is an agreement letter on behalf of PT SIP with the Talang Batu community (Mr. Hatta as the Village Head, Mr. Basli and Mr. Erwan) as community leaders regarding the release of land rights on July 22, 2004.</p> <p>In this regard, it was conveyed that the PT SIP HGU is still valid and has met all the requirements for obtaining land rights totalling \pm 9,522.11 ha and has been given recognition money for the use of former state land clan / state land in accordance with the Letter of the North Lampung Regent : 100/691 / I-LU / 1990 dated 24 August 1990</p> <p>On January 16, 2020 there was an audience between the people of Talang Batu Village represented by Erwansyah and mediated by the Mesuji Police Chief. The customary community (Marga Mesuji) considers that the company's HGU still stands on customary land. In accordance with current conditions and seeing the threat from the community acting on behalf of the Talang Batu Village to the Mesuji government company, the Mesuji Government requests the Police Chief to take security / law enforcement steps by applying a persuasive approach to control efforts to prevent horizontal conflicts between indigenous</p> |


| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|---|---|
| | <p>peoples and companies on land disputed</p> <p>Separately, the Mesuji Regency Regional People Representative Council also mediated between PT SIP and the Talang Batu Community on December 23, 2020. The conclusion from the results of the mediation was that no agreement was reached and if the community still objected / did not accept the results of the mediation, they were welcome to submit a claim to the company through legal route</p> <p>Embankment Which cause Flooding The Official Travel Report of the Mesuji Regency Government Environmental Service Field Survey team has been shown on May 10, 2019 in order to investigate the causes of flooding as reported by the community on April 8, 2019. The results of the investigation stated that the floods that spread to settlements were due to deforestation in Register 45 managed by PT Silva Inhutani. In addition there is a narrowing of the river body upstream. River normalization needs to be carried out with the cooperation of all parties such as <i>PUPR</i>, Agriculture and Plantation Service, Environmental Service, and Food Security Service.</p> <p>Horn Beetle (<i>Oryctes Rhinoceros</i>) As a result of the replanting, there were horn beetles that invaded the residents plant areas. Related to this, the company has been able to demonstrate impact management such as the implementation of IPM in the company area. Apart from that, the residents were given assistance in the form of pesticides for handling horn beetles. In the outer border areas, nets have been installed to keep out the beetles</p> |
| <p>Head of Tri Rejomulyo Village and its Previous Land Owner</p> <p>The existence of the company has a positive impact, for example employment, infrastructure development and community social activities. During the past year there have been no land dispute issues. The community was included in the associated smallholder program.</p> <p>There are no issues of environmental pollution and land fires, but during the rainy season for areas adjacent to estate and by chance the EFB applied it, many flies appear to resident settlements. The company also regularly provides socialization about Covid-19, including for prevention and control.</p> <p>At the time of land acquisition there was never any intimidation</p> | <p>In general, there are no negative or crucial issues that need further verification. An explanation regarding land acquisition can be seen in 4.4.1 while CSR</p> <p>Flies appear during the rainy season. The company has investigated the complaint. The results of the investigation state that it is very unlikely that flies will always come from the EFB application because the distance of the blocks applied by EFB is far from residential areas, which is > 6 km. Besides that, if you look at the trend, wherever the location is, if indeed the rainfall, the presence of flies is relatively well developed. The results of the investigation have been submitted to the Village Party</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
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| and the price paid was in accordance with the agreement. | |
| Manpower and Transmigration Agency of Mesuji Regency Interviewee: Division Head of Industrial Relation Date of interview: 20 April 2021 <ul style="list-style-type: none"> PT Sumber Indah Perkasa has Occupational Health and Safety Committee (P2K3) which has been authorized by Manpower Agency. P2K3 Secretary is a General-OHS Expert (<i>AK3-Umum</i>) as required by applicable regulation. There are no issues on child labor abuse, employee dispute, force labour, discrimination and other negative issues related to manpower aspect. The company have Company Regulation that has been verified by the agencies. The company has routinely reported OHS and manpower mandatory reports to Manpower & Transmigration Agency of Mesuji Regency. The minimum wage standard has been applied in PT SIP. The company has labor unions which have been registered by the Labor Agency The company has included workers in "BPJS Kesehatan dan Ketenagakerjaan" program Communication relations between agencies and companies are fairly well established. | <p>In general, there are no negative issues that need further clarification. The discussion about OHS and manpower aspects are described in Criteria 3.5 & 3.6.</p> |
| Environment Agency of Mesuji Regency Interviewee: Division Head of Monitoring (<i>Kabid Pengawasan</i>) Date of interview: 19 April 2021 <ul style="list-style-type: none"> The company has permits of hazardous waste management and liquid waste utilization for land application which are still valid. The company has submitted mandatory environmental management reports such as reports on liquid waste management, reports on every hazardous waste management, and reports on the implementation of RKL-RPL on a regular basis to Environment Agency of Mesuji Regency. Supervision in the form of a field visit by Environment Agency of Mesuji Regency was last carried out in December 2020. Based on results of the field visit, it was found that the company had carried out domestic liquid waste management in offices and housing, but the management of domestic liquid waste in housing was declared not optimal. There is no environmental pollution from operational of the company has been reported to Environment Agency of Mesuji Regency. | <p>In general, there are no negative issues that need further clarification. Based on management interview, field visit from Environment Agency refers to SBYM. As a follow-up action of that field visit, unit of certification has shown letter of Application for Domestic Waste Water Management Permit of PT SIP to Environment Agency of Mesuji Regency in 21 April 2021.</p> <p>Based on document review towards Report of Environmental Permit Implementation PT SIP Semester II which was delivered to Environment Agency of Mesuji Regency, unit of certification has already conducted programs with participation of the surrounding community, e.g., CSR program in environmental field assistances. The discussion about environmental aspects is described in 3.4.1 – 3.4.3 & 7.3.1 – 7.3.3.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
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| <ul style="list-style-type: none"> Companies are expected to increase environmental management efforts. In addition, the company is expected to be active in conducting programs with the participation of the surrounding community, and report it to Environment Agency of Mesuji Regency. | |
| <p>Agriculture Agency of Mesuji Regency Interviewee: Division Head of Plantation (<i>Kabid Perkebunan</i>) Date of interview: 19 April 2021</p> <ul style="list-style-type: none"> The company has Plantation Class I which authorized by Agriculture Agency of Lampung Province The company has submitted mandatory reports on time, such as Semester LKUP, Fire Monitoring Report and Land Use Report. The company has involved local community in arranging annual CSR program. There is no overlapping area with forest and/or customary area. There is no issues or reports from local and NGO related to fire incidences in PT SIP. Company facilities on fire management has considered satisfactory. | <p>In general, there are no negative issues that need further clarification. The discussion about company operational activities towards local, national and ratified international laws and regulations aspects are described in Criteria 2.1. In addition, realization of CSR program is described in 4.3.1.</p> |
| <p>National Land Agency of Mesuji Regency Interviewee: Division Head of Registration Right (<i>Kabid Pendaftaran Hak</i>) Date of interview: 19 April 2021</p> <ul style="list-style-type: none"> The company has a Plantation Business Permit (IUP) for the Oil Palm Plantation Activity. Mandatory reports to agencies have been routinely reported by companies including the Plantation Business Development Report and Firefighting Management Report. In the last one period there were no reports related to disputes and land claims received by the agency. All operational areas of the company already have Land Permit (HGU) and there are no operational areas within the forest area. Communication relations between agencies and companies are fairly well established. | <p>In general, there are no negative issues that need further clarification. The discussion about company operational activities towards local, national and ratified international laws and regulations aspects are described in Criteria 2.1.</p> |
| <p>EFB Transporter Each work is agreed upon in the work agreement. So far, the company has made payments according to what is stated in the work agreement and there has been no practice of bribery to get tenders.</p> <p>Regular socialization regarding compliance with the RSPO is always carried out, for example in terms of minimum wages, Employment and Health Insurance, and OHS aspects. PPE is provided for each employee</p> | <p>In general, there are no negative issues that need further clarification. The discussion about contractors is described in 2.2.1 - 2.2.4</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|---|---|
| <p>Civil Contractor Each work is agreed upon in the work agreement. So far, the company has made payments according to what is stated in the work agreement and there has been no practice of bribery to get tenders.</p> <p>Regular socialization regarding compliance with the RSPO is always carried out, for example in terms of minimum wages, Employment and Health Insurance, and OHS aspects. PPE is provided for each employee</p> | <p>In general, there are no negative issues that need further clarification. The discussion about contractors is described in 2.2.1 - 2.2.4</p> |
| <p>Head of Bujung Buring Village The existence of the company is considered quite positive, for example with the absorption of labor, opening road access, and implementing CSR programs ranging from assistance for public facilities such as construction of mosques, installation of culverts for village roads, to assistance for national and religious celebrations. So far, there has never been an issue of land disputes or environmental pollution issues</p> | <p>In general, there are no negative or crucial issues that need further verification. An explanation regarding land acquisition can be seen in 4.4.1 while CSR</p> |
| <p>Head of Wirabangun Village The existence of the company is considered quite positive, for example with the absorption of labor, opening road access, and implementing CSR programs ranging from assistance for public facilities such as construction of mosques, installation of culverts for village roads, to assistance for national and religious celebrations. So far, there has never been an issue of land disputes or environmental pollution issues</p> | <p>In general, there are no negative or crucial issues that need further verification. An explanation regarding land acquisition can be seen in 4.4.1 while CSR</p> |
| <p>KUD Krida Sejahtera of GALA Interviewee: Secretary committee (initial HB) Date of interview: 20 April 2021</p> <p>Notes:</p> <ul style="list-style-type: none"> • The cooperative (KUD GALA) is established since 1994 and covers 16 surrounding villages, with number of members about 17,254. • KUD is responsible for income sharing within its members. • PT SIP has follows FFB price determined by Plantation Agency which updated every 2 weeks. However, starting from April 2021, FFB price is updated every month. • PT SIP has paid the FFB accepted from KUD on time without any complaint on price transferred. • PT SIP management is transparent in providing GALA operational cost data which periodically released during monthly meeting coordination when carried out at 10th day on the respective month. | <p>In general, the presence of plasma program through KUD Krida Sejahtera of GALA has given a lot of benefit for its member. Implementation of agreement with PT SIP is in accordance with applicable regulation.</p> |

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|---|--|
| <p>Surrounding communities and Land Owner GALA Interviewee: representative from 3 village, as follows:</p> <ul style="list-style-type: none"> - Village of Bogatama (initial HB), - Village of Bangun Rejo (initial RS) - Village of Sukarami (initial AS) <p>Date of interview: 20 April 2021</p> <p>Notes:</p> <ul style="list-style-type: none"> • There is no social and/or land conflict between PT SIP and community members so far. Presence of company is considered contribute a positive impact for village development and social economic increment. • Information on recruitment is transparent and socialize through information board in Village Office. A lot of village citizen become PT SIP employees. • Head of village (<i>Lurah</i>) is involving on annual community social responsibility (CSR) program. • CSR program has covered several aspects such as: infrastructure (road maintenance), religion (supporting holy day celebration, development of mosque and church), education (scholarship), social, etc. • Village community is plural which dominated by transmigrant from Jawa and locals (Mesuji and Lampung). • There are no negative issues related to environment aspect that caused by estate operational activities. | <p>In general, the presence of PT SIP within villages has gave positive impact to the society. There are no negative issues related social and environmental aspect so far during operational activities.</p> |
| <p>Gender Committee of GALA Interviewee: Head of committee Date of interview: 20 April 2021</p> <p>Notes:</p> <ul style="list-style-type: none"> • The interviewee become head of committee is since 2016. • There are no negative issues so far related to gender and child protection matters. • PT SIP has provided leave paid (H1 and H2) for women employees. • Gender committee program consist of socialization, pregnant checking, healthcare. • Woman employees is allowed for breastfeeding during working hours. • There is no discrimination on woman employees. | <p>Unit of certification is considered satisfactory in making conducive situation for woman employees. There are no negative issues related to harassment, abuse, exploitation towards woman and children in the work place. Reproductive right is also protected.</p> |

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| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY |
| 4.1 | <p>Formal Sign-off of Assessment Findings</p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Sumber Indah Perkasa – Sungai Buaya Mill Head of SPO Certification & Low GHG Emissions Strategy</p>  <p><u>Yahya Mustakim</u> Saturday, 24 April 2021</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Mohamad Amarullah</u> Saturday, 24 April 2021</p> </div> </div> |

Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process

| No | Institution/ NGO/ Community | Address | Phone/ Email | Form of Communication | Date of Contact | Response | |
|----|---|---|-------------------------|-------------------------|-----------------|----------|----|
| | | | | | | Yes | No |
| 1 | KUD Krida Sejahtera of GALA | Regency of Tulang Bawang | - | Via telephone | 20 April 2021 | √ | |
| 2 | Surrounding Village representatives from the Village of: • Bogatama, • Bangun Rejo • Sukarami | Regency of Tulang Bawang | - | Via telephone | 20 April 2021 | √ | |
| 3 | Gender Committee of GALA | Regency of Tulang Bawang | - | Via telephone | 20 April 2021 | √ | |
| 4 | Surrounding Village representatives from the Village of: • Talang Batu • Tri Rejomulyo • Bujung Buring • Wirabangun | Regency of Tulang Bawang | - | Via telephone | 21 April 2021 | √ | |
| 5 | EFB and Civil Contractor | Regency of Tulang Bawang | - | Via telephone | 22 April 2021 | √ | |
| 6 | Agricultural Agency | Mesuji Regency | - | Via telephone | 19 April 2021 | √ | |
| 7 | Environment Agency | Mesuji Regency | - | Via telephone | 19 April 2021 | √ | |
| 8 | National Land Agency | Mesuji Regency | - | Via telephone | 19 April 2021 | √ | |
| 9 | Manpower and Transmigration Agency | Mesuji Regency | - | Via telephone | 20 April 2021 | √ | |
| 10 | Wahana Lingkungan Hidup Indonesia | South Jakarta City, Special Region of Jakarta Province, 12790 | info@walhi.or.id | Questionnaire via email | 8 April 2021 | - | ✓ |
| 11 | World Wide Fund for Nature | West Jakarta City, Special Region of Jakarta Province, 12540 | wwf-indonesia@wwf.or.id | Questionnaire via email | 8 April 2021 | - | ✓ |
| 12 | Sawit Watch | Bogor, West Java Province, 16121 | info@sawitwatch.or.id | Questionnaire via email | 8 April 2021 | - | ✓ |
| 13 | AMAN | Special Region of Jakarta Province | rumahaman@cbn.net.id | Questionnaire via email | 8 April 2021 | - | ✓ |

Appendix 2. Assessment Program

Remote Audit

| Date | 06 and 8 May 2020 | |
|--------------------------------|---|---------------------|
| Audit Program | Clauses To Be Audited | Auditor |
| Wednesday, 6 May 2020 | | |
| 08.00 – 09.00 | Remote Audit Opening Meeting of Sungai Buaya Mill (recorded Video Conference) <ul style="list-style-type: none"> Opening speech and discussion of remote audit mechanism Presentation of audit objective, audit scope, audit plan discussion, determine of audit sample, transparency and confidentiality clarification) | Auditor Team |
| 09.00 – 12.00 | Document verification | All Auditor |
| 12.00 – 13.00 | Break | All Auditor |
| 13.00 – 15.30 15.30 – 16.00 | Document verification Presentation of daily audit progress | All Auditor |
| Friday, 8 May 2020 | | |
| 08.00 – 12.00 | Document verification | All Auditor |
| 12.00 – 13.00 | Break | All Auditor |
| 13.00 – 15.00 | Auditor internal discussion for closing meeting preparation | All Auditor |
| 15.00 – 16.00 | Remote Audit Closing Meeting of Sungai Buaya Mill (recorded Video Conference) <ul style="list-style-type: none"> Presentation of audit findings (noteworthy positive component, non conformities, OFI, timeline of CAR's, conclusion) Comments, responses and questions | All Auditor |

Onsite Audit

| DATE | 18 to 26 April 2021 | |
|-------------------------------|--|--|
| PROGRAM | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Sunday, 18 April 2021 | | |
| 09.05-10.00 | • Flight from Jakarta to Bandar Lampung (GA 072) | • ALL |
| 10.00 – 17.00 | • Bandar Lampung to Mess SBYE | • ALL |
| Monday, 19 April 2021 | | |
| 08.00 – 09.00 | • Opening Meeting | • ALL |
| 09.00 – 12.00 | • Stakeholders Meeting with BPN, DISBUN, DISNAKER, & DLH of Tulang Bawang Regency by phone | • HRK |
| | • Stakeholders Meeting with BPN, DISBUN, DISNAKER, & DLH of Mesuji Regency by phone | • ELW + MAR |
| | • Stakeholders Meeting with Community Leaders, Previous Land Owners (SBYE) by phone | • HRK |
| | • Stakeholders Meeting with Gender Committee, & Worker Union (SBYE & SBYM) by phone | • ELW + MAR |
| | Field Observation to SBYE • Replanting, Nursery, Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Water Management, EFB Application, OHS aspects, Worker Welfare (payments, complaint mechanism) | • MAR |
| 12.00 – 13.00 | • Legal operational & High Conservation Value Area, Domestic Waste Management | • TNB |
| | • Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Fire Fighting facilities, Storage, etc. | |
| 12.00 – 13.00 | • Break | • ALL |
| 13.00 – 16.00 | Field Observation to SBYM • Workshop, Chemical Storage, WTP, Fire Fighting Simulation, EFB station • Loading Ramp (Grading), Grading Station, Processing Station • Security, Weighbridge Station, CPO Storage Tank, Palm Kernel Silo/Bulk (Supply Chain) • Effluent Ponds, Land Application (LA), WTP, Water Inlet, Housing Complex | • TNB • MAR • HRK • ELW + MAR |
| Tuesday, 20 April 2021 | | |
| 07.00 – 10.00 | • Travelling from Mess SBYE to Mesuji KKPA | • ALL |
| 10.00 – 12.00 | Field Observation to MSJA • Replanting, Nursery, Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Water Management, EFB Application, OHS aspects, Worker Welfare (payments, complaint mechanism) | • MAR |
| | • Legal operational & High Conservation Value Area Domestic Waste Management | • HRK |
| | • Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Fire Fighting facilities, Storage, etc. | • TNB |

| | | |
|---------------------------------|--|--|
| | <ul style="list-style-type: none"> Stakeholders Meeting with Community Leaders, Previous Land Owners, Cooperative Board (MSJA) by phone | <ul style="list-style-type: none"> ELW + MAR |
| 12.00 – 13.00 | <ul style="list-style-type: none"> Break | <ul style="list-style-type: none"> ALL |
| 13.00 – 16.00 | Travelling from Mesuji KKPA to Mess SBYE | <ul style="list-style-type: none"> ALL |
| Wednesday, 21 April 2021 | | |
| 07.00 – 08.30 | <ul style="list-style-type: none"> Travelling from Mess SBYE to Gedung Aji Lama KKPA | <ul style="list-style-type: none"> ALL |
| 08.30 – 12.00 | Field Observation to GALA Replanting, Nursery, Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Water Management, EFB Application, OHS aspects, Worker Welfare (payments, complaint mechanism) | <ul style="list-style-type: none"> MAR |
| | <ul style="list-style-type: none"> Legal operational & High Conservation Value Area, Domestic Waste Management Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Fire Fighting facilities, Storage, etc. | <ul style="list-style-type: none"> TNB ELW + MAR |
| | <ul style="list-style-type: none"> Stakeholders Meeting with Community Leaders, Previous Land Owners, Cooperative Board (GALA) by phone | <ul style="list-style-type: none"> HRK |
| 12.00 – 13.00 | <ul style="list-style-type: none"> Break | <ul style="list-style-type: none"> ALL |
| 13.00 – 15.00 | <ul style="list-style-type: none"> Travelling from Gedung Aji Lama KKPA to Mess SBYE | <ul style="list-style-type: none"> ALL |
| 15.00 – 16.00 | <ul style="list-style-type: none"> Document Verification & Clarification of Field Observation Result | <ul style="list-style-type: none"> ALL |
| Saturday, 24 April 2021 | | |
| 08.00 – 12.00 | Verification on previous assessment and document review <ul style="list-style-type: none"> Environment, Social, GHG Aspects Legal, Contractor, SCCS, Time Bound Plan, Partial Certification Best Management Practices & Transparencies Aspects OHS & Worker Welfare Aspects | <ul style="list-style-type: none"> ELW + MAR HRK MAR TNB |
| 12.00 – 15.00 | <ul style="list-style-type: none"> Break | <ul style="list-style-type: none"> ALL |
| 15.00 – 17.00 | <ul style="list-style-type: none"> Closing Meeting | <ul style="list-style-type: none"> ALL |
| Sunday, 25 April 2021 | | |
| 07.00 – 14.00 | <ul style="list-style-type: none"> Travelling from Mess SBYE to Bandar Lampung | <ul style="list-style-type: none"> ALL |
| 14.00 - ... | <ul style="list-style-type: none"> Swab Antigen/PCR | <ul style="list-style-type: none"> ALL |
| Monday, 26 April 2021 | | |
| 10.45 – 11.40 | <ul style="list-style-type: none"> Flight from Bandar Lampung to Jakarta (GA 073) | <ul style="list-style-type: none"> ALL |