

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management : **Sungai Merah Mill – PT Sumber Indah Perkasa, subsidiary of Golden Organisation**
 Organisation : **Agri Resources Ltd**
 Plantation Name : **PT Sumber Indah Perkasa – Sungai Merah Estate and KKPA Gedung Aji Baru**
 Location : **Village of Sidomukti, Sub-District of Gedung Aji Baru, District of Tulang Bawang, Province of Lampung, Indonesia**
 Certificate Code : **MUTU-RSPO/131**
 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	04 to 05 May 2020	Arif Faisal Simatupang (Lead Auditor), Dwi Haryati, Bayu Yogatama, Johannes Pandiangan (Auditor Trainee)	Ardiansyah	Octo H.P.N Nainggolan
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Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.1 & ASA 1.2	04 June 2021

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Figure 1. Location Map of PT Sumber Indah Perkasa

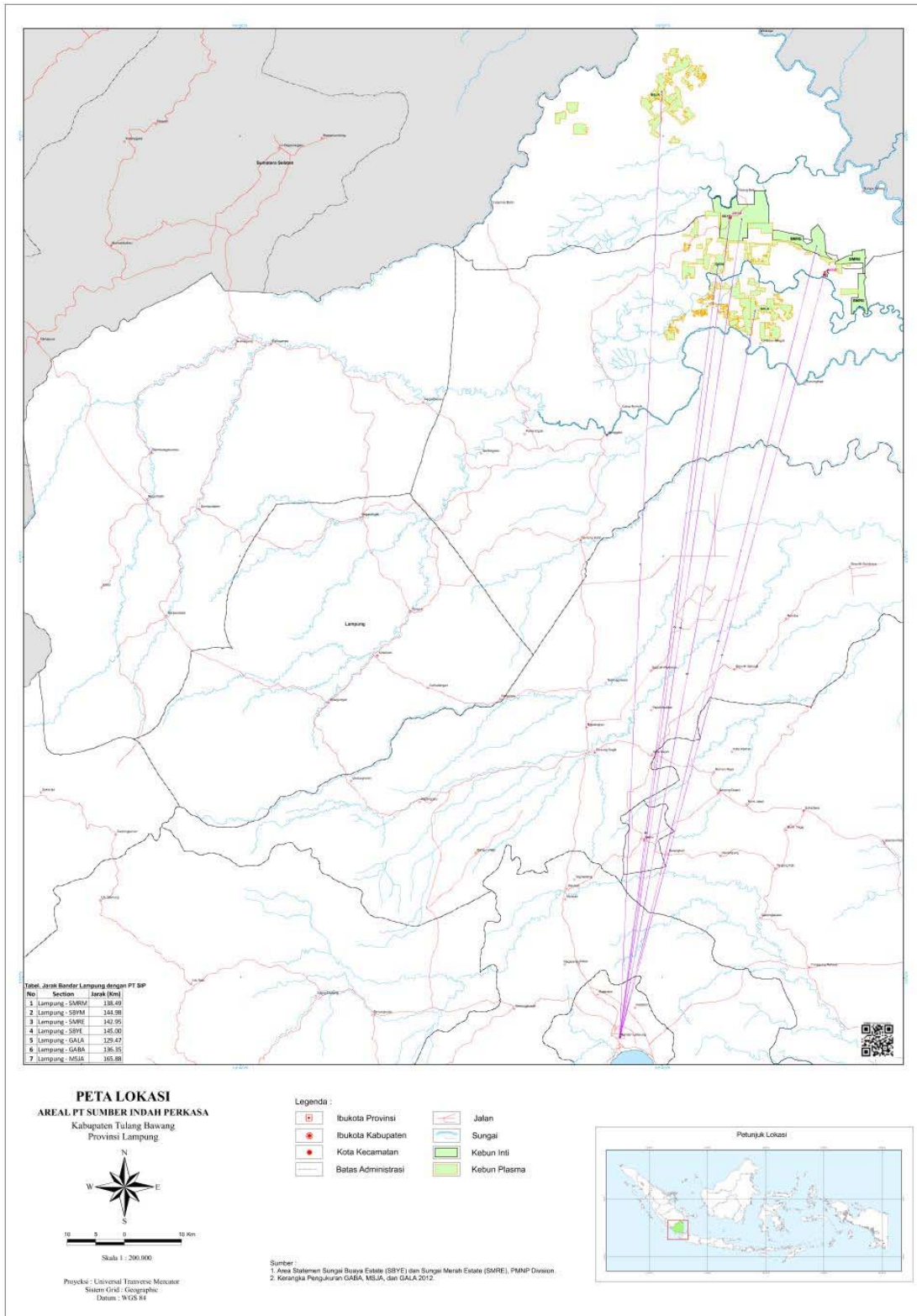


Figure 2. Operational Map of Sungai Merah Estate

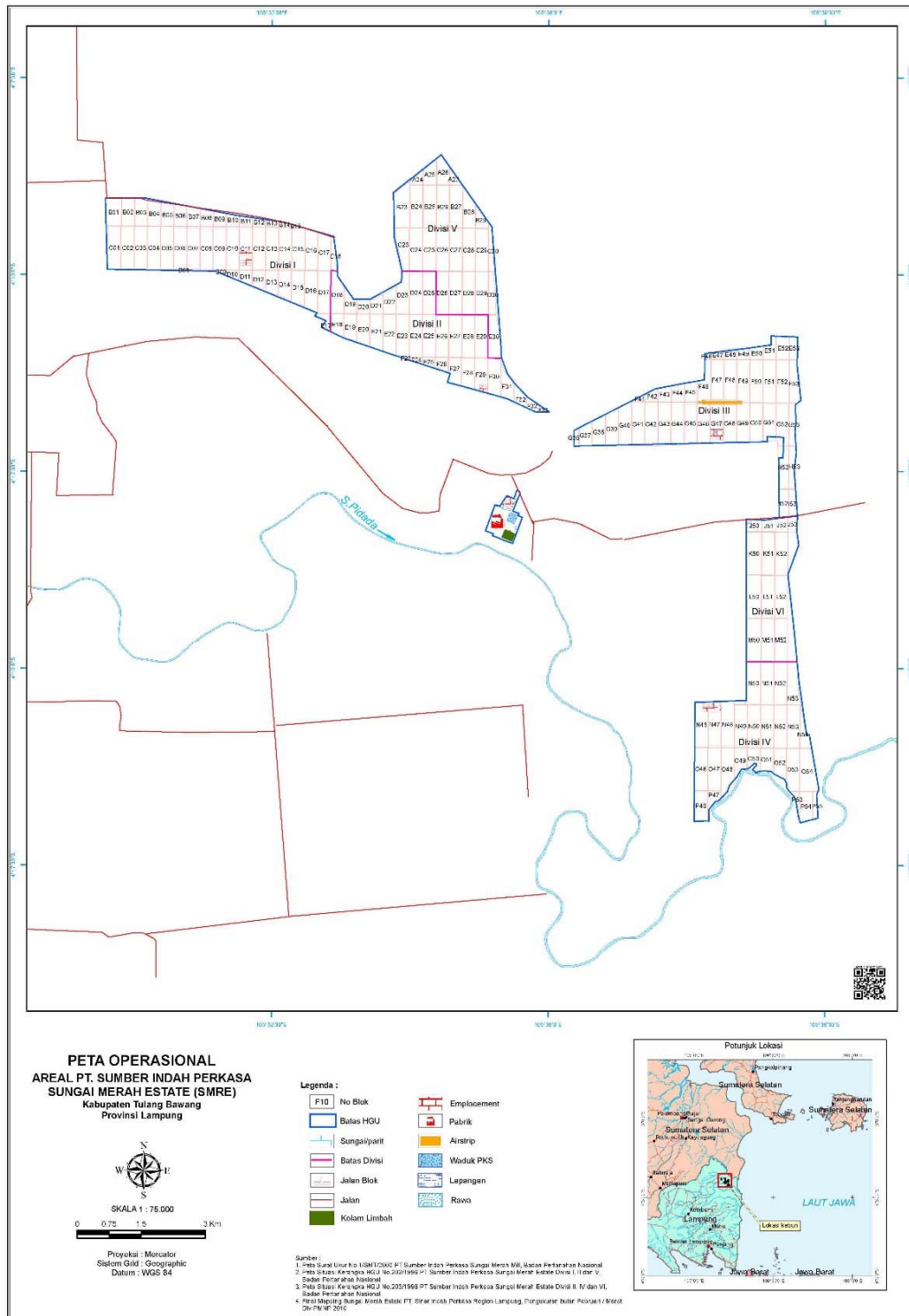
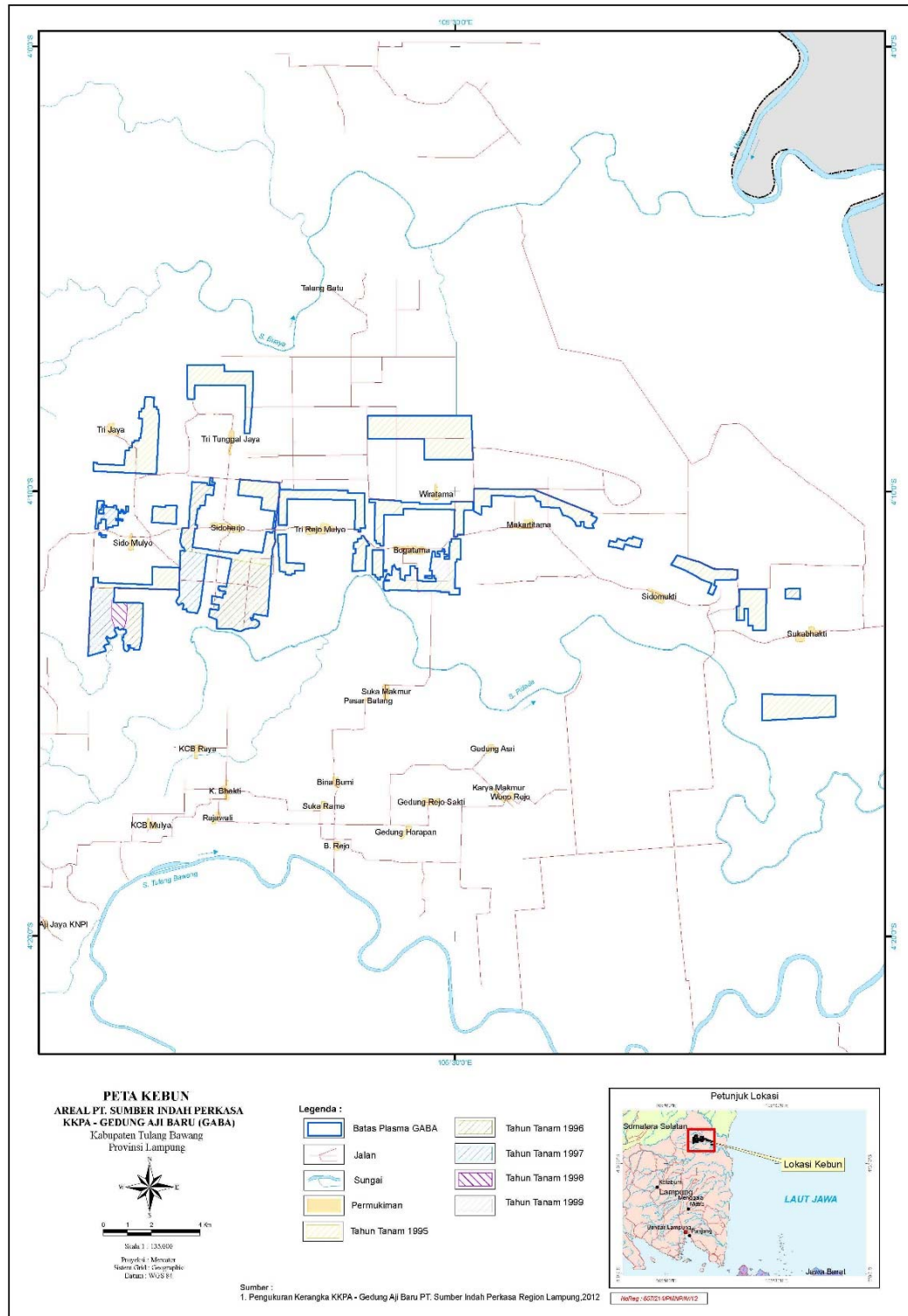


Figure 3. Operational Map of KKPA Gedung Aji Baru



Abbreviations Used

ANDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental Impact Assessment)
AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Environment Impact Assessment)
ASA	:	Annual Surveillance Audit
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency
CB	:	Certification Body
COD	:	Chemical Oxygen Demand
CSR	:	Corporate Social Responsibility
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i> (Environment Evaluation Document)
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
FR	:	Frequency Rate
FS	:	Fertiliser
GABA	:	Gedung Aji Baru
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
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
KER	:	Kernel Extraction Rate
KKPA	:	<i>Koperasi Kredit Primer Anggota</i> (cooperative)
KSB	:	Kernel Silo Bin
LKUP	:	<i>Laporan Kegiatan Usaha Perkebunan</i> (Plantation Business Activity Report)
LSU	:	Leaf Sampling Unit
MSDS	:	Material Safety Data Sheet
MSJA	:	Mesuji Estate
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)
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
RKL-RPL	:	<i>Rencana Pengelolaan Lingkungan – Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil

SBYE	:	Sungai Buaya Estate
SBYM	:	Sungai Buaya Mill
SDN	:	Sekolah Dasar Negeri (National Elementary School)
SMRE	:	Sungai Merah Estate
SMRM	:	Sungai Merah Mill
SHM	:	<i>Sertifikat Hak Milik</i> Land title
SIP	:	Sumber Indah Perkasa
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
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 2020RSPO 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 Merah 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@sinarmas-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 Merah Mill and its supply base, i.e. Sungai Merah Estate and KKPA Gedung Aji Baru	
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 Merah Mill (SMRM)	Sidomukti Village, Gedung Aji Baru Sub-District, Tulang Bawang District, Lampung Province, Indonesia	S 04° 13' 06" E 105° 35' 20"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Sungai Merah Estate (SMRE)	Sidang Gunung Tiga Village, Rawajitu Utara Sub-District, Mesuji District, Lampung Province, Indonesia	S 04° 12' 01" E 105° 38' 05"
	KKPA Gedung Aji Baru (GABA) 5,925 members of smallholders	Sidoharjo Village, Penawartama Sub-District, Tulang Bawang District, Lampung Province, Indonesia	S 04° 09' 46" E 105° 26' 24"

1.5	Description of Area Statement			
1.5.1	Tenure			
	• State (HGU SMRE + HGB SMRM)		4,046.01	Ha
	• Community (SHM GABA)		4,505.75	Ha
1.5.2	Area Statement			
		Own Estate (Ha)	Smallholders (Ha)	Total (Ha)
	• Total Area	4,046.01	4,505.75	8,551.76
	• Planted Area	3,944.72	4,505.75	8,450.47
	• Mature Area	2,398.27	4,505.75	6,904.02
	• Immature Area	1,546.45	-	1,546.45
	• Road	79.95	-	79.95
	• Mill & Building	21.34	-	21.34
*27.48 Ha of HCV (Putuk and Camp River) are located in the planted area				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Sungai Merah Estate	KKPA of Gedung Aji Baru	Total
	1991	503.03	-	503.03
	1992	513.19	-	513.19
	1993	298.57		298.57
	1994	245.77	-	245.77
	1995	-	3,115.25	3,115.25
	1996	452.91	605	1,057.91
	1997	-	377	377.00
	1998	-	71	71.00
	1999	-	337.5	337.50
	2000	266.41	-	266.41
	2001	19.95	-	19.95
	2004	98.44	-	98.44
	Sub Total Mature	2,398.27	4,505.75	6,904.02
	2018	156.47	-	156.47
	2019	551.11	-	551.10
	2020	838.88	-	838.88
	Sub Total Immature	1,546.45	0	1,546.45
	TOTAL	3,944.72	4,505.75	8,450.47
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 Merah Mill	60	551,928.86	108,469.80	19.76	26,898.58	4.90
	*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 Merah Estate	4,046.01	2,398.27	82,206.37	10.41	82,206.37	100
	KKPA of Gedung Aji Baru	4,505.75	4,505.75	181,112.38	20.09	181,083.85	99.98
	TOTAL	8,551.76	6,904.02	263,318.75	15.58	263,290.22	99.98
	*Production data source from April 2019 to March 2021 *Yield = FFB (tonnes/year) : (2 x Planted Area) *Part of GABA FFB is sent to SBYM with a total amount of 28,53 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)		
	Certified Source						
	KKPA of Gedung Aji Lama	Scheme Smallholders	5,553	5,005.25	85,727.45		
	Sub Total RSPO Certified from other source					85,727.45	
	Uncertified Source						
	Sungai Buaya Estate	PT SIP	-	99.89	4,339.73		
	Sungai Merah Estate	PT SIP	-	241.54	11,793.37		
	PT Prima Alumga	Independent Outgrower	-	-	186,725.08		
	Sub Total RSPO Non-Certified from other source					202,858.18	
	TOTAL					288,585.63	
		*Production data source from April 2019 to March 2021					
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 to March 2021	
	FFB Processed scheme			388,227.06		349,017.67	
	CPO Production			73,690.14		68,868.54	
	Palm Kernel (PK) Production			17,980.32		17,215.57	
1.8.2	Product selling						
	Type of selling product			Actual selling product for April 2019 to March 2021 (MT)			
	CSPO sold as RSPO certified product			42,127.73			
	CSPK sold as RSPO certified product			16,783.32			

	CSPO sold under other scheme		26,323.51					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		335.30					
	CSPK sold as conventional		0					
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 Merah Estate		4,046.01	2,398.27	42,220	17.60		
	KKPA of Gedung Aji Baru		4,505.75	4,505.75	92,780	20,59		
	TOTAL		8,551.76	6,904.02	135,000	19.55		
	*Projected FFB production for 12 months							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Sungai Merah Mill	60	135,000	27,000	20.00	6,700	4.96	MB
	*Projected CSPO and CSPK production for 12 months							
1.9	Other Certifications							
	ISCC			SMRM: EU-ISCC-Cert-ID215-23200735 valid from 15 July 2020 to 14 July 2021. Krida Sejahtera Cooperative: EU-ISCC-Cert- ID215-23200736 valid from 15 July 2020 to 14 July 2021.				
	ISPO			SMRM & SMRE: IDN 26200002 valid from 19 August 2020 to 18 August 2025.				
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	
			2022	Sawit Mas Estate (HGU on progress – 2,291 Ha)	2022		-	
		Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	Sumatera Selatan Province	Certified	
			2022	Bumi Sawit Estate (HGU on progress – 773.39 Ha)	2022		-	
		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	2022		-	

			Pandawa)				
	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 Palmindo Biliton Berjaya)	2023		-	
			Tanjung Sawit Plasma (PT Palmindo 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 (PT Kencana Graha Permai)	2014	Kencana Estate	2015	Kalimantan Barat Province	Certified	
			Cendana Estate	2015		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 Pangi 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 Prima Cipta Mandiri)	2022		-	
	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	2023	Jalemo Estate	2023	Kalimantan Tengah	-	

	(PT Agro Lestari Sentosa)		Kajui Estate (PT Agro Lestari Sentosa)	2023	Province	-	
			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	
			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	
			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	2022		-	

			process – 59.79 Ha)				
			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		-	
<p><i>TBP is approve on January 2021.</i></p> <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 							

	<ul style="list-style-type: none"> • 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 estate (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 Tapan Nadenggan (Log Buluh Estate and Bukit Subur Estate) 11. PT Satya Kisma Usaha (Sungai Bengkal Estate, Kilis Estate and Sungai Bengkal KKPA) 12. PT Bumipalma Lestari Persada (Bumi Palma Estate)
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard
	Sungai Merah Mill receive FFB from own estate and scheme smallholder. The scheme smallholders has been RSPO Certified.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
Remote ASA 1.1	<ol style="list-style-type: none"> 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. 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 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. Johanes 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.
Onsite ASA- 1.1 & ASA- 1.2	<ol style="list-style-type: none"> Trismadi Nurbayuto (Lead Auditor). 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; 45000); 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. Mohamad Amarullah. 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 audit scheme as an Auditor since 2014 in BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. During this assessment verified Best Management Practices, Transparency, and Worker Welfare. 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

	<p>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 ASA 1.1 document review: 6 Working days</p>
Onsite ASA-1.1 & 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 ASA-1.1 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 resertification 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 & 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 4 – 5 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 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).</p> <p>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.</p> <p>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</p>

	(MUTU) and part of ASA-1.1 & 1.2.
2.2.3	Locations of Assessment
Onsite	SMRE
ASA-1.1 & 1.2	<ol style="list-style-type: none"> Boundary stone (BPN 034), block P53, Division 4. Observation the boundary stone condition. Boundary stone (BPN 24), block B01, Division 1. Observation the boundary stone condition. Boundary stone (BPN 26), block B01, Division 1. Observation the boundary stone condition. Trenches, Block O50, Division 1. Observation about wildlife/crocodile warning signboard. Landfill, Block M50, Division 4. Observation about domestic waste management. Land Application, Block S47, Division 3. Observation about effluent distribution to the permitted areas. Non Land Application Well Control, Block S37, Division 3. Observation about well control and environment aspect. Fire Control Tower, Block R47, Division 3. Observation about fire control tower and OHS aspect. Land Application Well Control. Observation about well control and environment aspect. Division 2 Block T21. Observation to replanting on peat 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, hole trap and net trap). Division 3 Block S45. Observation to pesticide application activities. Pesticide applied was Cymbush for <i>Oryctes</i> population control. Sighted workers PPE, first aid box brings by Foreman (initial AY), information board on pesticide application and hazardous symbols on work devices. Applicators observed with initial EL, SP, PN and EP (all female). Division 3 Block R47. Observation to leaf eating caterpillar census by 2 worker (initial RR and RZ), fire monitoring tower with height 20 m and immature area that planted in 2019. Sighted PPE used by workers, land cover crop condition, integrated pest management conducted (beneficial plants, barn owl box, light trap, pheromone trap, hole trap and net trap). Division 5 Block D28. Observation to barn owl box (active), piezometer (on level 26 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 0.60 cm/year. Sighted field drain pattern 1:4. Division 5 Block B29. Sighted Water Gate (closed) where located in adjacent with PT SIP Canal that connected to Campa river and PT Prima Alungga. Water level measured during visit is at 20 cm (after rain). Division 5 Block B25/26. Observation to harvesting team activities which consist of harvesters and loosefruit pickers. Sighted workers PPE, FFB platform, first aid box brings by Foreman (initial CN). Harvester team observed with initial MS and PR. Workshop. Observation regarding to environmental and OHS aspect. Chemical Store and CaCO₃ Storage. Observation regarding to environmental and OHS aspect. Lubricant Storage. 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. EFB Storage. Observation regarding to environmental aspect. Hydrant No. 3. Observation regarding simulation of emergency response of Hydrant No. 3.
	SMRM
	<ol style="list-style-type: none"> Effluent Treatment Plant. Observation for OHS and waste management. Housing complex. Observation regarding environment and OHS aspect. Water inlet from Buaya River. Observation regarding to environment and OHS aspect. FFB Grading Station. Observation to Foreman (initial PS) and 2 FFB Grader activities (initial YW and AS). Loading Ramp Station. Observation to 7 loading ramp operators. Sterilizer Station. Observation to 3 sterilizer operators (initial KR, TL and MR). Tippler/Threshing Station. Observation to 2 operators (initial PS and EJ). Press Station. Observation to 1 operator (initial KR). Nut and Kernel Station. Observation to 2 operators (initial MH and DI). Engine Room. Observation to 1 operator (initial BD). Sighted 3 Generators with capacity 152 kVA, 385 kVA and 450 kVA, as well as 2 Turbine with capacity each for 1,500 kVA that operated in 3 shift

	<p>11. Boiler Station. Observation to 3 operators (initial AS, MB and HR). Sighted 2 set Boiler with capacity 2 x 20 ton/hour that runs simultaneously in 2 shift.</p> <p>12. Laboratory. Observation to 1 lab analyst. Sighted hazardous and hazardous waste management.</p> <p>13. 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.</p> <p>14. Fertilizer Storage. Observation regarding to environmental and OHS aspect.</p> <p>15. Agrochemical Storage. Observation regarding to environmental and OHS aspect.</p> <p>16. Lubricant Storage. Observation regarding to environmental and OHS aspect.</p> <p>17. Diesel Fuel Tank. Observation regarding to environmental and OHS aspect.</p> <p>18. Workshop. Observation regarding to environmental and OHS aspect.</p> <p>19. Hazardous Waste Storage. Observation regarding to environmental and OHS aspect.</p> <p>20. Emergency Response Tools Storage. Observation regarding to availability of emergency response tools and emergency response simulation.</p> <p>21. Rinse House & Pesticide Mixing House. Observation regarding to environmental and OHS aspect.</p> <p>22. Landfill (Division 2 Block C21). Observation regarding to environmental aspect.</p> <p>GABA</p> <p>1. Division V.1 Block B42. Observation to pesticide application activities. Pesticide applied was Roll Up mixed with Erkaforon, sprayed on palm circle and harvesting path. Sighted workers PPE, first aid box brings by Foreman (initial NR), information board on pesticide application and hazardous symbols on work devices. Applicators observed with initial AF, PY and NG (all male).</p> <p>2. Division V.1 Block A95. Observation to the barn owl box No. 3 (active) and harvesting team activities which consist of harvesters and loosefruit pickers. Sighted workers PPE, FFB platform, first aid box brings by Foreman (initial UR).</p> <p>3. Herbicide Storage. Observation regarding to environmental and OHS aspect.</p> <p>4. Fertilizer Storage. Observation regarding to environmental and OHS aspect.</p> <p>5. Diesel Fuel Tank. Observation regarding to environmental and OHS aspect.</p> <p>6. Lubricant Storage. Observation regarding to environmental and OHS aspect.</p> <p>7. Camp River Riparian. Block C07. Observation regarding manajemen of HCV</p> <p>8. Elder Cemetery. Observation regarding manajemen of HCV</p>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
Onsite ASA-1.1 & 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 April 8th, 2021. 2. Public consultation meeting with internal stakeholders (worker union, committee gender and local communities) by interviews at April 19th, 22nd, 23rd, April 2021. 3. Stakeholder consultations with local community have been conducted on 19th, 22nd, 23rd, April 2021. Stakeholder consultations with government have been conducted by phone call to several governments in Mesuji and Tulang Bawang Regencies on April 19th, 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 Merah 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 one (1) opportunity for improvement were identified.

MUTUAGUNG LESTARI found that Sungai Merah 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 20th 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 to 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 SMRM unit, summarized in the following Table:		
	Agency	Report Date of Delivery
	Land Agency	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 2021
		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.		

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/II/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 July 2019 from Manpower Regency of Mesuji about bipartite meeting Semester I 2019 report had responded on the same date.
- Letter-In dated 05 October 2019 from Manpower Agency of Lampung Province about P2K3 Quarter III 2019 report had responded on the same date through Letter No. P2K3/SMK3-SMRE/X/2019.03.
- Letter-in dated 05 April 2021 from Manpower Agency of Lampung Province about P2K3 quarter 1 2021 report had responded through Manager Letter No. 123/PD/SMRM-P2K3/SMK3/IV/2021 dated 13 April 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:

- SMRM: the list has updated on 06 February 2021, consist of 3 elders, 9 villages and agencies representatives, 3 suppliers and contractors, 1 labor union representative and 1 gender committee representative.
- SMRE: the list has updated on 08 March 2021, consist of 1 elder, 10 villages and agencies representatives, 1 contractor, 2 labor union representatives and 1 gender committee representative.
- GABA: the list has updated on 15 January 2021, consist of 5 elders, 16 village representatives, 2 contractors/suppliers 2 labor union representatives, 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 had conducted on 30 January 2020 and 15 February 2021, as well as to contractors and other stakeholders on 04 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 TBS 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 30 January 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

Legal Compliance

The unit certification has been shown the legal compliance toward Indonesia law such as HGU and HGB that described in more detail in indicator 4.4.1. The total area of HGU and HGB is 4,046.01 ha. In addition, there is also associated smallholder with an area of 4,505.75 ha. So that the total scope of certification is 8,551.76 ha.

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.

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.

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 3305/TK3-LIST/IX/2020-P01 dated 7 September 2020.
- Boiler operator License from Manpower Minister with number P.05.578.OPK3-PUBT-B.II/III/2020 dated 10 August 2020.

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 Hazardous Waste Storage for SBYE, GABA, SMRM and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.9/TB/VI/2017 dated 29 May 2017, valid for five years (2022).

- Permit of Hazardous Waste Storage 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).
- Permit of Domestic Liquid Waste Disposal (SMRM) based on the Decree of Head of Environment Agency of Tulang Bawang Regency No. 660/V.29/TB/III/2020 on 4 March 2020 and is valid for 5 (five) years.

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 K3 (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 manower 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 year 2021 concerning 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 27 boundary pole for covering an area of 2,088.13 ha and 38 boundary pole covering an area of 1,899.68 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.

Based on the field observation to BPN boundary pole number 034 in block P53 Division 4 and BPN boundary pole number 24 and 26 in Block B01 Division 1 SMRE, it was found that the boundary pole were in good condition and well maintained.

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:

- SMRE : Sri Utami as FFB transport contractors
- SMRM : Triyono and Eko Rudianto as civil and mechanical contractors also PT Prima Alumga as an FFB supplier
- MSJA: Dalmadi and Alamsyah as the FFB transporter

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 : 004-GABA/SPK-L/I/2021-FFB Transport dated Januari 26, 2021 between the company and Tumin Handoko. In addition, can also be shown work agreement with the FFB supplier as stated in the certificate no or 03 / SMS / TBS / 12/2020 dated 30 December 2020 which states that while the work agreement is in process, it still refers to *SPK* No.001 / TBS / SMS-PAL / XII / 2019

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. Commitment not to hiring employees of human trafficking and forced labor listed in a contractor commitment signed by each contractor

Based on the interviews with representatives of SMRE and SMRM 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 underage children, child protection, and commitment to comply with applicable laws in Indonesia.

The certification unit also conducts routine checks through the contractor evaluation mechanism to ensure compliance with applicable legal aspects such as the fulfillment 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 Mill receive FFB directly from scheme smallholder of KKPA of Gedung Aji Baru and KKPA of Gedung Aji Lama. Meanwhile, the third party supplier is PT Prima Alumga The company has had document of identification called Supplier List of Sungai Merah Mill, cover the information of the name of suppliers, address, geo coordinate, land title status, plantation permit, certification status, and management representative and contact number. Both supplier has been complied in term of land title and plantation permit.

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 (SMRM 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)	287,807	259,347	270,270	249,090
CPO production (mt/year) – OER 20.11 %	57,878	52,155	54,351	50,092
Kernel production (mt/year) – KER 4.97 %	14,304	12,890	13,432	12,380
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)	1,481.64	1,438.18	562.00	1,415.81

Unit of certification informed that there are no plan for increment of SMRM 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	SMRE	GABA
2020	1,481.64	-
2021	842.93	595.25
2022	-	562.00
2023	408.81	1,007.00
2024	-	1,073.00
2025	-	1,268.50
Total	2,733.38	4,505.75

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 totaling about 838.88 ha.

3.1.3

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

- Regional controller of Lampung inspection dated 10-20 September 2019 which inform 3 notes that need to be improved. All notes have been complied on October 2019.
- RSPO and SCCS internal audit report dated February 2020. Audit was conducted by five internal auditors on 27 January to 05 February 2020, resulting in full compliance towards indicators verified. Management review on this matter has been 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 pursuant to 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 parameters checked are work environment condition, PPE, emergency situation, proper work tools/devices and equipments, work condition with special requirement (permit, license, etc.), safety symbols, contractor competencies and business ethics conformity.
- Annual Finance report that had been 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 aim to monitor consistency of continuous improvement in every aspect, as shown through RSPO and SCCS internal audit report dated February 2020. Audit was conducted by five internal auditors on 27 January to 05 February 2020, resulting in full compliance towards indicators verified. Management review on this matter has been 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:

- Harvesting record digitalization using the e-Fact program that started since 2019, which aims to reduce paper work.
- 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

There 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 Ton FFB/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 Assesment of PT Sumber Indah Perkasa including GABA 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 questionnaire 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, Sukarama, 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, Sukarama 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 Sumber Jaya Village representative, impact of dust in dry season is disrupt people's activities and a lot of flies appear in the housing during rainy season. Based on document review, unit of certification has identified these issues and established the follow-up actions. For example, to reduce the impact of dust, the company routinely sprinkles roads routinely. 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 analyzed 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, Sukarama, 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, Sukarama 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) 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 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 Jaya	Once a month
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 05/SMRM/12/2020 dated 24 December 2020 with initial KDRM. All of worker right been paid by the company.
- Work performance appraisal with several parameters: 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	
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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 8 October 2020, it was known about COVID-19 preventive protocol implementation, PPE's using, signboard maintenance, OHS training evaluation and other.
- OHS meeting dated 15 January 2021, it was known about the MCU been conducted on 19 – 21 December 2020, OHS training evaluation, and other.

Status: Comply	
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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 :

- SMRM: First Aid and MSDS training in February 2020/2021; Fire, Emergency Response Team Training, and Chemical Handling in March 2020.
- SMRE: First Aid, MSDS, Chemical Handling Management in March 2020.
- GABA: First Aid Officer Training, APAR Use, Handling Chemical in March 2020.

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.

The unit of certification been record the personal training record, for example: tractor operator license number 111680-OPK3-LT/PAA/IV/2018 dated 30 January 2017 and boiler operator license number P.11.1539-OPK3-PUBT-B.I/II/2017 dated 30 January 207.

3.7.3

The Unit 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 SMRM 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 MB.

	Status: Comply	
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3.8
Supply Chain Requirements for Mills
3.8.1

The Mill only implement MB Module.

3.8.2

Based on document verification, the Mill implements the MB Module, which is received both FFB from certified and uncertified sources. Verification of Mass Balance record, the Mill has been recorded well the separation of FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

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 to March 2021	Estimate Production of 12 month (MT)
FFB	388,227.06	349,017.67	135,000
CSPO	73,690.14	68,868.54	27,000
CSPK	17,980.32	17,215.57	6,700

Since the last period of assessment, Sungai Merah Mill 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 SMRM extended every three months since the license expired 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
15 January 2020		7,196	507	356
03 July 2020	3,618	10,493	2,302	316
11 August 2020	14,213	41,203	12,356	2,912
08 December 2020	35,911	-	6,670	1,641
21 January 2021	-	83,032	8,562	2,145
13 April 2021			3,026	634

3.8.4

Sungai Merah 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 Merah Mill – PT Sumber Indah Perkasa with License ID CB86449, and Member ID RSPO_PO1000001343.

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

SOP of RSPO Supply Chain Model of Mass Balance (No. PT.SIP-SMRM/SOP/SCCS-MB/23 dated 17 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 28 February 2020.

The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified 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 SMRM 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 :

April 2019 – March 2020

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
April-19	10,130.97	6,296.60	16,427.57

May-19	11,110.74	7,667.05	18,777.79
Jun-19	12,519.90	9,008.58	21,528.48
Jul-19	14,624.73	6,344.16	20,968.89
Aug-19	14,577.11	7,612.19	22,189.30
Sep-19	20,300.53	9,932.30	30,232.83
Oct-19	21,760.56	11,217.40	32,977.96
Nov-19	20,906.78	13,055.43	33,962.21
Dec-19	18,389.32	7,337.15	25,726.47
Jan-20	14,818.96	7,044.06	21,863.02
Feb-20	9,681.56	6,319.19	16,000.75
Mar-20	7,351.29	6,427.05	13,778.34
Total	176,172.50	98,261.16	274,433.60

April 2020 – March 2021

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
Apr-20	6,444.45	6,780.56	13,225.01
Mei-20	6,084.13	7,628.97	13,713.10
Jun-20	7,257.24	8,000.38	15,257.62
Jul-20	6,000.68	3,157.31	9,157.99
Agu-20	5,910.61	2,775.91	8,686.52
Sep-20	10,983.45	4,986.69	15,970.14
Okt-20	21,581.93	7,984.56	29,566.49
Nov-20	25,438.72	12,495.16	37,933.88
Des-20	25,527.01	14,299.27	39,826.28
Jan-21	22,892.71	12,992.57	35,885.28
Feb-21	17,017.16	10,522.91	27,540.07
Mar-21	17,707.13	12,972.73	30,679.86
Total	172,845.22	104,597.02	277,442.24

Total certified FFB that accepted in period of April 2019 – March 2020 are 349,017.67 MT while Non certified FFB is 202,858.18. So that total FFB is 551,875.85 MT

Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT) April 19 – March 21
FFB	388,227.06	349,017.67
CSPO	73,690.14	68,868.54
CSPK	17,980.32	17,215.57

In early of July 2020, the Mill saw projected overproduction, and informed the CB to request volume extension approved on 03 July 2020 amount of 3,618 MT of FFB, 2,302 MT of CSPO, and 316 MT of CSPK.

Related 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	7,329.93	34,797.80	42,127.73
CSPO sold under other scheme	26,323.51	-	26,323.51
CSPO sold as conventional	-	335.30	-
CSPK sold under RSPO Scheme	8,228.21	8,555.11	16,783.32
CSPK sold under other scheme	-	-	-
CSPK sold as conventional	-	-	-

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 Transation ID : TR-62ad823c-3ec7

Seller Member Name : Sungai Merah Mill Member ID : RSPO_P010000001343 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 : 4800057181 Buyer reference number : 2550/CPO/2551/21/C015	Confirmation Confirmation date : 01/04/2021
Product Details Product name : CSPO Supply chain model :MB Volume : 1,017.17 MT	Traceability Transaction ID : TR-62ad823c-3ec7 Transaction status : confirmed Creation date : 30/03/2021

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)			CPO Dispatch (MT)				Stok CPO		Total
	CSPO	Non-Cert CPO	Total	CSPO	Other Scheme (ISCC)	As Non-Cert	Total CSPO Dispatch	CSPO	Non Certified	
Balance from previous period								472.27	63.87	536.14
Apr-19	2,107.89	1,298.53	3,406.42	1,361.6	583.32	710.13	2,655.05			
Mei-19	2,205.94	1,527.88	3,733.82	87.63	2,297.54	1,760.87	4,146.04			
Jun-19	2,460.87	1,778.21	4,239.08	0	1,698.7	1,709.88	3,408.58			
Closing Monthly ³	6,774.70	4,604.62	11,379.32	1,449.23	4,579.56	4,180.88	10,209.67	1,218.17	487.62	1,705.79
Jul-19	2,742.41	1,194.13	3,936.54	0	3,775.10	1,361.11	5,136.21			
Agu-19	2,833.65	1,497.33	4,330.98	0	2,002.86	1,363.84	3,366.70			
Sep-19	3,808.52	1,876.90	5,685.42	0	3,820.13	1,607.88	5,428.01			
Closing Monthly ³	9,384.59	4,568.35	13,952.94	0	9,598.09	4,332.83	13,930.92	1,004.67	723.14	1,727.81
Oct-19	4,124.99	2,120.43	6,245.42	0	4,204.55	2,035.14	6,239.69			
Nov-19	4,000.42	2,417.81	6,418.23	2,433.03	1,346.28	1,918.38	5,697.69			
Dec-19	3,517.97	1,381.92	4,899.89	547.78	2,306.61	2,106.18	4,960.57			
Closing Monthly ³	11,643.38	5,920.16	17,563.54	2980.81	7857.44	6,059.70	16,897.95	1,809.81	583.60	2,393.40

Jan-20	3,028.65	1,467.35	4,496	0	3,967.03	2,093.19	6,060.22			
Feb-20	2,048.49	1,333.21	3,381.70	1,283.05	321.39	1,705.76	3,310.20			
Mar-20	1,565.20	1,366.07	2,931.27	1,616.84	0	930.64	2,547.48			
Closing Monthly ³	6,642.35	4,166.62	10,808.97	2,899.89	4,288.42	4,729.59	11,917.90	1,263.84	20.63	1,284.47
Total	34,445.02	19,259.75	53,704.77	7,329.93	26,323.51	19,303	52,956.44			

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

Period	All CPO Production (MT)			CPO Dispatch (MT)				Stok CPO		Total
	CSPO	Non-Cert CPO	Total	CSPO	Other Scheme (ISCC)	As Non-Cert	Total CSPO Dispatch	CSPO	Non Certified	
Balance from previous period								607.02	677.00	1,284.47
Apr-20	1,340.27	1,420.14	2,760.41	1,480.43	0	1,686.59	3,167.02			
Mei-20	1,283.22	1,612.31	2,895.53	1,263.42	0	1,604.82	2,868.24			
Jun-20	1,499.35	1,642.05	3,141.40	1,769.72	0	1,892.04	3,661.76			
Closing 3 Monthly	4,122.84	4,674.50	8,797.34	4,513.57	0	5,183.45	9,697.02	216.29	168.05	384.34
Jul-20	1,197.03	626.11	1,823.14	1,142.04	0	629.89	1,771.93			
Agu-20	1,138.68	548.56	1,687.23	1,007.18	0	668.22	1,675.40			
Sep-20	2,043.95	928.03	2,971.98	2,078.41	0	715.42	2,793.83			
Closing 3 Monthly	4,379.66	2,102.69	6,482.35	4,227.63	0	2,013.53	6,241.16	368.31	257.21	625.53
Oct-20	4,065.87	1,483.98	5,549.85	4,120.15	0	1,183.51	5,303.66			
Nov-20	4,846.22	2,426.31	7,272.53	4,986.44	0	2,333.70	7,320.14			
Dec-20	5,229.98	2,810.50	8,040.48	4,933.12	0	3,266.77	8,199.89			
Closing 3 Monthly	14,142.06	6,720.80	20,862.86	14,039.71	0	6,783.98	20,823.69	470.66	194.02	664.69
Jan-21	4,488.90	2,568.13	7,057.03	4,606.65	0	2,487.41	7,094.06			
Feb-21	3,497.11	2,166.98	5,664.09	3,517.65	0	2,152.10	5,669.75			
Mar-21	3,792.94	2,754.43	6,547.37	3,892.63	0	2,722.98	6,615.61			
Closing 3 Monthly	11,778.96	7,489.53	19,268.49	12,016.93	0	7,362.49	19,379.42	232.69	321.07	553.77

Total	34,423.52	20,987.52	55,411.04	34,797.84	0	21,343.45	56,141.29			
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Mass balance record of PK (April 2019 – March 2020)

Period	All PK Production (MT)			CSPK Dispatch (MT)				Stok PK		Total
	CSPK	Non-Cert PK	Total	CSPK	Other Scheme (ISCC)	As Non-Cert	Total PK Dispatch	CSPK	Non Certified	
Balance from previous period								80.65	56.71	137.36
Apr-19	530.49	339.19	869.68	422.85	0	312.67	735.52			
Mei-19	495.35	338.16	833.52	60.59	0	761.85	822.44			
Jun-19	606.20	430.76	1,036.96	726.74	0	341.63	1,068.37			
Closing 3 Monthly	1,632.04	1,108.125	2,740.16	1,210.18	0	1,416.15	2,626.33	502.51	-251.31	251.19
Jul-19	691.94	302.31	994.25	785.59	0	257.65	1,043.24			
Agu-19	712.44	378.55	1,090.99	604.26	0	293.84	898.10			
Sep-19	1,038.74	505.46	1,544.20	858.2	0	397.29	1,255.49			
Closing 3 Monthly	2,443.11	1,186.33	3,629.44	2,248.05	0	948.78	3,196.83	446.25	237.55	683.80
Oct-19	1,160.15	613.29	1,773.44	1,352.51	0	682.16	2,034.67			
Nov-19	1,118.50	685.54	1,804.04	1,036.53	0	646.87	1,683.40			
Dec-19	902.62	350.53	1,253.15	918.77	0	485.18	1,403.95			
Closing 3 Monthly	3,181.27	1,649.36	4,830.63	3,307.81	0	1,814.21	5,122.02	319.71	72.70	392.41
Jan-20	669.52	320.68	990.2	749.17	0	388.16	1,137.33			
Feb-20	398.46	259.95	658.41	372.03	0	292.44	664.47			
Mar-20	331.32	287.55	618.87	340.97	0	185.82	526.79			
Closing 3 Monthly	1,399.30	868.18	2,267.48	1,462.17	0	866.42	2,328.59	256.84	74.46	331.30
Total	8,655.71	4,811.99	13,467.71	8,228.21	0.00	5,045.56	13,273.77			

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

Period	All PK Production (MT)		CSPK Dispatch (MT)				Stok PK		Total
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	CSPK	Non-Cert PK	Total	CSPK	Other Scheme (ISCC)	As Non-Cert	Total CSPO Dispatch	CSPK	Non Certified	
Balance from previous period								256.84	74.46	331.30
Apr-20	283.88	301.80	585.68	274.17	0	422.26	696.43			
Mei-20	301.63	377.37	679.00	297.14	0	296.23	593.37			
Jun-20	330.54	356.25	686.79	367.47	0	459.83	827.30			
Closing 3 Monthly	916.04	1,035.43	1,951.47	938.78	0	1,178.32	2,117.10	234.10	-68.44	165.66
Jul-20	264.33	140.53	404.86	246.44	0	180.92	427.36			
Agu-20	265.46	130.31	395.77	246.66	0	142.40	389.06			
Sep-20	483.06	214.51	697.57	483.48	0	154.60	638.08			
Closing 3 Monthly	1,012.85	485.35	1,498.20	976.58	0	477.92	1,454.5	201.93	7.43	209.36
Oct-20	1,029.72	381.78	1,411.50	873.59	0	410.42	1,284.01			
Nov-20	1,171.15	589.47	1,760.62	1,282.77	0	548.37	1,831.14			
Dec-20	1,337.47	724.15	2,061.62	1,156.16	0	717.19	1,873.35			
Closing 3 Monthly	3,538.33	1,695.41	5,233.74	3,312.52	0	1,675.98	4,988.50	427.75	26.86	454.60
Jan-21	1,261.51	717.21	1,978.72	1,448.36	0	601.94	2,050.30			
Feb-21	893.46	544.35	1,437.81	986.64	0	707.28	1,693.92			
Mar-21	937.67	677.26	1,614.93	892.23	0	632.59	1,524.82			
Closing 3 Monthly	3,092.64	1,938.82	5,031.46	3,327.23	0	1,941.81	5,269.04	193.15	23.87	217.02
Total	8,559.86	5,155.00	13,714.87	8,555.11	0	5,274.03	13,829.14			

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 19.53 %, while KER is 4.87 %.

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 only applying RSPO Supply Chain Module of Mass Balance.

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	7,329.93	34,797.80	42,127.73
CSPO sold under other scheme	26,323.51	335.30	26,658.80
CSPO sold as conventional	-	-	-
CSPK sold under RSPO Scheme	8,228.21	8,555.11	16,783.32
CSPK sold under other scheme	-	-	-
CSPK sold as conventional	-	-	-

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 Transation ID : TR-62ad823c-3ec7. Seller contract number : DIC/2550/100321/001. Seller reference number : 4800057181. Buyer reference number : 2550/CPO/2551/21/C015. Product name: CSPO. Supply chain model: MB. Volume : 1,017.17 MT

3.8.17

The products are claimed as mass balance 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

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 to workers and contractor on March 2020 and April 2021.
- Socialization of GSEP to Sidang Gunung Tiga Village dated 1 April 2021.
- Socialization of GSEP to Batu Ampar Village dated 19 March 2021.
- Socialization of GSEP to Tri Tunggal Jaya Village dated 20 March 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 they have been understood about that complaint and grievance procedure.

The procedure has guaranteed the anonymously and whistle-blower. PIC of this procedure was Chief of Administrative (KTU). Procedure is available in Bahasa Indonesia and if there is any complaints/grievances that the resolution that has not found mutually, the complainants can brought that compliance to RSPO Complaints System.

4.2.2

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 illeterary 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.

4.2.3 & 4.2.4

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 community of Sumber Jaya Village regarding the impact of dust due to the mobility of the company vehicles
2. Complaints from the Sumber Jaya community who stated that during the rainy season there were many flies due to the EFB application
- 3.

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

1. To reduce the impact of dust, the company routinely sprinkles roads with water every one to two weeks.
2. **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

Based on the description above, it can be concluded that the unit of certification is always open to responding and following up on issues from related stakeholders.

Status: Comply	
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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 SMRM, SMRE dan GABA 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 SMRM, SMRE dan GABA 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. Funding for anniversary of Bogatama & Sidomukti Village on 22 January & 10 March 2020.
2. Cheap oil bazaar for employees and surrounding community on 18 May 2020 in Sidomukti Village.
3. Building materials for Assalam Mosque at SDN 01 Sidomukti on 22 June 2020 in Sidomukti Village.

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 SMRM, SMRE dan GABA 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 Merah Mill and its supply base (SMRE 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*)

- Land Use Title number 37 with an area of 2088.13 ha. Issuance date of the certificate is November 26, 1996 and the period of expiry of the rights is December 31, 2027
- Land Use Title number 38 with an area of 1899.68 ha. Issuance date of the certificate is November 26, 1996 and the period of expiry of the rights is December 31, 2027

1

Building Right Title (*HGB*)

Building Right Title No. 62 with an area of 58.20 ha with the issuance date of the certificate March 25, 2000 and the expiry date of the rights 24 September 2029.

Free Hold Title (*SHM*)

KUD Krida Sejahtera

GABA: 4,521 ha with an area that is included in the scope of certification is 4,505.75 ha because there are 15.25 ha of GABA area affected by the National Electricity Route. The unit of certification have *SHM* for an area of 4,483 ha. Meanwhile there is about ± 38 ha previous certified area covered GABA that still have not SHM / land title. Company also has recapitulation of SHM for GABA KKPA, and copy of each SHM were available.

The total area of HGU + HGB + SHM for SMRE which is included in the scope of this assessment is 8,551.76. Based on Interview with communities and government agencies shown that PT SIP did not conduct any expansion of operation area since last assessment.

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 Sumber Jaya Village and Wirabangun Village, 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 4,046.01 ha of state land and 4,505.75 ha are from community.

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 8,551.76 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 8,450.47 ha and other areas consisting of buildings and mill, roads, ditches and swamps, with an area of 101.29 ha. The total area of the certification scope a is 8,551.76 ha

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 Sumber Jaya and Wira Bangun 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: Comply

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

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

4.5.8

Based on document review, interview with management and field observation, unit of certification has not developed any operational areas and has not cleared land for new development since November 2005. The last land compensation was carried out in 1990.

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

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 / pencil.

4.6.2 & 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-CSR / 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.

4.6.4

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 compensation process documents have been signed by both parties and are known to local officials such as the village head, sub-district head and witnesses.

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-CSR / 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 Wirabangun dan Sumber Jaya Village, one of the positive impacts is road access. Heads of its Village 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-CSR / 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 were no land dispute issues. Similar information was also obtained from interviews with village representatives.

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 GABA. 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 Idr 1,596.45 / kg and Idr 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 unit certification 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 Bawang Regency dated September 22, 2020, valid until September 1, 2021.

5.1.8

GABA 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

GABA are fully managed by the company and are suppliers of RSPO certified FFB

5.2.4

GABA 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 GABA is 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, it was known that during the period of 2020/2021 no information about the presence of foreign workers. In addition, there were no fee of recruitment for new workers. 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 2 March 2021, for example: three maintenance workers, four processing workers, one office worker, and one compound worker. Based on interview with SMRM staff sighted that the promotion in according to basic medical, skills, abilities, work quality and others. Therefore 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 23 spraying workers in SMRE. Meanwhile there are no women worker who exposure to chemicals material in SMRM & GABA.

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 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:

- ANG (harvester on SMRE) with basic wage IDR 2,380,461 (absent: 3 day), BPJS-TK allowance: IDR 176,911, BPJS-Kes Allowance gross wage: IDR 108,203; Premi Harvesting: IDR 640,915; Premi Pruning: 386,900; gross wage: IDR 3,693,390.
- AGS (Boiler shift 2) with basic wage IDR 2,785,569; overtime: IDR 2,729,214; BPJS-TK allowance: IDR 191,926; BPJS-Kes Allowance: 111,423; Gross wage: IDR 5,818,132.
- MBS (Harvester on GABA) with basic wage: IDR 2,674,069; Premi: IDR 32,224,112; rothers (BPJS allowance): IDR 228,366; gross wage: IDR 5,126,547.

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 Security on SMRM (grade PT2) with actual overtime: 26.00 hours; overtime calculation: 45.25 hours. The overtime total is IDR 728,592.

6.2.4.

The unit of certification has provided housing facilities on SMRM and SMRE, while GABA housing are join with SBYE housing complex. For example on SMRE: polyclinic, mosque, soccer field, volleyball court, badminton court, tennis court, workers hall, and housing for workers. Based on field observation to the SMRM housing complex, division 2 & 1 SMRE housing complex. It was known that all housing on good condition and livable, 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 SMRE & SMRM. 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 SMRE: 109 workers, GABA: 269 workers, and SMRM: 3 workers. All of non permanent worker agreement been registered to Manpower Agency, for example: agreement number 324/GABA/Div.5.2 Tritunggaljaya/3/2021 dated 20 March 2021 with initial ALNK, the registration number: 560/600.14/PKWT/V.6/TB/2021 dated 24 March 2021. Based on interview with loose fruit picker on GABA, it was known that the majority activity are upkeep. However, if any peak crop or lots of loose fruit.

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.

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: Sidang Gunung Tiga Village, Tri Tunggal Jaya Village, Sidoharjo Village, and Tri Rejo Mulyo Village. Therefore each of field assistant and foreman are socialized this policy to all of level workers during checkroll.

Status: Comply

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 ordinate.
- To provide child care in employees housing complex.

Based on information from estate/mill management, as well as labour union of SMRE and SMRM, 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/II/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.

Status: Comply

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 tonage will pay with insentive system: IDR 89.23/Kg. It will be converted to the hectarage basic with target 6 Ha per day on the low crop condition. Therefore they also explain that harvesting target are not burdensome. It cause 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 324/GABA/Div.5.2 Tritunggaljaya/3/2021 dated 20 March 2021 with initial ALNK, the registration number: 560/600.14/PKWT/V.6/TB/2021 dated 24 March 2021.

Status: Comply

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 8 October 2020, it was known about COVID-19 preventive protocol implementation, PPE's using, signboard maintenance, OHS training evaluation and other.
- OHS meeting dated 15 January 2021, it was known about the MCU been conducted on 19 – 21 December 2020, OHS training evaluation, and other.

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 last first aid training has been conducted in 15 February 2020 and certification unit has licensed first aid officers. Certification unit 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). There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers. The unit of certification has documented every work accident that occurred in the one-year recapitulation period 2020/2021. There was one work accidents at the Sungai Merah Estate. All work accidents have been reported to *BPJS* and the labor agency.

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 SMRM, SMRE and GABA sighted that there are 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's & work tools storage with adequate conditions.

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: GABA: 276 permanent workers and 269 non permanent worker paid dated March 25th, 2021 by bank transfer. There were only one work accident claim, on behalf RKA (harvester on SMRE) with minor accident dated 29 January 2020 been reported/claimed to the relevant agencies dated 29 January 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 GABA, there are 561 workers, working hours: 1,092,118; accident cases: 1; FR & SR: 0. SMRE period of 2020, there are 649; working hours: 310,144; accident cases: 0; FR&SR: 0.

Status: Comply

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 syste, 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 realiation is presented in several document, for example as follows:

- Justification of pesticide usage as shows through census analysis. For example, based on census of *Orytes* in June 2020, level of incidence more than 5 % (threshold limit) was identified in Division 2 Block U22. Thus, insectides is applied as recommended by SMARTRI. Based on census in July 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 adjacet 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 IPM, work instruction on pesticide application, MSDS, hazardous material and scheduled waste handling handling had conducted in SMRE on February to March 2020, attended by 54 participants from SMRE and GABA.

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. *Antigonon 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 adjacet 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 Orytes in June 2020, level of incidence more than 5 % (threshold limit) was identified in Division 2 Block U22. Thus, insecticides is applied as recommended by SMARTRI. Based on census in July 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:

SMRE

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	4,248.96	0.18	1,242.66	0.21
Erkafuron 20 WG	Methyl Metsulfuron	423.72	0.09	41.03	0.10
Starane 480 EC	Fluoroksipir	505.56	0.05	180.88	0.06
Garlon Mix 333	Triclophyr Butoxy Ethyl Ester	203.00	0.99	88.00	0.95
Insecticide					
Cymbush 50 EC	Cypermethrin	2,144.57	0.16	716.22	0.43
Decis 25 EC	Diltamethrin	83.35	0.08	-	-
Marshal 5 G	Carbosulfan	6,163.39	1.23	4,850.56	1.18
Marshal 200 EC	Carbosulfan	101.60	0.76	28.81	1.57

GABA

Pesticide	Active Ingredient (a.i.)	Consumption 2020	Consumption 2021 (up to Mar)
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		Ltr or kg	(g a.i./ha)	Ltr or kg	(g a.i./ha)
Herbicide					
Roll Up 480 SL	Isoprophyl Amine Glyphosate	3,985.84	0.15	1,745.44	0.21
Erkafuron 20 WG	Methyl Metsulfuron	138.76	0.03	97.71	0.07
Starane 480 EC	Fluoroksipir	569.58	0.13	227.31	0.08
Garlon 670 EC	Triclophyr Butoxy Ethyl Ester	348.38	1.23	53.89	0.98
Insecticide					
Marshal 200 EC	Carbosulfan	226.32	1.88	197.81	0.87

According to the Table above, it could be concluded that insecticide has only consumed in SBYE and GABA for *Oryctes rhinoceros* population control. 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. According to pesticide trend in SMRE and GABA between 2018 to 2020 analysis, it was known that herbicide has only used for *Oryctes rhinoceros* population control, with active ingredient Cipermethrin, Carbosulfan and Deltamethrin. Due to replanting delay in 2019 that carried forward to 2020, consumption of those insecticide has significantly increased. However, estate management has also conducting biological control through net trap, pheromone trap, hole trap and light trap.

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 IPM, work instruction on pesticide application, MSDS, hazardous material and scheduled waste handling had conducted in SMRE on February to March 2020, attended by 54 participants from SMRE and GABA.
- Training of integrated pest management in Division 3 SMRE had conducted in 16 February 2021, attended by 21 participants.

- Training of integrated pest management in GABA had conducted on 01 February 2021, attended by 12 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 3 Block S45 SMRE and Division V.1 Block B42 GABA, 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 SMRE 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 SMRM and Pondok 1 and Pondok 2 SMRE, 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/I/006 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 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/I/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 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 kept on the receptacle, and then used for pesticide mixing.

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

- Permit of Hazardous Waste Storage 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 Hazardous Waste Storage 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).

Based on observation to Pesticide Store in Housing area of SMRE and GABA, 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 SMRE & GABA on December 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 postponed 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 cholinesterase) 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 SMRE, the pregnancy test was conducted every month. In accordance to pregnancy test to 23 women worker, it was known that no pregnancy condition. Therefore, based on interview result with spraying workers in GABA sighted that there were no women workers during period of 2020/2021.

7.2.10 | **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//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 kept on the receptacle. Furthermore, procedure of agrochemical management included used pesticide containers is presented in document No. SOP/SMART/LEMS/EHSD/SADV//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 Storage (TPS LB3), as follows:

- Permit of Hazardous Waste Storage for SBYE, GABA, SMRM and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.TB/V/2017 dated 29 May 2017, valid for five years (2022).
- Permit of Hazardous Waste Storage 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 SMRM 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
Medical waste	Ton	0.007	KLHK-1612047189
Used lubricant	Ton	2.5704	KLHK-1611961656
Used accu	Ton	0.2817	KLHK-1612047286
Used rags	Ton	0.38	KLHK-1612047463
Used TL lamp	Ton	0.0053	KLHK-1612047303
Contaminated package	Ton	1.1353	KLHK-1612047356

Based on field observation sighted that Hazardous waste has been stored based on toxicity and hazardous characteristics, e.g., cartridge and TL lamp waste are stored in different containers.

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	49,346	29,372	13,511

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

Month (2020)	Land Application (m3)
January	9,902
February	17,909
March	14,641
April	18,193
May	16,769
June	18,624
July	7,017

August	12,189
September	10,368
October	10,662
November	14,480
December	28,982
Total	179,736

Unit of certification already has Permit of Domestic Liquid Waste Disposal based on the Decree of Head of Environment Agency of Tulang Bawang Regency No. 660/V.29/TB/III/2020 on 4 March 2020 and is valid for 5 (five) years. Unit of certification has attached results of domestic liquid waste quality monitoring for January - March 2021 which has been carried out by Environmental Laboratory of Regional Technical Implementation Unit (UPTD) (Accreditation of KAN No. LP-833-IDN) as follows.

Parameter	Units	Threshold	Results		
			Jan	Feb	Mar
pH	-	6 – 9	7	8	8
BOD	mg/L	30	6	11	3
COD	mg/L	100	14	31	9
TSS	mg/L	30	2	8	4
Oil & Grease	mg/L	5	1	1	1
NH3	mg/L	10	<0.002	0.02	0.1
Total coliform	Jml/100mL	3000	2100	1800	2300
N-Total	mg/L	-	0.4	0.2	1

Standard: PermenLHK No. P.68/2016

Based on the results above, quality of domestic liquid wastewater in January - March 2021 has fulfilled quality standard of PermenLHK No. P. 68/2016.

Based on field observation in SMRM, 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 streamed to land application.

Based on field observation to Hazardous Waste Storage in SMRM and SMRE 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. Hazardous waste has been stored based on toxicity and hazardous characteristics, e.g. cartridge and TL lamp waste are stored in different containers. 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 SMRE & GABA, 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. 159/DAUN/LAB-SMARTRI/IV/2019 dated 15 April 2019.
- Document Ref. No. 229/DAUN/LAB-SMARTRI/IV/2020 dated 29 April 2020.

Among paramater analized 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. 062/TANAH/LAB-SMARTRI/VII/2019 dated 6 July 2019. This analysis results could be used up to February 2024. Among parameter analized 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 pruning, 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 : 107,180.00 m3 (857.44 Ha) = 125 m3/Ha/Year

Realization : 179,733.00 m3 (1,437.86 Ha) = 125 m3/Ha/ Year

Empty Bunch Application

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

Plan : 6,244.20 Ton (104.07 Ha) = 60 Ton/Ha/ Year

Realization : 50,044.80 Ton (834.08 Ha) = 60 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)	
	SMRE	GABA
Urea	267.86	701.65
MOP	394.08	1,109.20
HGFB	18.87	21.13
Super Dolomite	32.13	-
Kieserite	20.58	17.65
TSP	91.95	22.95
Egyptian RP	398.17	816.50
NPK 15.15.6.4	0.22	-
Agroblend	1.07	-
Kaptan	197.02	82.90
CuSO ₄	15.22	0.45
ZnSO ₄	14.77	1.16
Land Application	179.73	-
EFB	50,044.80	-

According to the Table above, it could be concluded that actual fertilizer application has satisfactory recorded by estate management, in accordance with the fertilizer recommendation. 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 SMRE has consist of haplohemist, endoaquults, hapludults, dystrodepts, udipsomments, plinthudults and endoaquepts. It was identified marginal to currently not suitable areas as a presence of peat soils and sandy texture soils for about 34.70 % and 1.62 %, respectively. Furthermore, there is marginal area due to presence of rolling to somewhat hilly which covers about 3.14 %. The rest slope area were varies from flat to rolling. Especially on peat areas, the depth of peat were varies on medium (1-3 m) to deep (>3 m) for about 25.19 % and 9.51 %, respectively.
- Soil type in GABA has consist of typic haplohemist areas, haplorthods, hapludults, dystrodepts, udipsomments, plinthaquults and endoaquepts. It was identified marginal to currently not suitable areas as a presence of peat soils and sandy texture soils for about 31.15 % and 1.45 %, respectively. Furthermore, there is marginal area due to presence of rolling slope area which covers about 3.62 %. The rest slope area were varies from flat to undulating. Especially on peat areas, the depth of peat were varies on medium (1-3 m) to deep (>3 m) for about 22.62 % and 8.53 %, respectively.

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, rolling to somewhat hilly slope and low soil fertility.

7.5.2

Based on soil map 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:

- SMRE: slope condition in SMRE were varies from flat to rolling and there is small portion of rolling to somewhat hilly (21-40 %) which covers about 3 %. However, there is no areas categorized as hilly to steep. However, there were flat areas as presence of peat in Division 5.
- GABA: slope condition in GABA were varies from flat to undulating and there is small portion of rolling areas (16-21 %) for about 4 %.

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	
SMRE	-	1,759.56	1,836.90	449.55	-	4,046.01
GABA	-	3,410.87	1,040.81	54.07	-	4,505.75
Total (ha)	-	5,170.43	2,877.71	503.62	-	8,551.76

Based on the Table above, it was known that about 60.46 % of estate operational areas was classified as slightly suitable (S2) and about 33.65 % and 5.89 % were classified as marginal (S3) to currently not suitable (N1), with limitation mainly due to presence of peat soil with depth variuos from medium to deep which lead to prone flooded and poor in drainage and rooting properties, as well as presence of sandy soil texture, low fertility and small portion of rolling to somewhat hilly slope. By proper agronomy input such as water management and soil fertility enhancement, potential soil suitability could be upgraded into 94.11 % of slightly suitable (S2) class and 5.89 % of marginal (S3) class.

7.6.2

Based on field observation to SMRE and GABA, 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 setted between 50 to 70 cm.
- To implemment 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) and through land application with dosage 375 m³/ha/year, as observed to Division 3 Block S47 SMRE.

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 fied 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 B29 SMRE 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 and subsidence pole as observed to Division 5 Block D28 SMRE. The subsidence pole instaled 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 SMRE operational areas, installed nearby piezometer logger.

Based on observation to subsidence pole in Division 5 Block D28 which installed in 2018, it was known that average subsidence rate on these areas was about 0.60 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 indicates that water management on peat areas in Division 5 is considered satisfactory. Furthermore, for water level control on the main drain, estate management has installed Water Gate in Division 5 Block B29. At the time of field visit, it was found that after rain water level in main drain was 20 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 show 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 fo "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 assement 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 reiewers 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 min 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 implemnet 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 S37	Block S39	Block S43	Housing 1	Housing 2
BOD ₅ (mg/l)	-	3.72	2.57	3.05	3.35	3.02
pH	6.5 – 8.5	7.14	6.55	6.61	7.52	6.81
Cd (mg/l)	0.005	<0.0015	<0.0015	<0.0015	<0.0015	<0.0015
Pb (mg/l)	0.05	<0.0093	<0.0014	<0.0014	<0.0014	<0.0014
Zn (mg/l)	15.00	<0.0023	<0.0023	<0.0023	<0.0023	<0.0023

Parameter	Threshold	Semester II 2020 Results				
		Block S37	Block S39	Block S43	Housing 1	Housing 2
BOD ₅ (mg/l)	-	2.45	2.69	2.65	2.69	2.53
pH	6.5 – 8.5	6.53	6.50	6.39	6.72	7.85
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	
		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 in 2019 for planting of 1,025 Bamboos. Furthermore, based on interview with Environemnt 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/II/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 installment 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 SMRM. The company has implementing land application with permit No. 660/299/III.7/TB/XI/2016 dated 07 November 2016, 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, result of testing during October 2020 – March 2021 is presented as follows:

Parameter	Unit	Threshold	Results in October 2020 – March 2021					
			Oct	Nov	Dec	Jan	Feb	Mar
pH	-	6.0 – 9.0	7.6	8.4	7.3	7.1	7.3	7.6
TSS	mg/l	-	1,448	9,020	1,624	8,250	45	24,000
BOD	mg/l	5,000	529	1,628	3,312	814	1,632	659
COD	mg/l	-	1,654	4,874	9,876	2406	4,530	1,986
Oil & Grease	mg/l	-	3	26	37	24	20	12
Pb	mg/l	-	0.3	0.1	1	0.02	<0.01	0.4
Cu	mg/l	-	0.1	<0.1	<0.1	<0.1	<0.1	<0.1
Cd	mg/l	-	2	1	4	0.4	1	0.1
Zn	mg/l	-	<0.003	<0.003	0.01	<0.003	<0.003	0.03

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 3 Block S47 SMRE, 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 llt/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. SMRM 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)
Januari	21,505.40	12,284.55	0.57
Februari	15,979.61	11,461.32	0.72
Maret	13,733.35	12,434.55	0.91
April	13,324.04	13,700.40	1.03

Mei	13,624.37	12,227.07	0.90
Juni	15,370.01	10,372.11	0.67
Juli	9,109.66	8,754.20	0.96
Agustus	8,604.43	7,056.04	0.82
September	15,953.08	10,171.93	0.64
Oktober	29,629.32	15,165.58	0.51
November	37,321.92	20,373.73	0.55
Desember	40,823.95	21,736.40	0.53
Total	234,979.14	155,737.86	0.66

According to the Table above, it could be concluded that average water used ratio for oil palm processing in 2020 was about 0.66 m³/ton FFB. The figure was still below company budget which projected about 1.10 m³/ton FFB. Based on field observation to WTP station in SMRM, 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 SMRM are 4,105 kCal and 2,637 kCal, respectively. Furthermore, energy needs for processing and non-processing were 975 kW and 70 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)	13,511,301
Total Volume of Fibre Used (kg)	29,372,393
Total Energy Produced (kCal)	132,918,887,780
Energy Used (kCal/ton CPO)	12,356
Saving Diesel Usage (lt)	1,030,300
Saving Cost (IDR)	9,087,249,780
Saving of Diesel (lt/ton CPO)	270.53

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 9,087,249,780 per year or 270.53 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, 7.10.2, 7.10.3

The company also 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	234,979.14
CPO Production	46951.51

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
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Divert to methane capture (flaring)	0
Divert to methane capture (electricity generation)	0

Summary of Net GHG Emissions

Emissions per product	tCO2e/tProduct
CPO	4.84
PK	4.84

Description	Unit	Value
Oil palm planted on mineral soil	Ha	15651.86
Oil palm planted area on peat	Ha	2505.61
Total oil palm planted area	Ha	18157.47
Conservation area (Forested)	Ha	0.00
Conservation area (Non-Forested)	Ha	74.78
FFB Production per hectare	t/Ha	18.96
OER	%	19.98
KER	%	4.66

Mill Emissions and Credits

Description	tCO2	tCO2e/t FFB
Emission Sources		
POME	46059.89	0.20
Fuel Consumption	423.04	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	46482.93	0.20

Summary of field emission and Sinks

Emissions Sources	Own crop		Group		3rd	Total
	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	tCO2e	
Emission Source						
Land conversion	43070.38	0.28	0	0	0	43070.38
CO2 emissions from fertilizer	27015.36	0.18	0	0	0	27015.36
N2O emissions from peat	12958.09	0.08	0	0	0	12958.09
N2O from Fertilizer	4107.60	0.03	0	0	0	4107.60
Fuel consumption	2087.43	0.01	0	0	0	2087.43
Peat oxidation	84128.18	0.55	0	0	0	84128.18
Sinks						
Crop sequestration	-31996.46	-0.21	0	0	0	-31996.46

Sequestration in Conservation area	0.00	0.00	0	0	0	0.00
Total	141370.58	0.92	0	0	92220.47	233591.05

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 fire marks in replanting areas, as observed in Division 2, Block T21, SMRE which planted in 2020.

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 Sidang Gunung Tiga Village dated 1 April 2021.
- Socialization to Batu Ampar Village dated 19 March 2021.
- Socialization to Tri Tunggal Jaya Village dated 20 March 2021.
- Socialization to Sidoharjo Village dated 22 March 2021.
- Socialization to Tri Rejo Mulyo dated 22 March 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, led 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:

SMRE

Type of HCV	Identification Results	Location	Hectarage (ha)
1.2	Protected Fauna: <ul style="list-style-type: none"> <i>Ictinaetus malayensis</i> (Elang Hitam) <i>Elanus caeruleus</i> (Elang Tikus) <i>Ardea sumatrana</i> (Cangak Abu) <i>Halcyon smyrnensis</i> (Cekakak Dada Putih) <i>Bubulus ibis</i> (Kuntul Kerbau) <i>Crocodilus porosus</i> (Buaya Muara) 	Division 6 Pidada River	-
Total			-

GABA

Type of HCV	Identification Results	Location	Hectarage (ha)
1.1	Riparian zone	Putuk River	17.42
4.1		Camp River	10.06
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>Alcedinidae</i> spp. <i>Felis bengalensis</i> (Macan Akar) 	Division 6 Pidada River	-
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			27.48

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 review of 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 SMRE was issued on 4 January 2021. Among the program are 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 in form of protected fauna poster and warning of UU No. 05 in 1990 Article 21 Point 2.

Besides, several implementation of HCV managements in 2020 are presented as follows:

- Signboard of protected fauna and UU No. 05/1990 installation and/or maintenance 2020 in SMRE and GABA totalling for about 4 pcs in each locations.
- 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 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.

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, unit management has conducting signboard installation and socialization. For example, several socializations which has been carried out during 2020/2021 is presented as follows:

- HCV socialization in SMRE has been conducted on 1 April 2021 which were attended by Sidang Gunung Tiga Village representatives.
- HCV socialization in GABA has been conducted on 16 & 18 March 2021 which were attended by employees of Division 6.1 and Sidomulyo Village representatives.

Based on field observation in SMRE and GABA, HCV management has been implemented in form of HCV signboard instalment and no spray signboard in riparian. 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 <p><i>Compliance Audit By System GSIS</i></p> <ol style="list-style-type: none"> 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, Compliance Audit 13 July 2020

		<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 Commisioning process)</p> <p>Auditor Verification: 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) compliance audit on 15-26 June 2020.
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		<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	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>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 Tapian 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 Tapian Nadenggan (JLYE, BSRE, LBLE) – Kalimantan Timur 8. PT Tapian Nadenggan (BSRE) – Kalimantan Timur 9. PT Paramitra Internusa Pratama – Kalimantan Barat 10. PT Sawita Karya Manunggul – 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

		<p>16. PT Agrokarya Primalestari – Kalimantan Tengah</p> <p>d) 6 reports are in the process of being revised and will be sent to 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
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		<p>8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): LUCA review and the company on process to response the second review.</p> <p>9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): Luca Review and the second review from RSPO received on 30 November 2020.</p> <p>10. PT Adi Tunggal Mahajaya (Sako Mill) (under construction): LUCA review and the last revision sent to RSPO on 9 December 2020.</p> <p>11. PT SMART (Bukit Kapur Mill and supply base): no new land clearing after Nov 2005 and company already disclose to RSPO.</p> <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 Abadipratama – Kalimantan Tengah 7. PT Aditunggal 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

		<ol style="list-style-type: none"> 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 on 8 July 2014 And PT Persada Graha Mandiri (Supply base) conduct NPP on 6 June 2014. 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. 8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): there is no new land clearing after January 2010. 9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): NPP on 26 April 2014 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. 11. PT SMART (Bukit Kapur Mill and supply base): there is no new land clearing after January 2010. 12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014 13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): NPP on 8 July 2014 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.
2.2.4	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>Company Group/Holding Statement:</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/I/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/I/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/GIMS-SCMD/USDV/I/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> <ol style="list-style-type: none"> 1. PT Kartika Prima Cipta: Complaints by FPP regarding the FPIC process Another 6 issues in 2014: RSPO with the approval of GAR 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 fulfillment of the related issues. Phases 4 and 5 will begin in February 2021. 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:</p> <p>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)
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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.

		<p>b. Workers suspect that the company does not comply with regulations related to CSR, especially in the environmental sector. 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 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: 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: 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</p>

	<p>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"> 1. PT Djuanda Sawit Lestari (Muara Wahau Estate / Muara Tawas Estate) 2. PT Sawit Mas Sejahtera (Sawit Mas Estate) 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 Binawit 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)
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	<p>11. PT Kresna Duta Agroindo (Rantau Panjang KKPA)</p> <p>12. PT Kencana Graha Permai (Kayung Kemitraan, Kencana Kemitraan, Kenanga Kemitraan)</p> <p>13. PT Paramitra Internusa Pratama (Belian KKPA, Muara Tawang KKPA, Kapuas Hulu KKPA)</p> <p>14. PT Mitrakarya Agroindo (Sulin Plasma)</p> <p>15. PT Agrokarya Prima Lestari (Sapiri Plasma)</p> <p>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:</p> <p>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.
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		<ul style="list-style-type: none"> - 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. - 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 Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components
3.4.1. Identification of Findings, Corrective Actions and Observations at RC

There is no Non-conformity identified

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

There is no Non-conformity identified

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

There is no Non-conformity identified

3.4.4. Opportunity for Improvement

No	Ref. Std.	Description
1	7.2.10.	<p>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.</p> <p>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 cholinestrace) 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).</p>

3.4.5. Noteworthy Positive Components

No	Description
1	The company's commitment to implementing sustainable palm oil plantation standards.
2	Presentation of document, competence staff in relevant aspects and good communication.
3	Sungai Merah Mill has obtained PROPER with Blue Category period of 2019-2020.
4	Sungai Merah Mill has obtained ISCC Certificate with number EU-ISCC-Cert-ID215-23200735 validity period from 15 July 2020 to 14 July 2021.
5	Krida Sejahtera Cooperative has obtained ISCC Certificate with number EU-ISCC-Cert-ID215-23200736 validity

	period from 15 July 2020 to 14 July 2021.
6	Sungai Merah Mill & Sungai Merah Estate has obtained ISPO certificate with number IDN 26200002 validity period 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
<p>Manpower and Transmigration Agency of Mesuji Regency Interviewee: Division Head of Industrial Relation Date of interview: 20 April 2021</p> <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 "<i>BPJS Kesehatan dan Ketenagakerjaan</i>" program <p>Communication relations between agencies and companies are fairly well established.</p>	<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>
<p>Environment Agency of Mesuji Regency Interviewee: Division Head of Monitoring (<i>Kabid Pengawasan</i>) Date of interview: 19 April 2021</p> <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. Companies are expected to increase environmental management efforts. In addition, the company is expected to be active in conducting programs with the participation 	<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
of the surrounding community, and report it to Environment Agency of Mesuji Regency.	
Agriculture Agency of Mesuji Regency Interviewee: Division Head of Plantation (<i>Kabid Perkebunan</i>) Date of interview: 19 April 2021 <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.	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.
National Land Agency of Mesuji Regency Interviewee: Division Head of Registration Right (<i>Kabid Pendaftaran Hak</i>) Date of interview: 19 April 2021 <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.	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.
Head of the Plantation Division of the Tulang Bawang Regency Agriculture Office Coordination and communication between the company and the Plantation Sector is quite good. Mandatory reports such as LKUP are reported in accordance with the timeline, namely 1 time per semester. During the last year there has never been an issue regarding land fires. In addition, the facilities and infrastructure for land fires that are owned are very adequate. Associated smallholder management is running well and there are no issues regarding land disputes. Currently there are replanting activities so it is necessary to ensure the management of horn beetle	In general, there are no negative issues that need further verification. The management of horn beetles in the replanting area has been discussed in the indicators regarding Integrated Pest Management in 7.2

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>The results of the plantation class assessment are still valid until December 2021 and a re-assessment is planned to be carried out around August 2021.</p>	
<p>Head of the Tulang Bawang Regency Manpower Office So far, the relationship and coordination between the company and the agency is very good. Reports must be routinely provided in accordance with the timetable</p> <p>The wages follow the <i>UMK</i> and for 2021 the amount of the <i>UMK</i> value is still the same as the previous year, which is IDR 2,676,069. All employees have been included in <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i>. The composition of employees is all permanent employees. There is some work that is submitted to the contractor, for example transporting FFB.</p> <p>During the past year there have been no issues regarding employment including wages and industrial relations issues</p>	<p>In general, there are no negative issues that need further verification. an explanation of wages can be found in 6.2</p>
<p>Head of Section for Environmental Pollution and Compliance with Environmental Agency Regulations in Tulang Bawang Regency</p> <p>So far, the relationship and coordination between the company and the Environmental Agency is quite good. Routine reports such as <i>RKL / RPL</i> and waste management are reported according to a timeline. The company has a high commitment in environmental management marked by participation in <i>PROPER</i>.</p> <p>During the period 2020 and until April 2021, there were no reports of environmental pollution caused by company operations. There are no issues regarding land fires and the company has adequate fire control systems and facilities. Hazardous waste management including medical waste has also been carried out.</p> <p>During the past year there has been no visit from Environmental Agency or a meeting with the company due to the Covid-19 pandemic</p>	<p>In general, there are no negative issues that need further verification.</p>
<p>Head of Sumber Jaya Village and its Previous Land Owner</p> <p>The positive impact of the company is the opening of employment opportunities. In addition, there are CSR programs that have been realized, such as the construction of mosques.</p> <p>There have been plans for community empowerment programs such as cattle and goats as well as skills workshops but so far this has not been realized</p> <p>In the dry season, the impact of dust is enough to disrupt</p>	<p>To reduce the impact of dust, the company routinely sprinkles roads with water every one to two weeks.</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</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>people's activities. In addition, factory smoke particles can reach residents' homes. During the rainy season, a lot of flies appear in the housing.</p> <p>During the last year there has never been an issue regarding land disputes and the issue of land fires. Sumber Jaya Village is one of the villages where the community has released land. At the time of the previous land release, there was never any intimidation or coercion from the company. The release of land is based on the agreement of both parties</p>	<p>well developed. The results of the investigation have been submitted to the Village Party</p>
<p>SMRM and SMRE Workers Union</p> <p>So far, association activities have always been supported by companies. Trade unions are partners of employers characterized by always good communication between the two parties</p> <p>The composition of employees is <i>PKWT</i> and <i>PKWTT</i>. So far, wages have always been paid in accordance with the stipulation of wages by the government. The company also determines the structure and scale of wages.</p> <p>During the last year there has never been an issue regarding industrial relations.</p>	<p>In general, there are no negative issues that need further verification.</p>
<p>Head of Gender Committee of GABA</p> <ul style="list-style-type: none"> • There are no issues about sexual harassment and discrimination on workers. • It has already socialized sexual harassment. • Company gives menstrual and maternity leave in accordance with the available mechanism. 	<p>In general, there are no negative issues that need further verification.</p>
<p>Secretary of KUD Krida Sejahtera</p> <p>Notes:</p> <ul style="list-style-type: none"> • The cooperative 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 has given a lot of benefit for its member. Implementation of agreement with PT SIP is in accordance with applicable regulation.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>EFB Transporter</p> <p>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>Civil Contractor</p> <p>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>

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 Merah 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>Trismadi Nurhayuto</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	Agricultural Agency	Mesuji Regency	-	Via telephone	19 April 2021	√	-
2	Environment Agency	Mesuji Regency	-	Via telephone	19 April 2021	√	-
3	National Land Agency	Mesuji Regency	-	Via telephone	19 April 2021	√	-
4	Manpower and Transmigration Agency	Mesuji Regency	-	Via telephone	20 April 2021	√	-
5	Head of Wirabangun Village	Mesuji Regency		Via telephone	22 April 2021	√	
6	Head of Sumberjaya Village	Mesuji Regency		Via telephone	22 April 2021	√	
7	SMRM Weighbridge operator Worker Union	PT Sumber Indah Perkasa	-	Via telephone	23 April 2021	√	-
8	SMRE Spraying Worker: 1 Female worker and 1 Supervisor Harvester Upkeep workers Worker Union	PT Sumber Indah Perkasa	-	Via telephone	23 April 2021	√	-
9	GABA Loosefruit Pickers Gender Committee	PT Sumber Indah Perkasa	-	Via telephone	23 April 2021	√	-
10	Sawit Watch	Jakarta	info@sawitwatch.co.id	Questionnaire	8 April 2021	-	√
11	World Wild Fund	Jakarta	wwf-indonesia@wwf.or.id	Questionnaire	8 April 2021	-	√
12	Wahana Lingkungan Hidup	Jakarta	informasi@walhi.or.id	Questionnaire	8 April 2021	-	√
13	Aliansi Masyarakat Adat Nasional	Jakarta	rumahaman@cbn.net.id	Questionnaire	8 April 2021	-	√
14	KUD Krida Sejahtera	Mesuji Regency	-	Via telephone	19 April 2021	√	-
15	EFB transporter	Mesuji Regency	-	Via telephone	19 April 2021	√	-
16	Civil Contractor	Mesuji Regency	-	Via telephone	19 April 2021	√	-

Appendix 2. Assessment Program

Date	4 - 5 May 2020	
Audit Program	Clauses To Be Audited	Auditor
Monday, 4 May 2020		
08.00 – 09.00	Remote Audit Opening Meeting of Sungai Merah (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
Tuesday, 5 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 Merah 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

DATE	18 – 26 April 2021	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<i>Sunday, 18 April 2021</i>		
09.05-10.00	• Flight from Jakarta to Bandar Lampung	• ALL
10.00 – 17.00	• Bandar Lampung to Mess SBYE	• ALL
<i>Monday, 19 April 2021</i>		
08.00 – 09.00	• Opening Meeting	• ALL
09.00 – 12.00	• Stakeholders Meeting with BPN, DISBUN, DISNAKER, & DLH of Tulang Bawang Regency by phone	• ELW/HRK
	• Stakeholders Meeting with BPN, DISBUN, DISNAKER, & DLH of Mesuji Regency by phone	• ELW/HRK
	• Stakeholders Meeting with Community Leaders, Previous Land Owners (SBYE) by phone	• ELW/HRK
	• Stakeholders Meeting with Gender Committee, & Worker Union (SBYE & SBYM) by phone	• ELW/HRK
<i>Thursday, 22 April 2021</i>		
08.30 – 12.00	Field Observation to SMRE 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	• ELW/TNB
	• Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Fire Fighting facilities, Storage, etc.	• ELW/TNB
	• Stakeholders Meeting with Community Leaders, Previous Land Owners (SMRE) by phone • Stakeholders Meeting with Gender Committee, & Worker Union (SBYE & SMRE) by phone	• HRK
12.00 – 13.00	• Break	• ALL
13.00 – 16.00	Field Observation to SMRM • Workshop, Chemical Storage, WTP, Fire Fighting Simulation, EFB station	• ELW/TNB
	• Loading Ramp (Grading), Grading Station, Processing Station	• MAR
	• Security, Weighbridge Station, CPO Storage Tank, Palm Kernel Silo/Bulk (Supply Chain)	• HRK
	• Effluent Ponds, Land Application (LA), WTP, Water Inlet, Housing Complex	• ELW/TNB
<i>Friday, 23 April 2021</i>		
08.30 – 12.00	Field Observation to GABA Replanting, Nursery, Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Water Management, EFB Application, OHS aspects, Worker Welfare (payments, complaint mechanism)	• MAR •

DATE	18 – 26 April 2021	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<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"> • T ELW/TNB • ELW/TNB
	<ul style="list-style-type: none"> • Stakeholders Meeting with Community Leaders, Previous Land Owners, Cooperative Board (GABA) 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 – 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/TNB • HRK • MAR • ELW/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 	<ul style="list-style-type: none"> • ALL