

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

[✓] Recertification

Name of Management : Selapan Jaya Mill, subsidiary of PT Sampoerna Agro, Tbk.
 Organization
 Plantation Name : Hikmah Dua Estate (PT Telaga Hikmah) and 11 smallholders: KUD Madya Karya Bhakti, KUD Bina Sejahtera, KUD Sedia Mukti, KUD Maju Lancar, KUD Jaya Makmur, KUD Sumber Sentosa, KUD Serba Usaha, KUD Intan, KUD Marga Mulya, KUD Jadi Mandiri and KUD Bina Tani Mulya
 Location : Kerta Mukti Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia
 Certificate Code : MUTU-RSPO/142
 Date of Initial Registration : 25 January 2017
 Date of Certificate Issue : 14 April 2022 Date of License Issue : 25 June 2022
 Date of Certificate Expiry : 24 January 2027 Date of License Expiry : 24 January 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
RC-1	16 to 20 November 2021	Mohamad Amarullah (Lead Auditor), Rindu Galih Rezza Rachmansyah, Bayu Yogatama and Erika Lucitawati	Harso Yuli Antena	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
RC-1	14 April 2022

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Figure 1. Location Map of Selapan Jaya Mill- PT Sampoerna Agro

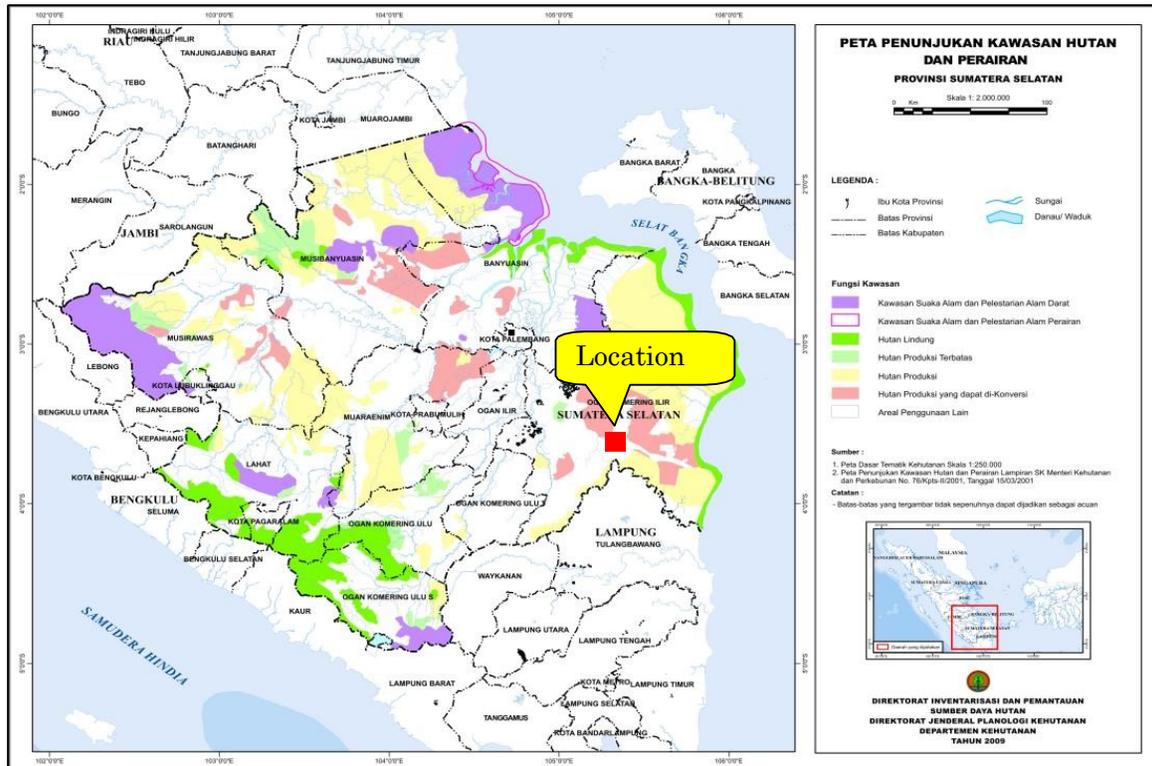
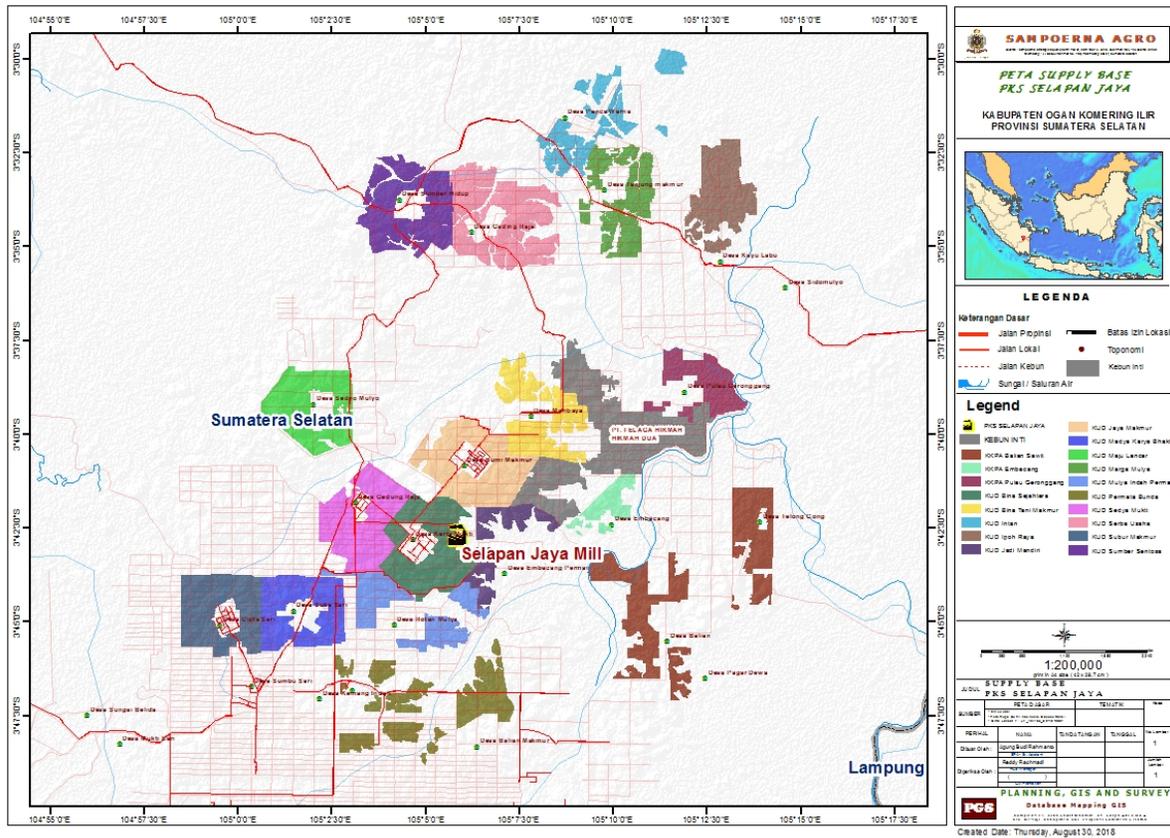


Figure 2. Operational Map of Selapan Jaya Mill- PT Sampoerna Agro



Abbreviations Used

ANDAL	:	Environmental Impact Assessment
ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CA&L	:	Corporate affair & Legal
CB	:	Certification Body
CH	:	Certificate Holder
CLA	:	Collective Labor Agreement
COVID-19	:	Coronavirus Disease 2019
CSR	:	Corporate Social Responsibility
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CPO	:	Crude Palm Oil
EHS	:	Environmental Health and Safety
EIA	:	Environment Impact Assessment
FFB	:	Fresh Fruit Bunches
FPIC	:	Free, Prior, Informed, Consent
GHG	:	Green House Gases
GPS	:	Global Positioning System
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
IUCN	:	International Union for Conservation of Nature
KER	:	Kernel Extraction Rate
KUD	:	<i>Koperasi Unit Desa</i> / Village Cooperative Unit
LUCA	:	Land Use Change Analysis
NGO	:	Non-Government Organizations
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OKI	:	<i>Ogan Komering Ilir</i>
OSS	:	Online Single Submission
PIC	:	Person In Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
RKL	:	<i>Rencana Kelola Lingkungan</i> (Environment Management Plan)
RPL	:	<i>Rencana Pemantauan Lingkungan</i> (Environment Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened and Endangered
SEIA	:	Social and Environmental Impact Assessment
SIA	:	Social Impact Assessment
SCCS	:	Supply Chain Certification System
SOP	:	Standard Operating Procedure
SPSA	:	<i>Serikat Pekerja Sampoerna Agro</i>
WTP	:	Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • RSPO Principles & Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	Selapan Jaya Palm Oil Mill, subsidiary of PT Sampoerna Agro, Tbk.	
1.2.2	Contact person	Yusi Rosalina	
1.2.3	Organization address and site address	<ul style="list-style-type: none"> • RSPO registered company: Jl. Basuki Rachmat 788, Palembang, 30127, Sumatra Selatan, Indonesia • Liaison Office: Sampoerna Strategic Square, North Tower, 28/F. Jl. Jenderal Sudirman Kav. 45, Jakarta. Indonesia 	
1.2.4	Telephone	0711-813388	
1.2.5	Fax	0711-811585, 813188	
1.2.6	E-mail	yusi.rosalina@sampoernaagro.com	
1.2.7	Web page address	http://www.sampoernaagro.com	
1.2.8	Management Representative who completed the application for certification	Yusi Rosalina	
1.2.9	Registered as RSPO member	1-0031-07-000-00 (9 January 2007)	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	<p>Palm Oil Mill and supply base: 1 (one) palm oil mill (Selapan Jaya POM under PT Sampoerna Agro), 1 (one) estate under PT Telaga Hikmah (Hikmah Dua Estate) and 11 (eleven) smallholder's estates, i.e.: Village Cooperative Unit or KUD Madya Karya Bhakti, KUD Bina Sejahtera, KUD Sedia Mukti, KUD Maju Lancar, KUD Jaya Makmur, KUD Sumber Sentosa, KUD Serba Usaha, KUD Intan, KUD Marga Mulya, KUD Jadi Mandiri and KUD Bina Tani Mulya</p> <p>There is a change in the number and scope of certification in the KUD area, in the ASA 4 assessment there are 12 KUD. Of the 12 KUDs in ASA-4, KUD Permata Bunda left the Selapan Jaya Mill scope. There is change in smallholder number in each KUD from 6,838 SH in ASA-4 become 5,674 SH in RC.</p>	
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
			Latitude Longitude
	Selapan Jaya POM	Kerta Mukti Village, Mesuji Raya Sub District, Ogan Komering Ilir District,	S 03° 42' 27.37" E 105° 05' 49.51"

		Sumatera Selatan Province, Indonesia		
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
1	Hikmah Dua Estate	Pulau Geronggang Village, Pedamaran Timur Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 39' 20.55"	E 105° 09' 42.43"
2	Madya Karya Bhakti (535 SH)	Suka Sari Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 44' 39.3"	E 105° 01' 40.9"
3	KUD Bina Sejahtera (447 SH)	Kerta Mukti Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 42' 50.5"	E 105° 04' 50.05"
4	KUD Sedia Mukti (570 SH)	Gedung Rejo Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 41' 44.3"	E 105° 03' 17.1"
5	KUD Maju Lancar (528 SH)	Sedyo Mulyo Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 39' 06.6"	E 105° 02' 10.8"
6	KUD Jaya Makmur (736 SH)	Bumi Makmur Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 40' 45.2"	E 105° 06' 12.0"
7	KUD Sumber Sentosa (525 SH)	Sumber Hidup Village, Pedamaran Timur Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 33' 40.7"	E 105° 04' 00.2"
8	KUD Serba Usaha (660 SH)	Gading Raja Village, Pedamaran Timur Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 34' 31.7"	E 105° 06' 23.2"
9	KUD Intan (471 SH)	Panca Warna Village, Pedamaran Timur Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 31' 27.9"	E 105° 08' 48.6"
10	KUD Marga Mulya (341 SH)	Tanjung Makmur Village, Pedamaran Timur Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 54' 03.6"	E 105° 06' 27.8"
11	KUD Jadi Mandiri (292 SH)	Embacang Permai Village, Mesuji Raya Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 43' 37.6"	E 105° 06' 53.8"
	KUD Bina Tani Mulya (569 SH)	Maribaya Village, Pedamaran Timur Sub District, Ogan Komering Ilir District, Sumatera Selatan Province, Indonesia	S 03° 39' 25.8"	E 105° 07' 26.3"
	*Note: Total associate smallholder (SH) scope during re-certification audit assessment is 5,674 smallholders that occupied total area about 11,227.79 ha. Changes in the Scope of Certification due to the reduced number of SH members in each cooperative, the current total number of members in each cooperative refers to the data of cooperative members participating in the BP2BKS fund replanting program.			
1.5	Description of Area Statement			
1.5.1	Tenure			
	• HGU		3,120.00 ha	

	• HGB					118.59	ha	
	• Community					11,227.79	ha	
1.5.2	Area Statement							
		Hikmah Dua Estate (ha)	Selapan Jaya Mill (ha)	Associate Smallholders (ha)	Total (ha)			
	• Total area	3,120.00	118.59	11,227.79	14,466.38			
	• Mature area	2,350.79	-	10,647.98	12,998.77			
	• Immature area	-	-	579.81	579.81			
	• Mill	-	118.59	-	118.59			
	• Road	130.08	-	-	130.08			
	• Building	13.70	-	-	13.70			
	• Drain, Swamp, River	540.21	-	-	540.21			
	• Nursery	31.40	-	-	31.40			
	• HCV	53.82	-	39.71*	93.53*			
*HCV hectareage in associate smallholder areas are included on planted area								
1.6	Planting Year and Cycles							
1.6.1	Age profile of planting year (part 1)							
	Planting Year	Hectareage (ha)					KUD Jaya Makmur	
		Hikmah Dua Estate	KUD Madya Karya Bakti	KUD Bina Sejahtera	KUD Sedia Mukti	KUD Maju Lancar		
	1994	-	169.08	268.52	915.56	983.88	127.47	
	1995	1,655.56	344.07	369.94	153.34	-	1,121.81	
	1996	249.11	498.73	484.16	-	-	186.79	
	1997	94.52	-	-	-	-	-	
	2000	-	-	-	-	-	-	
	2001	-	-	-	-	-	-	
	2002	15.00	-	-	-	-	-	
	2005	229.90	-	-	-	-	-	
	2006	43.90	-	-	-	-	-	
	2008	24.00	-	-	-	-	-	
	2011	34.80	-	-	-	-	-	
	2012	4.00	-	-	-	-	-	
	Mature Area	2,350.79	1,011.88	1,122.62	1,068.90	983.88	1,436.07	
	2021	-	-	-	-	-	-	
	Immature Area	-	-	-	-	-	-	
	TOTAL	2,350.79	1,011.88	1,122.62	1,068.90	983.88	1,436.07	
	Age profile of planting year (part 2)							
	Planting Year	Hectareage (ha)					KUD Bina Tani Mulya	Total
		KUD Sumber Sentosa	KUD Serba Usaha	KUD Intan	KUD Marga Mulya	KUD Jadi Mandiri		
	1994	147.24	-	-	-	-	927.12	4,120.15
	1995	814.21	935.86	456.56	132.19	-	211.34	6,627.48

1996	238.40	280.73	-	92.77	-	-	2,145.08
1997	-	-	266.29	247.65	-	-	608.46
2000	-	-	-	82.51	-	-	82.51
2001	-	-	49.59	38.05	-	-	87.64
2002	-	-	104.13	-	-	-	119.13
2005	-	-	-	-	-	-	229.90
2006	-	-	-	-	-	-	43.90
2008	-	-	-	-	-	-	24.00
2011	-	-	-	-	-	-	34.80
2012	-	-	-	-	-	-	4.00
Mature Area	1,199.85	1,216.59	876.57	593.17	-	1,138.46	14,127.05
2021	-	-	-	-	579.81	-	579.81
Immature Area	-	-	-	-	579.81	-	579.81
TOTAL	1,199.85	1,216.59	876.57	593.17	579.81	1,138.46	14,706.85
1.6.2	New Planting area after January 2010			38.8 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 (%)
	Selapan Jaya	120	265,521.07	56,448.76	21.25	13,665.05	5.15
	*Production data source from November 2020 to October 2021						
	**The difference between FFB processed and FFB received (226.61 ton) because the FFB is left for processing the next day (overnight).						
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)	%
	Hikmah Dua Estate	3,238.59	2,350.79	48,946.86	20.82	48,946.86	100.00
	KUD Madya Karya Bhakti (535 SH)	1,011.88	1,011.88	25,218.02	24.92	25,218.02	100.00
	KUD Bina Sejahtera (447 SH)	1,122.62	1,122.62	25,297.83	22.53	25,297.83	100.00
	KUD Sedia Mukti (570 SH)	1,068.90	1,068.90	4,287.13	4.05	4,287.13	100.00
	KUD Maju Lancar (528 SH)	983.88	983.88	4,097.90	4.17	4,097.90	100.00
	KUD Jaya Makmur (736 SH)	1,436.07	1,436.07	40,664.44	28.34	40,664.44	100.00
	KUD Sumber Sentosa (525 SH)	1,199.85	1,199.85	7,658.26	6.46	7,658.26	100.00
	KUD Serba Usaha (660 SH)	1,216.59	1,216.59	4,130.43	3.41	4,130.43	100.00
	KUD Intan (471 SH)	876.57	876.57	5,937.05	6.81	5,937.05	100.00
	KUD Marga Mulya (341 SH)	593.16	593.16	4,840.37	8.17	4,840.37	100.00
	KUD Jadi Mandiri (292 SH)	579.81	-	-	-	-	-
	KUD Bina Tani Mulya (569 SH)	1,138.46	1,138.46	24,914.27	21.88	24,914.27	100.00
	KUD Permata Bunda (600 SH)	1,128.26	1,128.26	3,372.92	2.99	3,372.92	100.00

TOTAL	15,594.64	14,706.84	196,234.00	151.56	199,365.48	73.74
* Production data source from November 2020 to October 2021 *** Total production of cooperative with yield less than 10 ton FFB/year are unknown *** Other FFB has been sent to other Certified RSPO Mill (Telaga Hikmah Mill)						
1.7.3	FFB description from other source					
Name of sources/Organization	Type of Organization	Number of smallholders	Production Area (ha)	Supplied to Mill		
				FFB (tonnes/year)		
KUD Harapan Jaya Mandiri (RSPO non-certified)	Associate Smallholders of PT Telaga Hikmah, Supply base of PT Sampoerna Agro	170	289.00	2,695.79		
KUD Ipoh Raya (RSPO non-certified)		517	1,000.95	7,821.41		
KUD Balian Sejahtera Abadi (RSPO non-certified)		759	1,364.40	942.80		
KUD Puger Mulya (RSPO non-certified)		248	446.40	791.86		
Mega Terang Estate (RSPO non-certified)	PT Telaga Hikmah subsidiary of PT Sampoerna Agro, Tbk.	-	2,790.30	36.44		
Tanjung Sari Estate (RSPO non-certified)		-	3,873.50	249.77		
Gading Jaya Estate (RSPO non-certified)		-	3,243.46	614.47		
Hikmah Satu Estate (Certified RSPO)		-	3,752.30	12,686.32		
Hikmah Empat Estate (Certified RSPO)		-	3,776.10	458.27		
Hikmah Tiga Estate (Certified RSPO)		-	-	-		
Hikmah Lima Estate (Certified RSPO)		-	-	-		
Limau Kesturi Estate (RSPO non-certified)		PT Gunung Tua Abadi, subsidiary of PT Sampoerna Agro, Tbk.	-	6,734.12	9.11	
Jaya Permai Estate (RSPO non-certified)	-		3,792.26	15.40		
Nawa Surya Estate (RSPO non-certified)	-		9,123.00	-		
Sumber Sawit Estate (RSPO non-certified)	-		5,032.00	7.75		
KUD Sari Makmur (RSPO non-certified)	Associate Smallholder of PT Telaga Hikmah, subsidiary of PT Sampoerna Agro, Tbk.		605	1,275.70	18.16	
KUD Tanjung Mesayu (RSPO non-certified)			889	757.24	8.09	
KUD Sumber Makmur (RSPO non-certified)		109	627.52	0.70		
Sentosa Agri Prima Estate (RSPO non-certified)	Outgrower	-	-	31,477.63		
Bintang Sarana Abadi Est. (RSPO non-certified)	Agent	-	-	3,166.81		
Berkat Sentosa Abadi Est. (RSPO non-certified)	Outgrower	-	-	877.02		
Bermuda Agro Mandiri Est. (RSPO non-certified)	Agent	-	-	4,316.04		

TOTAL				66,193.83				
* Production data source from November 2020 to October 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)		Actual certified product (mt) (Nov 2020 to Oct 2021)			
	FFB Processed		216,000		199,365.48			
	CPO Production		43,000		42,851.63			
	Palm Kernel (PK) Production		11,000		10,962.37			
1.8.2	Product selling							
	Type of selling product		Actual selling product period for last year (Nov 2020 to Oct 2021) (mt)					
	CSPO sold as RSPO certified product		2,950.00					
	CSPK sold as RSPO certified product		7,428.10					
	CSPO sold under other scheme		3,700.00					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		35,637.36					
	CSPK sold as conventional		3,278.22					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (ha)	Production Area (ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Hikmah Dua Estate	3,238.59	2,350.79	49,000	20.84			
	KUD Madya Karya Bhakti (535 SH)	1,011.88	1,011.88	25,000	24.71			
	KUD Bina Sejahtera (447 SH)	1,122.62	1,122.62	25,000	22.27			
	KUD Sedia Mukti (570 SH)	1,068.90	1,068.90	5,000	4.68			
	KUD Maju Lancar (528 SH)	983.88	983.88	5,000	5.08			
	KUD Jaya Makmur (736 SH)	1,436.07	1,436.07	40,000	27.85			
	KUD Sumber Sentosa (525 SH)	1,199.85	1,199.85	8,000	6.67			
	KUD Serba Usaha (660 SH)	1,216.59	1,216.59	5,000	4.11			
	KUD Intan (471 SH)	876.57	876.57	7,000	7.99			
	KUD Marga Mulya (341 SH)	593.16	593.16	6,000	10.12			
	KUD Jadi Mandiri (292 SH)	579.81	-	-	-			
	KUD Bina Tani Mulya (569 SH)	1,138.46	1,138.46	25,000	21.96			
	TOTAL	14,466.38	12,998.77	200,000	14.73			
	*Projected FFB production for 12 months							
	**Yield figure do not represent productivity. Some estate not fully deliver its FFB to Selapan Jaya Mill							
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 (%)	
	Selapan Jaya	120	200,000	43,000	21.50	10,300	5.15	MB
	*Projected CSPO and CSPK production for 12 months							

1.9 Other Certifications							
	ISCC	EU-ISCC-Cert-ID215-23190101					
	Other	<ul style="list-style-type: none"> • ISO 9001:2015 (2020-2023); • ISO 14001:2015 (2020-2023); • ISPO (2020-2025) • PROPER Blue (2019/2020). 					
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						
Belida Mill of PT Aek Tarum	2011	Belida Mill	2011	Sumatera Selatan	Certified		
	2011	Belida Estate	2011	Sumatera Selatan	Certified		
	2016	Permata Bunda Satu Estate	2016		Certified		
	2018	KUD Permata Bunda	2018	Sumatera Selatan	Certified		
	2016	Belida Estate Smallholder					
		• KUD Panca Sawit Makmur	2016	Sumatera Selatan	Certified		
	2017	Limau Sundai Smallholder					
		• KUD Rahayu Bhakti	2017	Sumatera Selatan	Certified		
		• KUD Mulya Jaya	2017		Certified		
		• KUD Mekar Sari	2017		Certified		
	• KUD Sumber Rezeki	2017	Certified				
	2017	Sari Indah Smallholder					
		• KUD Karya Makmur	2017	Sumatera Selatan	Certified		
	2018	• KUD Subur Makmur	2018		Certified		
	Permata Bunda Jaya Mill of PT Mutiara Bunda Jaya	2016	Permata Bunda Mill	2016	Sumatera Selatan	Certified	
2016		Mesuji Estate	2016	Certified			
2016		Surya Adi Estate	2016	Certified			
2018		Mesuji Smallholder					
		• KUD Citra Sawit Mandiri	2018	Sumatera Selatan	Certified		
2018		Permata Bunda Smallholder					
		• KUD Marga Mulya	2018	Sumatera Selatan	Certified		
2018		• KUD Surya Bhakti	2018		Certified		
2018		Harapan Bunda Smallholder					
		• KUD Surya Adi	2018	Sumatera Selatan	Certified		
2018		• KUD Sinar Jaya	2018		Certified		
2018		Surya Karta Smallholder					
	• KUD Tunas Harapan	2018	Sumatera Selatan	Certified			
2024	• KUD Bina Sawit Utama	2024	Sumatera Selatan	-			
Sumber Sawit Mill of PT Gunung Tua Abadi	2016	Sumber Sawit Mill	2016	Sumatera Selatan	Certified		
	2016	Sumber Sawit Estate	2016		Certified		
	2016	Inti Permata Bunda Dua Estate	2016		Certified		
	2017	Hikmah Tiga Estate	2017		Certified		
	2017	Hikmah Lima Estate	2017		Certified		
	2021	Hikmah Lima Estate (Extension HGU 2019)	2021		-		
	2017	Hikmah Lima Estate Smallholder					
		• KUD Dewa Makmur	2017	Sumatera Selatan	Certified		

		Sumber Sawit Estate Smallholder			
		2022	• KUD Makmur Bersama	2022	-
		2023	Limau Kesturi Estate	2023	-
		2022	Jaya Permai Estate	2022	-
		2022	Nawa Surya Estate	2022	-
		2022	Puncak Terang Estate	2022	-
		2024	KUD Surya Gajah Dewa	2024	-
		2024	KUD Jeruju Bhakti mandiri	2024	-
		2024	KUD Supas Maju Bersama	2024	-
		2017	Selapan Jaya Mill	2017	Certified
		2017	Hikmah Dua Estate	2017	Certified
		2020	• KUD Jadi Mandiri	2020	Certified
		2018	• KUD Bina Sejahtera	2018	Certified
		2018	• KUD Maju Lancar	2018	Certified
		2018	• KUD Madya Karya Bhakti	2018	Certified
		2018	• KUD Sedyo Mukti	2018	Certified
		2018	• KUD Jaya Makmur	2018	Certified
		2018	• KUD Intan	2018	Certified
		2018	• KUD Marga Mulya	2018	Certified
		2018	• KUD Bina Tani Mulya	2018	Certified
		2018	• KUD Sumber Sentosa	2018	Certified
		2018	• KUD Serba Usaha	2018	Certified
		2024	• KUD Puger Mulya	2024	-
		2024	• KUD Harapan Jaya Mandiri	2024	-
		2024	• KUD Balian Sejahtera Abadi	2024	-
		2024	• KUD Ipoh Raya	2024	-
	Selapan Jaya Mill (PT Sampoerna Agro)	2018	Telaga Hikmah Mill	2018	Certified
		2018	Hikmah Satu Estate	2018	Certified
		2019	Hikmah Empat Estate	2019	Certified
		2021	Gading Jaya Estate	2021	-
		2021	Mega Terang Estate	2021	-
		2021	Tanjung Sari Estate	2021	-
		2021	Sepucuk Estate	2021	-
		2024	• KUD Permata Indah	2024	-
		2023	• KUD Tanjung Mesayu	2023	-
		2023	• KUD Sumber Makmur	2023	-
		2023	• KUD Sari Makmur	2023	-
		2025	• KUD Sanjaya Cita Mandiri	2025	-
		2023	Sungai Rangit Mill	2023	-
		2023	Baboti Estate	2023	-
		2023	Rauk Naga Estate	2023	-
		2023	Waringin Estate	2023	-
		2023	Sukamara Estate	2023	-
		2023	Telaga Bintang Estate	2023	-
		2023	Sungai Sagu Estate	2023	-
		2025	KUD Pasir Subur Sampoerna	2025	-
		2025	KUD Sawit Mukti Jaya	2025	-
		2025	KUD Mulya Jaya	2025	-
		2027	KUD Patih Payung Sejahtera	2027	-
		2026	Poktan I – XXVIII	2026	-

		2027	Mitra Terpadu I – III	2027		
		2024	Sahara Estate	2024		
		2025	KUD Usaha Tani Sejahtera	2025		-
	Usaha Agro Indonesia Mill of PT Usaha Agro Indonesia	2018	Usaha Agro Indonesia Mill	2018	Kalimantan Barat	Certified
		2018	Ulin Agro Estate	2018		Certified
		2018	Kruing Agro Estate	2018		Certified
		2018	Meranti Agro Estate	2018		Certified
		2021	Permit location-2 (2,500 ha)	2021		Certified
		2022	Permit location-3(2,283 ha)	2022		-
		2021	KOBBUN Jambi Mekar Jaya Sempurna (JMJS)	2021		Certified
		2021	KOBBUN Sempurna Mandiri (SM)	2021		Certified
		2022	KOBBUN Sempurna Bersatu (SB)	2022		-
		2025	PT Anugerah Palm Indonesia (Gaharu Palm Estate)	2025		-
	2027	PT Anugerah Palm Indonesia Gaharu Estate Smallholder	2027	-		
	Lanang Agro Bersatu Mill of PT Lanang Agro Bersatu	2023	Lanang Agro Bersatu Mill	2023	Kalimantan Barat	
		2023	Bukit Subur Estate	2023		-
		2023	Bukti Makmur Estate	2023		-
		2023	Lanang Agro Bersatu Smallholders	2023		-
		2025	KOBBUN Bina Bersama	2025		
		2025	KOBBUN Mitra Peruye Bersatu	2025		
		2025	KOBBUN Dara Kaba	2025		
	Landak Area (Wilayah 1)	2024	PT Tebar Tandan Tenerah (Gunung Tenerah Estate)	2024	Kalimantan Barat	-
		2026	KOBBUN Usaha Ane Laki	2026		-
		2026	KOBBUN Usaha Tandan Hidup	2026		-
		2024	PT Nusantara Sarana Alam (Gunung Alam Estate)	2024		-
		2026	KOBBUN Biki Diri Maju	2026		-
		2026	KOBBUN Panamukang Sagauh Raya	2026		-
		2024	Kedurang Prakarsa Nabati Estate	2024		-
		2026	PT Kedurang Prakarsa Nabati Smallholders	2026		-
	Landak Area (Wilayah 2)	2024	PT Pertiwi Agro Sejahtera (Gunung Sejahtera Estate)	2024	Kalimantan Barat	-
		2026	KOBBUN Sawit Enen Mampui	2026		-
		2024	PT Kusuma Mentari Makmur (Gunung Mentari Estate)	2024		-
		2026	KOBBUN Binua Aek' Ayak	2026		-
		2024	PT Agro Planindo Utama (Gunung Utama Estate)	2024		-
		2026	KOBBUN Saripan Ayungk Apu	2026		-
	<ul style="list-style-type: none"> The TBP endorsed by the CEO on 02 June 2021. As announced by RSPO through email dated 22 August 2019 about requirement for growers on TBP and uncertified management units, it has mentioned that as a minimum, all estates and mills shall be certified within five years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year timeframe. Any deviations from these maximum periods requires approval 					

- by RSPO Secretariat. Since the RSPO Certification System document was made effective from 01 July 2018, existing RSPO members have 5 years from this date to comply with these requirements. This means any grower member with management unit(s) that have not yet been certified will need to ensure that the uncertified management unit(s) are certified by 30 June 2023.
- Regarding the matter above, in 28 June 2021, Sustainability Department informed RSPO via email about update of Sampoerna Agro TBP certification. Together with the email, attached Head of Sustainability Memorandum No. 046/SUSN/2021 dated 31 May 2021 about TBP revision 2021 which informed several justifications, such as: NPP, HCV, HCS, LUCA, RaCP, financial, land ownership (legal), etc. As response by RSPO via email in 05 August 2021, it has mentioned that by responding to unit of certification request, RSPO have reviewed the revised Time bound Plan (TBP) and can provide an **approval**.

The revision of time bound plan because there is the change of certification time plan for uncertified management units, reduction of supply base and extension of supply base with details:

- Reduction of supply base: KUD Mulya Indah Permai because has terminate the agreement.
- Add estate name in subsidiaries:
 - Gaharu Palm Estate, supply to PT Anugrah Palm Indonesia Estate
 - Gunung Tenerah Estate, supply to PT Tebar Tanda Tenerah Estate
 - Gunung Alam Estate, supply to PT Nusantara Sarana Alam Estate
 - Gunung Sejahtera Estate, supply to PT Pertiwi Agro Sejahtera Estate
 - Gunung Mentari Estate, supply to PT Kusuma Mentari Makmur Estate
 - Gunung Utama Estate, supply to PT Agro Planindo Utama Estate
- Change of time line for uncertified unit:

Unit	Previous TBP	Revision TBP	Justification	Mill
KUD Bina Sawit Utama	-	2024	New agreement	Permata Bunda Mill
Hikmah Lima Estate (HGU extension in 2019)	2020	2021	On process to install HGU boundaries	Sumber Sawit Mill
KUD Makmur Bersama	2020	2022	Infrastructure not yet appropriate LUCA process	
Limau Kesturi Estate	2020	2022	LUCA process	
Jaya Permai Estate	2020	2022	LUCA process	
Nawa Surya Estate	2020	2022	LUCA process	
Puncak Terang Estate	2020	2022	LUCA process	
KUD Mulya Indah Permai	2020	-	Terminate agreement	
KUD Puger Mulya	2020	2022	- KUD Financial not yet stable - LUCA process	
KUD Harapan Jaya Mandiri	2020	2022		
KUD Balian Sejahtera Abadi	2020	2022		
KUD Ipoh Raya	2020	2022		
Gading Jaya Estate	2019	2021	LUCA process	Telaga Hikmah Mill
Megaterang Estate	2021	2021		
Tanjung Sari Estate	2019	2021		
Mega Terang Smallholder	2021	2024		
KUD Tanjung Mesayu	2020	2023		
KUD Sumber Makmur	2020	2023		
KUD Sari Makmur	2020	2023		
Sungai Rangit POM	2021	2022	LUCA process and legality issue	Sungai Rangit Mill
Baboti Estate	2021	2022		
Rauk Naga Estate	2021	2022		
Waringin Estate	2021	2022		
Sukamara Estat	2021	2022		
Telaga Bintang Estate	2021	2022		
Sungai Sagu Estate	2021	2022		

	Sungai Rangit Smallholder	2021	2025		
	Location permit 2,283 Ha	2020	2022	Land title still on process	Usaha Agro Indonesia Mill
	Kopbun Sempurna Bersatu	2020	2022		
	Lanang Agro bersatu Mill	2020	2022	LUCA process	Lanang Agro Bersatu Mill
	Bukit Subur Estate	2020	2022		
	Bukit Makmur Estate	2020	2022		
	Lanang Agro Bersatu	2022	2023		
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	The smallholders associated with PT Sampoerna Agro has been include as Certification Scope and the others smallholder are in progress to certification				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
RC-1	<p>1. Mohamad Amarullah (Lead Auditor). Indonesian Citizen. Master of Wood Science and Technology from UPM Malaysia and Bachelor of Forestry, majoring in Forest Product Technology from IPB University. 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 19011, ISO 14001, ISO 45001, HCV, SCCS, SA 8000, Life Cycle Analysis, etc. Has been conducted several ISPO, RSPO and MSPO audit scheme as an Auditor and Lead Auditor since 2014 in all aspects. Fluent in Malay and English. During this assessment has verified legal, social, transparency information, TBP and partial certification aspect.</p> <p>2. Rindu Galih Rezza Rachmansyah (Auditor). Indonesian citizen, Bachelor of Agriculture with major in Plant Pest and Disease. Has one year experience as Field Expert in Pesticide Company and 3 years' experience in Industrial Forest Management, Forest Rehabilitation and Reclamation on Indonesia Stated Owned Company as Assistant. Training which had attended including Lead Auditor ISO 9001, ISO 14001, ISO 17021, ISO 19011, SA 8000, ISPO, RSPO, RaCP and NPP Awareness and OHSAS 18001:2007. Has involved in several audit activities related to sustainable palm oil since 2017 on BMP, OHS, and worker welfare aspect. During this assessment has verified OHS and worker welfare.</p> <p>3. 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 best management practices, SCCS, and long term management plan.</p> <p>4. Erika Lucitawati (Auditor Trainee). Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. 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. During this assessment has verified environmental, conservation and GHG aspects with supervision by Lead Auditor.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
RC-1	<p>Number of auditors: 3 auditors and 1 trainee Number of days for Re-Certification at site: 5 days Number of working days for Re-Certification at site: 15 Working days</p>
2.2.2	Assessment Process
RC-1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sampoerna Agro Tbk – Selapan Jaya Mill to the requirements of RSPO Principles & Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</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>Some opportunities for improvement of the results Re-Certification delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (RC). Improvement of findings from previous audit findings were observed by auditors at this Re-Certification assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of Re-Certification.</p>

	<p>The opening meeting was held on Tuesday 16 November 2021 in client area through combination of direct and teleconference (zoom). As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, GM for smallholder area, sustainability department and other relevant staff. While the closing meeting will take place on Saturday 20 November 2021. The auditor team cannot conduct field observation for 2 days and field observation is conducted in Tuesday due to mitigate the pandemic Covid-19. In general, the audit activities went smoothly with good support from the unit management and there is no grievance or appeal during the audit. The presentation of documents is presented quite well using email or google drive.</p> <p>There has been a change in the number of farmers and the scope of certification, because since 2021 – 2022 the replanting program will begin with the assistance of BP2BKS replanting funds. As for each cooperative that is the scope of the audit, not all cooperative members participate in the replanting program. For farmers who do not participate in the management replanting program – sales are made privately.</p> <p>The assessment program please find Appendix 2</p>
<p>2.2.3</p>	<p>Locations of Assessment</p>
<p>RC-1</p>	<p>Number of units in this certification activity is 1 (one) Mill, 1 (one) Own Estates and 11 KUD (5,674 smallholders/ SH). The auditor team used the $(0.8\sqrt{y}) \times (z)$ formula to determine the units sampling to be focused on and also considered the issues raised by stakeholder, (y) is the number of estate and (z) multiplier defined by the risk assessment. The risk for this assessment is low due to the area is geographic locations, distance of estate, complexity of labor, landscape setting, presence of HCV, number of communities/ conflicts and legality. Based on this formula, the auditor team determined that the sampling locations are one palm oil mill (Selapan Jaya POM), one estate (Telaga Hikmah Dua Estate) and 105 SH (21 SH in KUD Madya Karya Bhakti, 21 SH in KUD Sumber Sentosa, 21 SH in KUD Bina Tani Mulya, 21 SH in KUD Intan and 21 SH in KUD Jadi Mandiri).</p> <p>Location that visited consist of:</p> <p>Selapan Jaya Mill (17 November 2021)</p> <ul style="list-style-type: none"> • Security Post. Observation to FFB transportation and acceptance process and interview with 2 Security Officers, on their understanding towards technical, RSPO supply chain, environment, safety and manpower aspect, as well as facilities provided by mill management. Recording has conducted manually. • Weighbridge Station. Observation and interview with 2 Weighbridge Operators, on their understanding towards technical, supply chain, environment, safety and manpower aspect, as well as facilities provided by estate management. Sighted weighbridge software namely "Microsoft Dynamics GP". • Laboratory. Observation to laboratory works and interview with 1 Laboratory Officer, on his understanding towards technical, environment, safety and manpower aspect, as well as facilities provided by mill management. • Hydrant Simulation in front of Storage Tank No. 5. Observation to readiness of emergency team and fire fighter devices. Result of simulation is satisfactory. Location of hydrant is the farthest from WTP Station. • WTP. Observation and interview with 1 WTP Officer related to water management, recording of water use, PPE and waste management. • WWTP (outlet for POME disposal). Observations related to POME management and environmental aspect. • Biogas Plant. Observation and interview with 1 Biogas Plant Officer related to POME utilization for biogas. • Empty Bunch Area. Observation related to waste management. • Hazardous Waste Storage. Observation related to OHS aspect, and environmental aspect. • Chemical Storage. Observation related to OHS aspect, and environmental aspect. • Grading Station. Observation and interview with 3 personel on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company. • Loading Ramp Station. Observation and interview with 1 Operators on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company. • Sterilizer Station. Observation and interview with 2 Operators on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company. • Thresher Station. Observation towards technical, OSH, License, and environment aspects. • Press Station. Observation and interview with 2 Operators on their understanding towards technical, OSH,

- License, Labor and environment aspects, as well as facilities provided by the company.
- **Clarification Station.** Observation and interview with 1 Operators on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company.
 - **Kernel Station.** Observation and interview with 1 Operators on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company.
 - **Boiler Station.** Observation and interview with 2 Operators on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company.
 - **Engine Room.** Observation and interview with 1 Operators on their understanding towards technical, OSH, License, Labor and environment aspects, as well as facilities provided by the company.

Hikmah Dua Estate of PT Telaga Hikmah (17 November 2021)

- **Division 1 Block 15.** Observation to **Fire Monitoring Control** (height 12 m) and implementation of **EFB mulching** that applied manually on inter palm and inter-row, with dosage 40 ton EFB/ha/year (or ± 300 kg/palm/year).
- **Division 3 Block 32.** Observation to **effluent-solid application** that applied on top of EFB mulched, with dosage 15 ton/ha/year (or ± 111 kg/palm/year).
- **Division 1 Block 02.** Observation to **mechanical EFB mulching** that applied through Empty Bunch Spreader (EBS) along harvesting path, with dosage 40 ton EFB/ha/year (or ± 300 kg/palm/year).
- **Division 1 Block 01.** Observation to **HCV 4.1 of "Areal Rawa 1"** management that covers 24.21 ha (secondary forest, lowlying terrain, demarcated with permanent yellow poles).
- **Division 1 Block 02.** Observation to land title **Pole No. BPN 12** where situated in adjacent with Pulau Geronggang Village area and physically separated with drain system (Coordinate: 1° 25' 44.92" N and 109° 32' 36.98" E).
- **Division 1 Block 14.** Observation to land title **Pole No. BPN 88** where situated in adjacent with Cooperative (KUD) of Bina Tani Mulya from Village of Maribaya (Coordinate: 3° 39' 22.69" S and 105° 09' 18.70" E). Furthermore, sighted Barn Owl Box (*Gupon*) which expected to control rat population on radius 25.00 ha.
- **Division 1 Block 10.** Observation to **occupied area** by community of Pulau Geronggang Village which already planted by rubber tree (*Hevea brasiliensis*) and clearly separated by road.
- **Division 1 Block 21.** Observation to **harvesting activities** and interview with Foreman and 1 Harvester, on their understanding towards technical, environment, safety and manpower aspect, as well as facilities provided by company management.
- **Division 1 Block 16/20.** Observation to Nursery area that on conducting **pesticide application** and **liquid fertilizer application** activities and interview with Foreman and 4 Applicators (male), on their understanding towards technical, environment, safety and manpower aspect, as well as facilities provided by company management. Nursery has covers 31.40 ha with source of water came from Pulau Geronggang and Lempuing River.
- **Housing Area G2.** Observation and interview with 1 resident related to employee facilities provided by estate management and environmental aspect.
- **Diesel Tank.** Observation related to OHS, environment aspect, emergency response and fire facilities.
- **Spare part and PPE warehouse.** Observation minimum stock of PPE's.
- **Oil warehouse.** Observation related to OHS and environmental aspect.
- **Fertilizer and pesticide warehouse.** Observation and interview with 2 Warehouse Officers related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used.
- **Rice warehouse.** Observation related to OHS aspect, environmental aspect, and rice availability for employee.
- **Hazardous Waste Storage.** Observation related to OHS aspect, and environmental aspect.
- **Workshop.** Observations related to management and implementation of health safety, and social worker.
- **Room rinse of pesticide applicators.** Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used.
- **Fire Fighting Warehouse.** Observation related to firefighting facility.

KUD Sumber Sentosa

- **Fertilizer Storage.** Observation of fertilizer management and interview related to procedure and worker welfare.
- **Hazardous waste storage.** Observation of hazardous waste management and interview related to procedure and worker welfare

- **Cleaning house.** Observation about cleaning house condition.
- **Pesticide storage.** Observation about storage condition and pesticide stock and interview with worker about worker welfare, waste management, OHS implementation.
- **Powerhouse:** Observation and interview related to safety aspect and worker welfare.
- **Harvesting activities (KT 25):** Observation and interview the harvesters related to work time, payment mechanism, medical care, insurance, criterion of mature fruit, PPE Used, etc
- **HCV area (Ketek Riparian).** Observation of HCV management
- **Boundary stakes of KT 7 & 8.** Observation of legal boundary
- **Kavling 279, Farmer Group 27 (4 harvester and 2 picker).** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare

KUD Madya Karya Bakti

- **Group 59 Lot 1333-1334.** Observation to harvesting activities and interview with Head of Group and **Harvester**, on their understanding towards technical, environment, safety and manpower aspect,. Furthermore, sighted SHM Poles and interview towards manpower system, integrated pest management, field upkeep, safety implementation, insurance (BPJS), FFB transportation and sales mechanism, credit, training provided by estate management, replanting program, progress of land title (SHM) and STDB, etc.
- **Group 53 Lot 1676-1677.** Observation to harvesting activities and interview with Head of Group and **Harvester**, on their understanding towards technical, environment, safety and manpower aspect,. Furthermore, sighted SHM Poles and interview towards manpower system, integrated pest management, field upkeep, safety implementation, insurance (BPJS), FFB transportation and sales mechanism, credit, training provided by estate management, replanting program, progress of land title (SHM) and STDB, etc.
- **Group 57 Lot 1271-1272** Observation to harvesting activities and interview with Head of Group and **Harvester**, on their understanding towards technical, environment, safety and manpower aspect,. Furthermore, sighted SHM Poles and interview towards manpower system, integrated pest management, field upkeep, safety implementation, insurance (BPJS), FFB transportation and sales mechanism, credit, training provided by estate management, replanting program, progress of land title (SHM) and STDB, etc.
- **Fertilizer Storage.** Observation of fertilizer management and interview related to procedure and worker welfare.
- **Hazardous waste storage.** Observation of hazardous waste management and interview related to procedure and worker welfare
- **Cleaning house.** Observation about cleaning house condition.
- **Pesticide storage.** Observation about storage condition and pesticide stock and interview with worker about worker welfare, waste management, OHS implementation.

Cooperative of Intan (18 November 2021)

- **Group 10 Lot 271.** Observation to harvesting activities and interview with Head of Group and **Harvester**, on their understanding towards technical, environment, safety and manpower aspect,. Furthermore, sighted SHM Poles and interview towards manpower system, integrated pest management, field upkeep, safety implementation, insurance (BPJS), FFB transportation and sales mechanism, credit, training provided by estate management, replanting program, progress of land title (SHM) and STDB, etc.
- **Group 10 Lot 237.** Observation to Barn Owl Box (*Gupon*) on presence of Barn Owl (*Tyto alba*).
- **Fertilizer Storage.** Observation of fertilizer management and interview related to procedure and worker welfare.
- **Hazardous waste storage.** Observation of hazardous waste management and interview related to procedure and worker welfare
- **Cleaning house.** Observation about cleaning house condition.
- **Pesticide storage.** Observation about storage condition and pesticide stock and interview with worker about worker welfare, waste management, OHS implementation.

Cooperative of Jadi Mandiri

- **Farmer Group 41 (2 plots, number 971-972) and group 48 (2 plots, number 1172-1173).** Field observation and interview with 3 harvest workers related to spraying, worker welfare, environmental and OHS implementation.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
RC-1	<p>Summary of stakeholder consultation process Consultation of stakeholders for PT Sampoerna Agro was held by:</p> <ul style="list-style-type: none"> • Public Notification on website RSPO and PT Mutuagung Lestari on 04 October 2021 • Public consultation with NGO via questioner email on 08 November 2021 • Public consultation meeting with government institution on 16 to 17 November 2021 • Public consultation meeting with surrounding community including previous land owner on 16 November 2021 • Public consultation meeting with internal stakeholders and contractor 16 to 17 November 2021 <p>Numbers of input from stakeholders were clarified by PT Sampoerna Agro</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit ASA-1.1 will be conducted eight (8) months to twelve (12) months after Re-Certification assessment.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Selapan Jaya POM – PT Sampoerna Agro, Tbk. operation consisting of one (1) mill, one (1) oil palm estate and eleven (11) associate smallholder cooperatives (KUD - 5,674 SH).

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators, two (2) Nonconformities were assigned against Minor Compliance Indicators and three (3) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action) that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic/etc...). Those corrective actions taken that consist of two (2) Major non-conformities had been closed out and shall be verified during next assessment.

MUTUAGUNG LESTARI found that Selapan Jaya POM – PT Sampoerna Agro Tbk complied with the requirements of **RSPO Principles & Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 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.	
<p>1.1.1 The company has shown List of Public Information in 2021. Based on document verification, public document includes legality document, BMP document, environmental document, social document, financial document and document and policies.</p> <p>Based on document verification towards SOP Communication, Participation, and Consultation SOP No. P-SAG-HA-CA&L-08 Revision 2 dated February 1, 2016 and SOP No. SA-PLASMA-PP-CA&L-01 dated 1 April 2017, it is explained that there are types of information that are open to public, but not limited to land use rights/certificates, OHS plans, EIA, HCV documentation, pollution reduction and prevention plans, complaint details and complaints, negotiation procedures, continual improvement plans, public summaries of certification assessment reports, human rights policies. Publicly document also inform in CH website such as sustainability policy, company commitment and code of ethics. Based on interview with related agencies in Ogan Komering Ilir District and documents review, it could be concluded that the company has socialized information that publicly available to related stakeholders.</p> <p>Environmental Aspect The company has shown the relevant environmental monitoring and management reporting documents to the competent authority, including:</p>	

- The Report on the Implementation of POME management, Environmental Monitoring and Management of Hazardous Waste, program and realization CSR report to the Environmental Agency of Ogan Komering Ilir District and Sumatera Selatan Province.
- Land preparation without burning and has the infrastructure in fire anticipation, according to Regulation of Agricultural Minister No. 5 of 2018.
- Report of management and monitoring HCV & SIA to government.

1.1.2

The company has SOP Communication, Participation, and Consultation SOP No. P-SAG-HA-CA&L-08 Revision 2 dated February 1, 2016 document that regulates procedures for communication and consultation with external and internal stakeholders. This SOP also regulates the timeframe for responding to requests for information. Based on the Communication, Participation and Consultation SOP, it is known that the responsibility for communication and consultation is the management of the Plantation (Estate and Mill), the CA&L (Corporate affair & Legal) department, the sustainability unit, and human resources & services.

KUD shows SOP Communication, Participation, and Complaints No. SA-PLASMA-PP-CA&L-01 dated April 1, 2017. Based on this document, external communication can be carried out in writing and orally. Stakeholder communication responses are carried out at least 14 days after the information is received. Based on the results of document review of incoming and outgoing letters that have been shown by the company, it is known that both the provision of information and responses to requests for information are carried out in Indonesian.

Based on the results of interviews with several government agencies in Ogan Komering Ilir District, contractors and village representatives, it is known that the company has conducted outreach to stakeholders regarding its communication SOPs.

1.1.3

PT Sampoerna Agro, and Hikmah Dua Estate, as well as scheme smallholders have records of requests for information and responses given which are contained in the Stakeholder Logbook and have been shown by each unit. The logbook explains the name of the sender, agency, date of incoming letter, initials, and responses. For example, there are several letters that go to companies and KUD and their responses as shown below:

- KUD Permata Bunda Incoming letter on September 11, 2020 from OKI youth organization (*GP Anso*) was in the form of a proposal and was responded to by KUD Permata Bunda with the provision of financial assistance.
- Hikmah Dua Estate Incoming Letter with letter No. 225/KD/MB/Pdmr-*I*/IX/2021 dated September 13, 2021 regarding requests road repairing in Maribaya Village and has been followed up by outgoing letter of Hikmah Dua Estate No. 0983/HD/VII/2020.
- Selapan Jaya POM Incoming Letter with letter No. 140/55/Pemb/X/2021 dated March 6, 2021 regarding requests for provision of heavy equipment and has been followed up by on March 8, 2021 by PT Sampoerna Agro management.

1.1.4

The company has SOP Communication, participation, and consultation No. P-SAG-HA-CA&L-08 Revision 2 dated February 1, 2016 document that regulates procedures for communication and consultation with external and internal stakeholders. This SOP also regulates the timeframe for responding to requests for information. Based on the Communication, Participation and Consultation SOP, it is known that the responsibility for communication and consultation is the management of the Plantation (Estate and Mill), the CA & L (Corporate affair & Legal) department, the sustainability unit, and human resources & services.

KUD shows SOP Communication, Participation, and Complaints No. SA-PLASMA-PP-CA & L-01 effective April 1, 2017. Based on these documents, external communication can be carried out in writing and orally. Stakeholder communication responses are carried out at least 14 days after the information is received

Based on the results of document review of incoming and outgoing letters that have been shown by the company, it is known that both the provision of information and responses to requests for information are carried out in Indonesian.

Based on results of interviews with several government agencies of Ogan Komering Ilir District, contractors and village

representatives, it is known that the company has conducted outreach to stakeholders regarding its communication SOP.

1.1.5

The company has an updated list of contacts and detailed stakeholder information for the period 2021. The stakeholder list explains the name of the agency, personal name, telephone number and address and explains the status of the stakeholder (internal or external), such as representatives of agency in Ogan Komering Ilir District, PT Sampoerna Agro, consultant, etc. The number of stakeholders of each KUD and Estate are as follows:

- KUD Intan: 47 stakeholders
- KUD Sumber Sentosa: 48 stakeholders
- KUD Bina Tani Mulya: 47 stakeholders
- Hikmah Dua Estate: 77 stakeholders
- Selapan Jaya POM: 109 stakeholders

During the audit activity, all stakeholders contacted by the auditors have matched their information with the list of stakeholders owned and all PICs and existing contacts can be easily contacted.

Status: Comply

1.2

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

1.2.1

The company has a PT Sampoerna Agro Tbk Sustainability Policy which was signed by the CEO on October 1, 2019. The policy describes the company's commitment regarding ethical code in Point 1 which states, *"To act with integrity and ethical behavior in all transactions and business operations in accordance with The Sampoerna Way. Comply with fair and proper business practices, prohibit all forms of corruption and other violations, and ensure transparency of information in accordance with applicable regulations."*

Besides, company has a KUD BTM Commitment and Policy which was signed by Head of KUD on March 8, 2021. The policy describes the company's commitment regarding ethical code in Point 1 which states, *"To act with integrity and ethical behavior in all transactions and business operations in accordance with The Sampoerna Way. Comply with fair and proper business practices, prohibit all forms of corruption and other violations, and ensure transparency of information in accordance with applicable regulations."*

The company has socialized the code of ethics policy within the company. The socialization was given to all KUD and estate which are the supply base of Selapan Jaya POM. One example is the Policy Socialization Report and commitment to employees of KUD Jaya Makmur which was held on March 5, 2021, where there is also a socialization regarding the code of ethics policy.

In addition to the company workers and KUD, the contractors and their workers were also given socialization related to the policy. For contractors, socialization is given at the time of signing the contract, while for contractor workers it is given at the same time as socialization to company workers is carried out. This is in accordance with the results of interviews with contractors and their workers, where they stated that they knew and understood the policy.

1.2.2

The company has a violation reporting policy of PT Sampoerna Agro Tbk which was ratified by the President Director on September 27, 2013. The purpose of this policy is as a concrete manifestation that the company group upholds accountability and transparency as well as a concrete effort to improve the quality of plantation company governance. which is good for supporting the business activities of the group company. This policy explains the Whistle Blowing System (WBS), which is a violation reporting system that is part of the group's internal control system in preventing violation and fraudulent practices and to strengthen the implementation of good corporate governance.

All reports must be submitted to the WBS team by electronic mail or written letter:

- If submitted by electronic mail or email, the report is addressed to: complaints@sampoernaagro.com
- If submitted by mail (in a closed envelope), which is marked as Private and strictly confidential: complaint from SGRO PT Sampoerna Agro Tbk. Sampoerna Strategic Square North Tower, 28th floor Jl. Jend. Sudirman Kav. 45 Jakarta

12930, Indonesia.

Besides, violating report in scheme smallholders has been contained in SOP of internal audit, SA-Plasma-PP-SUST-01, Rev: 0, Issued Date April, 2016. In the procedure has regulated that audit schedule once time audits per year to ensure consistent implementation of ethical business policies and practices.

Company has also evaluated its regulation list annually. For example, company has shown Evaluation of Regulation Compliance including environmental, OHS, and plantation aspects for Hikmah Dua Estate, Selapan Jaya POM dan KUD on 26 August 2021.

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

Unit of certification shows several laws and/or regulation pursuance evidence in legal aspect, explained as follows:

Hikmah 2 Estate of PT Telaga Hikmah and Selapan Jaya Mill of PT Sampoerna Agro

- Unit of certification has **location permit** as presented in document Decree of Sumatera Selatan Governor No. 784.a/SK/II/1993 dated 18 October 1993 about location permit for PT Telaga Hikmah (Hikmah 2 Estate) for area covers **± 10,000.00 ha** where situated in Mesuji Sub District, Ogan Komering Ilir District.
- Unit of certification has two (2) **plantation business permit (IUP)** for oil palm plantation and oil palm processing as presented in the following Ogan Komering Ilir Regent Decrees:
 - Decree No. 324/KEP/D.PERKE/2011 dated 24 August 2011 appointed to PT Telaga Hikmah for oil palm plantation in area covers **16,588.93 ha**.
 - Decree No. 221/Kep/D.Perke/2010 appointed to Selapan Jaya Mill of PT Sampoerna Agro for oil palm plantation in area covers 3,243.46 ha and oil palm processing mill at building land title (HGB) **118.595 ha** wit processing capacity **120 ton FFB/hour**.
- Unit of certification has **Land Title (HGU)** for Hikmah 2 Estate of PT Telaga Hikmah and **Building Land Title (HGB)** for Selapan Jaya Mill of PT Sampoerna Agro for total area covers **3,120.00 ha** and **118.595 ha**, respectively, summarized as follows:
 - Decree of BPN Head No. 20/HGB/BPN/2001 dated 27 July 2001 about HGB for PT Selapan Jaya (Selapan jaya Mill) for area covers 1,185,950 m². From this decree, issued HGB Certificate No. 01 dated 17 September 2001 for area covers 1,185,950 m² (or about **118.595 ha**) that valid for 30 years, or up to 16 September 2031.
 - Decree of BPN Head No. 02/HGU/BPN/2004 dated 07 January 2004 about HGU) of PT Telaga Hikmah for area covers 7,175.60 ha. From this decree, issued three Certificates, which certificate included on the scope of certification has shows through of HGU Certificate No. 07 dated 13 January 2004 for area covers **2,994.00 ha** that valid for 35 years, or up to 12 January 2039.
 - Decree of BPN Head No. 01/HGU/BPN-26/2004 dated 19 October 2004 about HGU of PT Telaga Hikmah for area covers 126.00 ha. From this decree, issued HGU Certificate No. 12 dated 24 November 2004 for area covers **126.00 ha** that valid for 35 years, or up to 23 November 2039.

Associate Smallholders

In re-certification assessment, there are 11 associate smallholders, with legal aspect pursuance of each cooperative units, as updated per November 2021 is summarized in the following Table:

No.	Cooperative (KUD)	No. of members	SH* with SHM	Area (ha)	STDB Information
1	Bina Sejahtera	447	593	1,122.62	1,122.75 ha on progress
2	Bina Tani Mulya	569	569	1,138.46	1,138.46 ha on progress, 24 months after replanting in 2023
3	Intan	471	398	876.57	875.57 ha on progress.
4	Jadi Mandiri	292	292	579.81	462.03 ha on progress and 117.78 ha on propose
5	Jaya Makmur	736	736	1,436.07	1,437.07 ha on progress

6	Madya Karya Bhakti	535	535	1,011.88	1,002.57 ha on progress, 24 months after replanting in 2023
7	Maju Lancar	528	528	983.88	819.76 ha and 164.12 ha on progress
8	Marga Mulya	341	341	593.16	481.10 ha on progress and 112.06 ha on propose
9	Sedia Mukti	570	570	1,068.90	1,068.90 ha on progress.
10	Serba Usaha	660	667	1,216.85	1,216.85 ha on progress.
11	Sumber Sentosa	525	649	1,199.85	1,199.85 ha on progress, 24 months after replanting in 2023
Total		5,674	5,878	11,228.05	

(note: * SH = smallholder)

Progress positive of STDB and SHM were available onsite.

Environment Aspect

The company shows that the permits related to the environment it owns include:

1. EIA and RKL/RPL (Environmental Management/Monitoring Plan) compliance with regulation of Minister of Environment Regulation No. 5 of 2012 and Minister of Environment Regulation No. P.24 of 2018.
2. Permit of POME Disposal of PT Sampoerna Agro based on the Decree of Regent of Ogan Komering Ilir number: 370/KEP/DLH/2017 dated June 19, 2017 which is valid for 5 years. Wastewater is discharged into the Dabok Hitam river, with the highest discharge of 2.5 m³ per ton of CPO Palm Oil Product.
3. Permit of domestic liquid waste disposal PT SA based on Decree of Head of One-Stop Investment and Integrated Service Office Ogan Komering Ilir District No. 11/KEP/DPMPSTSP/IPAL.D/X/2018 dated 5 October 2018 which is valid for 5 years.
4. Surface water extraction permit issued by Ogan Komering Ilir District from One-Stop Investment and Integrated Service Office No. 0406/DPMPSTSP.V/X/2020 dated 2 October 2020 which is valid for 2 years
5. Permit of Hazardous Storage based on Decree of Regent of Ogan Komering Ilir No. 382/KEP/D.LH/2017 dated 19 June 2017 which is valid for 5 years.
6. Permit of Hazardous Storage based on Decree of Regent of Ogan Komering Ilir No. 705/KEP/B.LH/2016 dated 19 December 2016 which is valid for 5 years.
7. The company has a surface water extraction permit published Ogan Komering Ilir District from the One-Stop Investment and Integrated Service Office of Sumatera Selatan Province Number: 0406/DPMPSTSP.V/X/2020 dated 2 October 2020 which is valid for 2 years.

BMP Aspect

In terms of best management practices, it is known that plantation and mill management has implemented several compliances with Indonesian laws and regulations, for example not using the burning method in the land clearing process, trees planted are from seed producers (DxP) which are recognized by the Indonesian government. Each unit of the Unit of Certification has implemented integrated pest management, biological control and only uses pesticides that are listed on the pesticide government website.

Compliance with Manpower Regulation

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

- Reporting of Employment Report for PT Sampoerna Agro in 2020 on 26 November 2020 and must be reporting back on 26 November 2021.
- Reporting of Employment Report for PT Telaga Hikmah in 2020 on 26 November 2020 and must be reporting back on 26 November 2021.
- The implementation of the minimum wage in 2021 is in accordance with the Minimum Wage Decree of the Sumatera Selatan Province established by the Governor of Sumatera Selatan in 15 December 2020.
- Payment of overtime wages to workers in accordance with Decree of the Minister of Manpower No. 102 of 2004.
- Implementation 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 KUD Sumber Sentosa which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 23 June 2021 (Decree No. 908/SK/Nakertrans/2021).
- The establishment of the P2K3 (OHS Committee) for KUD Madya Karya Bhakti which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 23 June 2021 (Decree No. 907/SK/Nakertrans/2021).
- The establishment of the P2K3 (OHS Committee) for KUD Intan which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 23 June 2021 (Decree No. 900/SK/Nakertrans/2021).
- The establishment of the P2K3 (OHS Committee) for PT Sampoerna Agro which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 24 June 2020 (Decree No. 1338/SK/NAKERTRANS/2020).
- The establishment of the P2K3 (OHS Committee) for PT Telaga Hikmah which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 14 October 2019 (Decree No. 2654/SK/NAKERTRANS/2019).
- The establishment of the P2K3 (OHS Committee) for PT Aek Tarum (the management of the plantation area belonging to KUD Jadi Mandiri) which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 09 June 2020 (Decree No. 907/SK/Nakertrans/2021).
- 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
- Has a license / competency for some special jobs that require more expertise such as OHS experts, hiperkes, 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 until 2019 for all workers and special checks (cholinesterase, spirometry and audiometry) according to the level of risk / danger for certain jobs. In 2020 Indonesia experienced the COVID-19 Pandemic, so that in that year the certification unit did not carry out health examination activities in accordance with the direction of the government to temporarily suspend activities that allow the gathering of people in one area. However, in 2021, the certification unit has scheduled to carry out medical examinations in February 2021 for some workers and the rest will be rescheduled in mid-2021.

2.1.2

Procedure of laws and/or regulations pursuance is presented in procedure No. P-SAG-HO-SUS-06 dated 01 September 2017, which mentioned that monitoring of pursuance, as well as update on law register is annually conducted by Sustainability Officer. As for the third parties or contractors, the monitoring has conducted quarterly through direct monitoring and questionnaire. Update on list of laws and/or regulations for unit of certification period 2021 is presented in document Memorandum No. 056/SUS/VI/2021 dated 28 June 2021, signed by Compliance Assistant and System & Certification Manager, summarized as follows:

- Occupational safety and health (OSH) aspect consist 91 regulations.
- Environment management aspect consist of 94 regulations.
- Plantation aspect (included forestry and legal aspect) consist of 45 regulations.
- Other aspect consist of 27 regulations.

The list above mentioned that there were three regulation that not applicable or changed with new regulations and 10 new regulations issued in 2020 and 2021 were added on the list, for example PP No. 35 in 2021 about contract worker (PKWT), outsource, time of work and break time and work termination; Permentan No. 18 in 2021 about facilities of community plantation, etc.

Law register and pursuance monitoring for associate smallholder cooperative (KUD) has shows in document of "*Evaluasi Pemenuhan UU & Peraturan Syarat Lainnya*" that signed by Compliance Assistant, Head of KUD, Smallholder manager and System and Certification Manager of Sampoerna Agro. Regulation pursuance monitoring has covers OSH, environment, plantation and other aspect. Sighted regulation monitoring on sampled cooperative, as follows:

- KUD Intan dated 26 August 2021.
- KUD Sumber Sentosa dated 26 July 2021.

- KUD Madya Karya Bhakti dated 29 July 2021.
- KUD Jadi Mandiri dated 27 July 2021.

Law Register for Contractors and Suppliers

For third parties regulation pursuant monitoring, unit of certification has evaluation form of third party which signed by Mill or Estate and contractor representatives. The evaluation form consist of third party performance monitoring towards environment requirements (zero burning, waste management, etc); safety requirements (PPE, medical check up, preventive on emergency situation); human rights requirements (working hours, overtime, leave, anti force labour, minimum age, non-discriminative, save environment); work performance; and manpower aspect (minimum wage, life and/or health insurance/BPJS).

2.1.3

Procedure of land title (HGU) poles installation, monitoring and maintenance is presented in document work instruction (WI) No. WI-SAG-KBN-PML-0206 dated 02 March 2015 and work instruction No. WI-PLASMA-PP-CA&L-0201 dated 01 December 2018, that applicable for owned estate and smallholder cooperative, respectively. Both WIs mentioned that HGU poles monitoring and maintenance should be carried out annually by Head of Division. Summary of monitoring is presented as follows:

- According to HGU poles monitoring record in January 2021, it was known that 111 HGU poles of Hikmah 2 Estate of PT Telaga Hikmah were available on the field, well maintained and the coordinates comply with HGU-BPN certificate. Furthermore, based on observation to Pole No. BPN 12 in Division 1 Block 02 and Pole No. BPN 88 in Division 1 Block 14, it was known that all sampled poles were satisfactory maintained.
- Land title of smallholders shows through Land Ownership Certificate or "Sertipikat Hak Milik" (SHM). Monitoring has conducted towards lot (*kapling*) poles as the mechanism has refers to Sampoerna Agro procedure. Based on observation to KUD Madya Karya Bhakti, KUD Sumber Sentosa, KUD Intan and KUD Jadi Mandiri, it was known that SHM poles has permanently installed and informed number and direction of Lot. Land owners has responsibility to maintain and monitor existence of poles.

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

Selapan Jaya Mill

The company shows a list of contractors at Selapan Jaya Mil in 2021 is 6 contractors, for example CV Bangun Bersama and PT Surya Magapenta Indonesia. The list of contractors indicated by the company contained the PIC, contact number, company address and email address of each company.

Hikmah Dua Estate

The company shows a list of contractors is 16 for work in Hikmah Dua Estate in 2021. For example CV Anton Putra and Cooperative Mandir Hikmah Dua. All of these companies are for FFB Transport, EFB application, nursery security. In the list of contractors there is PIC information, contact numbers, number of workers, company addresses and email addresses of each company.

Plasma PT Sampoerna Agro

The company shows a list of contractors in Plasma in 2021, such as amount of contractor is 22 for work in KUD Sumber Sentosa, 49 for work in KUD Madya Karya Bhakti, 18 for work in KUD Intan, and 23 for work in KUD Sumber Sentosa. All of these contractors are for FFB Transport. In the list of contractors there is PIC information, contact numbers, vehicle number and vehicle type of each contractor.

2.2.2

The company shows work contracts with contractors at the Mill and Estate, for example:

1. Letter of agreement for management hazardous waste between PT Ramos Alam Sriwijaya, PT Dame Alam Sejahtera and Hikmah Dua Estate No. 037/SPK/TH-RAS-DAS/III/2021 dated March 1, 2021, and valid for 1 year.
2. Work contract Number between PT Sampoerna Agro and Worker Cooperative

3. Work contract between KUD MKD and FFB transporter. For example, letter of agreement of KUD Madya Karya Bhakti and Selapan Jaya POM No. 009/GMP-E/VII/2018 dated 13 July 13, 2018.

The system to ensure the legal compliance for third party/contractors, the company has had monitoring and questioner every 3 month. The item for monitoring such as payment, work progress, compliance to OHS, the establishment (akta pendirian perusahaan), the license of management signing the contract (deed of management, appointment letter), and all regulation in Indonesia.

Based on document verification and stakeholder interview, Selapan Jaya POM and Hikmah Dua estate already have Work Contracts with a third party which explains that service providers comply with and implement regulations in the health and safety sector, and also legal compliance by third parties, related to occupational health and safety insurance.

2.2.3

Based on the document's verifications, interview with management and local contractors the unit of certification can be demonstrate if all contracts containing specific clauses on meeting applicable legal requirements and this can be demonstrated. On agreement letter CPO transporter PT Sampoerna Agro between PT Maju Bersama Anggiat Miduk number agreement 009/CPO/SA/MBAM/II/2021 dated 02 January 2021 article number 6 related workers are fulfilments to Minimum Wages, Participate in the Insurance and Social Security program (BPJS), no child labor, PPE provision, Anti-corruption, bribery and fraud and etc.

The results of field observation and interviews with contractor workers can be concluded that workers had been the use of PPE, no force labor, human trafficking and there is no child labor.

	Status: Comply	
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2.3 All FFB supplies from outside of the unit of certification are from legal sources.

2.3.1

The Mill receive FFB directly from Associate Smallholders under PT Sampoerna Agro, the collection centres or agents. The company has had document of identification cover the information of the name of suppliers, address, geo coordinate, land title status, plantation permit, certification status, and management representative and contact number. For example FFB supplied by PT Sentosa Agri Prima Mandiri (outgrower), geo coordinate on 3,33293 Latitude and Longitude 105,15346. The FFB supplier can be seen in the report part 1.7.3 FFB description from other sources and report part 1.4.2 for FFB from Certification Scope.

2.3.2

The company has not been able to show FFB source information obtained indirectly from FFB suppliers such as geolocation of FFB origin, proof of land ownership status by planters/farmers, valid planting/operational/trading permits. It becomes Nonconformity 2021.01 with minor category.

2.3.2	Status: Nonconformity 2021.01 with Minor Category	
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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

The company has shown the long-term plan documents owned by both the Selapan Jaya Palm Oil Mill, Hikmah Dua Estate and the KUD as samples. The long-term plan documents are separate based on each entity. An example of a long-term plan is as follows:

PT Telaga Hikmah - Hikmah Dua Estate has a five-year production projection which is contained in the 5-year Long Term Plan for the 2020-2024 period. The document contains projected area statements, production projections (FFB), oil (CPO), nucleus (Kernel), plantation costs, factory costs, oil prices, core prices, revenue from oil sales and core sales, expenses (production costs) and revenues. profit / loss (income vs expenses). There is no replanting plan for the Hikmah 2 Estate for the next 5 years, while for the cooperative unit a replanting plan for the 2020-2024 period has been shown. The first replanting is planned for 2021 in the KUD Jadi Mandiri area.

PT Sampoerna Agro - Selapan Jaya POM has a five-year production projection contained in the 5-year Long-Term Plan for the 2020-2024 period. The document contains projected area statements, production projections (FFB), oil (CPO), nucleus (Kernel), plantation costs, factory costs, oil prices, core prices, revenue from oil sales and core sales, expenses (production costs) and revenues. profit / loss (income vs expenses).

The Sumber Sentosa KUD has a five-year production projection which is contained in the 5-year Long Term Plan for the 2020-2024 period. The document contains projections of FFB and projections of FFB per hectare.

3.1.2

Reviews of replanting plans are regularly discussed in the annual management review which is attended by plantation leaders, mills and representatives of cooperative management. The last management review was carried out in December 2021.

The results of the management review revealed that there is no replanting plan in Hikmah Dua Estate, while replanting has been planned for the Cooperative. The company has shown plans to replant oil palm owned by the company. Based on these documents, it is known that the plan to replant oil palm is only done for plasma, while Hikmah Dua Estate does not have any plans for replanting oil palm. The plans for replanting oil palm are as follows:

	2020	2021	2022	2023	2024
KUD Sumber Sentosa (Ha)	-	-	1199.85	-	-
KUD Intan (Ha)	-	-	-	886.98	-
KUD Madya Karya Bakti (Ha)	-	-	-	1011.88	-
KUD Jadi Mandiri (Ha)	-	579.81	-	-	-

Based on the results of interviews with company management, it was found that an evaluation of the palm oil replanting plan had not yet been carried out because the program was still running.

3.1.3

The company has reviewed the company's management regarding the Management Review Meeting of PT Sampoerna Agro's IMS, RSPO, ISPO and ISCC which was held on November 2021 in accordance with memorandum from the Head of Sustainability November 2021. The agenda for the management review meeting is:

- Internal audit results;
- Feedback from customers;
- Process performance and product suitability;
- Status of preventive and corrective actions;
- Follow-up results resulting from management reviews;
- Changes that may affect the management system; and
- Recommendations for improvement.

The management review meeting was attended by 65 participants from estate management to top management.

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

For continuous improvement evaluation and monitoring, unit of certification has conducting internal and external audit, as well as periodic performance report by unit management, for example as shows through several documents, as follows:

- Document of Head of Sustainability Memorandum No. 102/SUS/XI/2020 dated 07 November 2020 about management review towards IMS, RSPO (included SCCS), ISPO and ISCC of PT Sampoerna Agro, Tbk. Sumatera Region 2020, attended by 65 top management. Minutes of meeting is presented in document Form No. FM-SAG-HO-SUS-050002 (Rev. 02) dated 14 December 2020.
- Internal audit official report for Selapan Jaya Mill dated 20 November 2020 which consist of 4 non conformities and two 2 observations identified. Redaction and explanation, root of cause analysis, correction action record and evidence, preventive action and internal auditor verification comments are presented in document No. FM-SAG-RO-

SUS-040001 (Rev. 02) about corrective action request (CAR) dated 10 August 2020, while redaction of observation is presented in document No. FM-SAG-HO-SUS-030005 (Rev. 3). All NCR's were closed on 06 November 2020.

- Internal audit official report for Hikmah 2 Estate Mill consist of 17 non conformities and two (2) observations identified. Redaction and explanation, root of cause analysis, correction action record and evidence, preventive action and internal auditor verification comments are presented in document No. FM-SAG-RO-SUS-040001 (Rev. 02) dated 12 August 2020, while redaction of observation is presented in document No. FM-SAG-HO-SUS-030005 (Rev. 3). All NCR's were closed on 10 December 2020 and approved by MRCorporate on 11 December 2020.
- As for internal audit in 2021, results of Internal audit for mill, owned estate and associate cooperatives is presented in document No. FM-SAG-HO-SUS-030006 (Rev. 03) dated 11 November 2021. Internal audit has conducted in 26-31 July 2021; 23-28 August 2021; and 01-03 September 2021. Recapitulation of audit result consist of 27 major NCR, 21 minor NCR and 97 notes of observation. Process of correction was still ongoing.
- Monthly Estate and Mill Manager report which informed unit performance.
- Regulation pursuance evaluation and monitoring of cooperative and contractors third parties as explained in Indicator 2.1.2.
- Annual report on 2020 which consist of disclaimer, resilience amid uncertainty, performance highlight towards financial, share performance, events, company profile, management discussion analysis, management report, sustainability report, corporate governance, statement letter by Board of Directors and Commissioners.
- Independent Accountant Audit Report No. 00494/2.1032/AU.1/01/0701-3/1/IV/2021 dated 15 April 2021, conducted by Auditor with Reg. No. AP.0701 from Purwanto, Sungkoro & Surja. Auditor opinion stated that the accompanying financial statements present fairly, in all material respects, the financial position of PT Sampoerna Agro, Tbk. as of 31 December 2020, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.
- Cooperative Monthly Report (*Laporan Meja Miring*)

Based on field observation, several implementation on continuous improvement are:

- Mechanization on EFB mulching activities through Empty Bunch Spreader (EBS)
- Conducting methane capture through development of Biogas Plant which utilize as source of energy.
- Development of smallholder plantation towards RSPO standard.

3.2.2

There is already ACOP of PT Sampoerna Agro, Tbk. In 2020 which can be accessed in RSPO website. Besides, company has also shown annual report document using RSPO Metric Template. Auditor has reviewed the metric template provided, from the results of the study it is known that the metric template has covered the entire scope of certification and the data presented is appropriate.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The mill and estate has Standard Operating Procedures (SOPs) that covers all aspects of oil palm planting and management as documented on Integrated Management System Procedures for Sampoerna Agro contains the following SOPs that cover all estate operations such as Nursery Practice, Land Clearing, Preparation and Planting, Soil Conservation and Terracing, Road Construction and Maintenance, Establishment and Maintenance of Legume Covers, Planting Density and Planting Technique, Palm Replacement During Immaturity and Supplying, Upkeep of Immature Oil Palms, Upkeep of Mature Oil Palms, Pests & Diseases, Manuring, EFB Application, Harvesting, Bunch Census and Palm Thinning. KUD Bina Sejahtera (cooperative) has Standard Operating Procedures (SOPs) that covers all aspects of oil palm planting and management as documented on List of procedures, issued date April 1, 2016.

The Oil Mill has SOPs covering all mill operations such as FFB Grading, Sterilization Station, Press Station, Threshing Station, Oil Room, Kernel Plant, Laboratory, CPO & PK Despatch, Engine Room, Boiler Room, Electrical, Workshop as well as Raw and Boiler Water Treatment Plant. E.g. document No. P-SAG-PKS- 14, Revision 1, issued date April 1, 2016, procedure of Traceability and mass balance, P-SAG-PRS-02, Revision 1, issued date September 1, 2009, procedure of loading ramp, P-SAG-PRS-62, Revision 1, issued date September 1, 2009, procedure of clarification.

3.3.2

In order to ensure consistent implementation of the SOPs among all levels of the workforce in the field, the following mechanisms are utilized internal audit. For Mill and Estate, Internal audit as determined on SOP of internal audit, No. Doc. P-SAG-RO-SUS-03, Rev1, Effective date June 1, 12. For KUD, Internal audit as determined on SOP of internal audit, SA-Plasma-PP-SUST-01, Rev: 0, Issued Date April, 2016. In the procedure has regulated that audit schedule once time audits per year.

Based on the Internal Audit SOP, it is explained that the audit is carried out to evaluate and examine all aspects of the quality and environmental management system. The SOP also describes the mechanism for non-conformances, improvements and continuous corrective actions. The results of the document review in the recertification activity revealed that several Opportunities for Improvements issued in the ASA-4 assessment have been followed up by management.

3.3.3

The company has conducted an internal audit of the RSPO as one of the monitoring of the implementation of standard operating procedures owned by the company, Internal audit activities for the 2021 period have been carried out on 26-31 July 2021, 23-28 August 2021 and 1-3 September 2021 which are included in the report on 11 November 2021. With a total of 27 Major NCR, 21 Minor NCR and 97 OFI findings. Until the audit activities were carried out, several NCRs had not been fully fulfilled. The Management Review Meeting was held in December 2021 attended by 60 participants from estate management to top management.

In addition to conducting internal audits to the unit itself, the certification unit also monitors/assesses the performance of the contractors who have worked together so far. The last assessment of the contractor's performance was in the first semester of 2021, where contractors who collaborated with the certification unit were still declared eligible to continue the collaboration because their performance for the last 6 months was good.

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

Environmental document.

PT Telaga Hikmah (Hikmah Dua Estate)

The company (Hikmah Dua Estate) has EIA document (ANDAL) year 1996. The EIA document has approved by Department of Agriculture No. 142/BA.5/IV/1996 dated 18 June 1996. The EIA document covering activity such as pra construction (legal land), construction including estate activity (land clearing, road building, land cover crop, drainage, nursery, planting) and infrastructure (emplacement, office building, mill, general facility), operational activity (labor recruitment, fertilizing, circle weeding, harvesting, pest and disease, pruning) and pasca construction (harvesting, FFB transportation, mill processing). Then in 2004, estate revised their EIA document, approved by Environmental Official Government of Ogan Komering Ilir. This revised because Land application program plan was changed from Hikmah Dua estate to Hikmah 1 estate

The cooperative and Selapan Jaya POM has EIA document including in the EIA document of PT Selapan Jaya. The EIA document has approved by Minister of Agriculture No.025/ANDAL/RKL-RPL/3A/XII/1997 dated 31 December 1997. The EIA document has conducted according to government regulation (PP No. 51 year 1983).

SIA

Social Impact Assessment for PT SA Telaga Hikmah Dua estate and Selapan Jaya POM were carried out on 2014. The assessment includes details of positive and negative social effects that may be caused by plantations and mills and documents participation of affected parties and local communities. The SIA was conducted through participatory method involving all relevant affected parties and stakeholder.

KUD Bina Sejahtera, KUD Sumber Sentosa, KUD Subur Makmur KUD Sedia Mukti and KUD Bina Tani Mulya SIA Assessments conducted by PT Sono Keling in Februari 2019. There were 2 assessors sent to assess the impacts of All PT SA 17 scheme smallholder and KUD Bina Sejahtera, KUD Sedia Mukti, KUD Sumber Sentosa, KUD Subur Makmur and KUD Bina Tani Mulya have included in the scope. There are list of attendance of SIA process such as FGD, HCVA,

SIA and CSA stakeholder consultation at Kerta Mukti Villages, conducted at February 16th 2017 attended by 11 local community leaders (cooperative, traditional and local leader).

3.4.2

The company and cooperative have environmental plan stated in the environmental monitoring plan (RPL) and environmental management plan (RKL). The management plan explained about source of impact, environmental parameter to monitoring, aim of environmental monitoring plan, monitoring method of environmental (method of collecting and data analysis, location of monitoring, due date and monitoring frequent) and person in charge. The program EIA has conduct consultation with relevant stakeholder to identify and to develop mitigation measure.

SIA Action Plans for avoidance or mitigation of negative impacts and promotion of the positive ones as well as monitoring of impacts has developed in consultation with the affected parties. SIA Action Plans has covered PT Sampoerna Agro, Hikmah Dua Estate and scheme smallholders. It was well documented and timetabled, including responsibilities for implementing all the program dan has explained period social and environmental impact management and monitoring plan 2021 included external stakeholder and internal stakeholder, for internal stakeholder such as mill and estate workers, gender committee, worker unions, and cooperative group manager. Meanwhile, forum group discussion for plan of management and monitoring social impact period 2021 was conducted on March 5, 2021 and April 7, 2021 by involving village communities and internal stakeholders.

3.4.3

The implementation of environmental management plan explained in the report of environmental monitoring plan and environmental management plan period 1st semester 2021. This report has also contained scheme smallholders. The implementation of the monitoring and management consists of labor recruitment, fertilizing, circle weeding, harvesting, pest and disease, pruning, erosion and sedimentation level, water and air quality, aquatic biota, economy and culture, land fire, and waste. Based on monitoring result, there is no non-conformance raised.

Company has shown Report on the Implementation of PT Sampoerna Agro's 2020 Social Impact Management and Monitoring Plan which has been contained scheme smallholders. Management and monitoring implementation has been covered accessibility, infrastructure, environmental, economic, socio-culture, and company's internal stakeholder aspects. PT Sampoerna Agro's 2021 Social Impact Management and Monitoring Plan Report also has been developed based on social management and monitoring plan in 2020 which has included accessibility, infrastructure, environmental, economic, socio-culture, and company's internal stakeholder aspects.

SIA Action Plans for avoidance or mitigation of negative impacts and promotion of the positive ones as well as monitoring of impacts has developed in consultation with the affected parties. It was well documented and timetabled, including responsibilities for implementing all the program dan has explained period social and environmental impact management and monitoring plan 2021 included external stakeholder and internal stakeholder, for internal stakeholder such as mill and estate workers, gender committee, worker unions, and cooperative group manager. Meanwhile, forum group discussion for plan of management and monitoring social impact period 2021 was conducted on March 5, 2021 and April 7, 2021 by involving village communities and internal stakeholders

Status: Comply	
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3.5

A system for managing human resources is in place.

3.5.1

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement 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 Collective Labor Agreement, the certification unit has other procedures in the form of Policies, SOPs, Internal Memorandums and others related to recruitment, transfer, promotion, retirement, termination of employment and others. These procedures have been documented to all workers and their representatives. For Scheme Smallholders unit (Cooperative), each unit has procedures related to the recruitment of employees which are contained in the Mechanism Policy for New Employee Admissions which is signed by each Scheme Smallholders unit chairman. The policy describes the following:

- The process of hiring employees free of charge.
- Workers are required to attach Health test results.
- New workers will run a probationary period in accordance with the direction of the Village Cooperation Unit.

The results of interviews with workers (harvesting, spraying and mill operators) in company and scheme smallholders, note that workers have a sufficient understanding of the procedures related to recruitment, promotion, retirement and factors causing termination of employment. Workers explain that in the acceptance process carried out in accordance with the terms / conditions according to ability / expertise, promotion is based on an assessment of the performance of each employee each year, and one of the causes of termination of employment can occur if the worker has committed a serious violation. Based on this explanation, certification unit has explicitly state the indiscriminatory policy during the recruitment selection, hiring and promotion process

The certification unit still have workers with contract status for daily worker (PHL), Smallholders Workers (Cooperative), Regular Workers (Company) and Staff. All the rights for each employment status have been distinguished. Based on the explanation and description above, it can be concluded that the certification unit has documented procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment and is available to workers and their representatives in accordance with applicable laws such as Law No. 13 of 2003, Law no. 11 of 2020 and other regulations related to employment.

3.5.2

The certification unit always documented all labor procedures that have been carried out properly such as recruitment, promotion, performance assessment, pension and others. The following are some sample labor procedures that have been implemented and are well documented by certification unit, including:

- The certification unit has a worker recruitment document from the start until the worker becomes a permanent worker. For example, a worker with an employee initial RNI (Engine Room Operator) who has recruitment documents such as a job application letter, identity card, family card, recruitment selection results, employment contract documents, medical check-up results up to the appraisal document and the appointment to become a permanent employee.
- The certification unit has a worker recruitment document from the start until the worker becomes a permanent worker. For example, a worker with an employee initial MDI (Boiler Operator) who has recruitment documents such as a job application letter, identity card, family card, recruitment selection results, employment contract documents, medical check-up results up to the appraisal document and the appointment to become a permanent employee.
- There is a pension document for workers with employee SMN (WTP Operator) who have worked since 2007 and retired on October 2021 according to Decree No. 0594/PKS-SJ/IX/2021 dated 20 September 2021. In addition to the decree, there are also other supporting documents such as calculation of pension payments, labor documents of workers since they first worked, etc. All procedures and documents shown are in accordance with existing procedures and in accordance with applicable laws.
- For the scheme smallholders employment, there is no new recruitment for employee ini 2021, because all of the existing workers are workers who have worked for more than 5 years and the workers themselves are part of the smallholders scheme (Smallholders member/farmer). However, from the results of interviews with workers in the field, it can be concluded that all recruitment procedures are appropriate, namely not free of charge for recruitment, conducting medical tests before work, and not accepting workers under 18 years of age.

The results of interviews with workers (harvesting, spraying and mill operators) in company and scheme smallholders, note that the certification unit has carried out labor procedures starting from recruitment, selection, acceptance, promotion and retirement procedures in accordance with existing regulations, as well as all The application is assessed in

accordance with the abilities and competencies of the employees. For example, workers who initially entered were selected before being accepted, workers who received promotion / class promotion had received an assessment from their superiors and workers who retired received all their rights as retirees.

Based on the description above, it can be concluded that the certification unit already has labor procedures implemented and records are maintained for each worker.

Status: Comply

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

3.6.1

The certification unit has had a policy of occupational safety and health were written in Bahasa. The policy has been legalized. 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.

Certification unit have document of hazard identification, risk assessment and risk control (HIRAC) which issued on 03 March 2021. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. The HIRAC document has covered (scope) all activities in the Estate (planting, maintenance, harvesting activities including others plantation activities in the scheme smallholders) and Mill (from receiving activities to processing activities). Based on site observation at boiler and engine room in mill, harvesting and spraying activity in estate 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 reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

Interviews with estate/cooperative workers (harvester and sprayer) and mill workers (mill operators). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work. For example mill employees exposed to high noise such as boiler employees and engine rooms who have used a complete hearing protection device according to risk analysis, namely ear muff and ear plug. There is no complaints from employees exposed to high noise exposure. To ensure that every workers are in good health then certification unit do the medical check up. The results of each employee's health examination have been properly stored. Last medical checkups conducted in March 2020. The result of medical test showed that workers were in good health and fit to work.

For the 2021 health checks that have not been carried out until now, the management unit has carried out an analysis of the reasons why a Health Check cannot be carried out, one of the reasons is because the results of the risk analysis related to covid 19 are still quite high. The management unit shows a temporary plan for medical checkup activities in March and September 2022.

Based on the explanation above, it can be concluded that the company has carried out a risk assessment and identified OHS problems including preparing a plan that has been implemented and is well documented.

3.6.2

Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health (P2K3) every month in each unit including scheme smallholder (because all smallholder schemes have their own P2K3 management). This work program applies generally to all workers in the workplace (company workers and scheme smallholders workers). If the plans have been made yet on target then will be evaluated in the regular meetings to assess effectiveness. The following are examples of the realization by the certification unit in 2021 until October 2021 including:

- OHS inspection of PPE compliance of workers and other equipment that has been every month since January 2021 until now. For example, the inspections on October 2021 were conducted inspection in work locations found that there were all workers whose has been using an appropriate PPE.

- Identification of areas with potential emergency hazards such as areas prone to fire, explosion, land / water pollution, and workplace accidents and the results of monitoring conducted every months. The last examination was in October 2021.
- Inspection of the availability and condition of first aid boxes conducted since January until October 2021 (every month) with the results of all first aid boxes carried by each field foreman, first aid kit in the office and in the warehousing area are still in good condition and available in 21 types of items in accordance with applicable laws and regulations. If there is item that had not available, the first aid officer will immediately added new item.
- Unit certification always holds routine *P2K3* meetings every month to monitor and evaluate the implementation of OHS that has been carried out. The last *P2K3* Meeting in October 2021 on which discussed the evaluation of the annual evaluation of OSH implementation, preparation of inspection, and others attended by *P2K3* officers.

Nonconformity No. 2021.02 with Major category

1. Based on the OSH license monitoring document for workers at Selapan Jaya Mill in 2021, where there are 4 steam aircraft operators, 2 lift and transport operators and 1 general OHS expert whose license has expired. The certification unit also has an OHS Work Program and an OHS Training Plan for Selapan Jaya Mill for 2021, of which there are several plans as follows:
 - Training plan for obtaining/renewing license as a boiler operator in October 2021.
 - Training plan to obtain/renew license as Electrical OHS Expert in June 2021.
 - Training plan for obtaining/renewing license as General OHS Expert in March 2021.
 - Training plan to obtain/renew license as operator of power and production (genset/turbine) in October 2021.
 However, all of these plans were not implemented in 2021 until the audit activities were carried out.
2. The certification unit also re-examines the extension plan for workers' OHS licenses that have expired in 2021 by 2022 for Selapan Jaya Mill, starting from the licenses for lift and transport operators, OHS Experts, boiler operators and so on. However, the unit of certification has not been able to show the necessary evaluation as a basis for rescheduling/changing plans from those previously determined.
3. Based on the results of observations and interviews with engine room operators at Selapan Jaya Mill, it is known that in one day there are 3 shifts of working time for engine room stations, but these workers do not yet have an OHS license as a power and production operator to operate generators or turbines that there is. In the 2021 OHS training plan this has been planned but has not been realized until now.
4. Based on the results of document studies and field observations at Selapan Jaya Mill, it is known that the certification unit has 2 generator engines with a capacity of more than 200 KVA and a turbine with a capacity of more than 200 KVA, the certification unit also has 1 electrical OHS technician, however does not yet have an Electrical OHS Expert as regulated in Manpower Regulation No. 12 of 2015. In the 2021 OHS training plan this has been planned but has not been realized so far.

The unit of certification has not shown sufficient evidence that all OHS work programs and OSH training plans have been carried out, evaluated, documented and assessed for effectiveness on a regular basis.

3.6.2 | **Status: Nonconformity No. 2021.02 with Major category**

3.7

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

3.7.1 & 3.7.2

Certification unit has training identification and program for workers for period of 2021 for operational training, OHS training, and policy socialization. The aspect in the training program are such as certification, internal refreshment, internal operational, and some of training program, namely:

- Training for manuring, harvesting and spraying activity
- Socialization of company's
- First aid training.
- Training for Environment and hazardous waste handling.
- Simulation of emergency responses and firefighting management

In addition, the certification unit has been giving a training/socialization for relevant stakeholders (contractors, suppliers, local communities and smallholders). These programs include the following:

- Socialization of PPE and OHS.

- Socialization of company policies such as code of conduct, human rights, no child worker and others.
- Socialization of emergency response.

The certification unit has properly documented every training activity and socialization that has been carried out to workers and related stakeholders. The following is an example of training/socialization documentation that has been carried out, namely:

- OHS socialization activities and procedures for the use and care of PPE to maintenance and harvest workers on 10 July 2021.
- OHS socialization activities and spraying procedures to maintenance workers on 21 March 2021.
- MSDS (Material Safety Data Sheet) socialization to all workers on 12 August 2021.
- Socialization of harvest procedures, standards and quality to all harvesters to cooperative workers on 10 June 2021.
- Socialization of harvest procedures, standards and quality to all harvesters to cooperative workers on September 9, 2021.
- Company policy, communication and grievance /complain procedure socialization to surrounding community on 05 March 2021.
- Company policy, communication and grievance /complain procedure socialization to contractors on 26 March 2021.

Based on field observations and interviews with workers (harvesters, sprayers and mill operators), it is known that workers have understood their work in accordance with the procedures set by the company and their understanding of the duties and responsibilities for each job has been carried out quite well, because the certification unit has routinely conducted training every year according to the type of work each. Meanwhile, the results of interviews with representatives of contractors, contractor workers in field and the surrounding community revealed that they had received routine socialization related to company policies, code of conduct, PPE, communication procedures and complaints were routinely provided by the certification unit which causes stakeholders to understand the procedures and work methods that already exist in the company's operational area.

Based on the foregoing, it can be concluded that the certification unit has a training program for all workers including stakeholders (contractors, suppliers, local communities and smallholders) related to the RSPO P&C and all of them have been well documented.

3.7.3

Training and socialization of RSPO SCCS 2021 has been conducted on 29 October 2021 in Selapan Jaya Meeting Room, attended by 19 respective officers in Selapan Jaya Mill such as Security, Weigh-Bridge Operators, Administration Clark, Assistant and Manager. Subject of socialization consist of understanding and implementation of RSPO SCCS, ISCC V.203, ISPO and socialization towards critical control point (CCP). Based on interview with 2 Security Officers and 2 Weigh-bridge Operators of Selapan Jaya Mill, it was known that the workers are able to explain and demonstrate RSPO mass balance supply chain system implementation, such as administration of certified and non-certified products, data input of application program, products security, etc. Application used on RSPO SCCS and ISCC system was "Microsoft Dynamics GP".

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

Based on basic info data for period 2020 to October 2021, as well as observation and interview with Security Officers and Weighbridge Operator, it was known that Selapan Jaya Mill has received and process FFB from certified and non-certified sources. Thus, it could be concluded that the mill has only claim its RSPO certified products (CPO and PK) from processing of the RSPO certified FFB as Mass Balance (MB).

3.8.3

As considering actual production on the previous 12 months before initial assessment, estimation of RSPO certified product for the next 12 months is presented in the following Table:

Product	Last Year Projected Certified Volume (mt)	Actual certified product (mt)	Estimation 1 year 22/23
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(Nov 2020 to Oct 2021)

FFB (mt)	216,000	199,365.48	200,000
CSPO (mt)	43,000	42,851.63	43,000
CSPK (mt)	11,000	10,962.37	10,300

Based on the Table above, it could be concluded that in 12 months period, actual production of certified products (RSPO-Certified FFB, CSPO and CSPK) were very closed with license projection. Thus, projection certified FFB and CSPO production for period 2022/2023 are considered same with the previous period, while slightly additional for CSPK projection.

3.8.4

Registration requirement data of PT Sampoerna Agro for RSPO supply chain on palm oil products in the palm-trace system is presented in the following Table:

Member Name	Selapan Jaya Mill of PT Sampoerna Agro, Tbk.
Member ID	RSPO_PO1000005580
RSPO Membership Number	1-0031007-000-00 (PT Sampoerna Agro, Tbk.)
License ID	CB115668 (issued on 12 March 2021)
Issued By	PT Mutuagung Lestari
Period of License	15 March 2021 to 24 January 2022
Total Certified Area (ha)	3,238.59 ha
Core Product	Palm Oil
Type of Business	Oil Mill
Supply Chain Model	Mass Balance

All transaction has been registered on RSPO IT Platform, including removing stock certified product (CSPO) sold under other scheme (ISCC) and CSPK volume sold as physical.

3.8.5

Procedure of RSPO supply chain mechanism is presented in document No. P-SAG-PKS-PRS-14 (Rev. 03) dated 07 July 2020, as revision to procedure dated 27 July 2019. The procedure has covered all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including training records. Subject of change included adoption of RSPO SCCS standard 2020, ISCC remove stock, identification of sustainable and non-sustainable product through weighbridge system namely Microsoft Dynamics GP and certification coordinator that responsible for monitoring of CSPO and CSPK sales, geolocation data, shipping procedure, etc.

3.8.6

Procedure of annual internal audit is presented in document No. P-SAG-HO-SUS-03 dated 01 November 2019 about integrated management system procedure audit internal, which mentioned that the audit shall be conducted annually by System and Certification Manager for all management scheme such as ISO 9001, RSPO, RSPO-SCCS, ISPO and ISCC, that the result is presented in document Form No. FM-SAG-HO-SUS-030001. Any non-conformity notes should be closed within 6 months and be a part of management review subject. Based on internal audit review for period 2020 for Selapan Jaya Mill which presented in document No. FM-SAG-RO-SUS-040001 (Rev. 02) dated 10 August 2020, with redaction of observation is presented in document No. FM-SAG-HO-SUS-030005 (Rev. 3); and for Hikmah 2 Estate which presented in document No. FM-SAG-RO-SUS-040001 (Rev. 02) dated 12 August 2020, with redaction of observation is presented in document No. FM-SAG-HO-SUS-030005 (Rev. 3), it was known that there were no NCR related to RSPO-SCCS implementation. However, based on review towards internal audit for period 2021 which presented in document No. FM-SAG-HO-SUS-030006 (Rev. 03) dated 11 November 2021, it was known that NCR related to RSPO-SCCS was identified for Indicator 3.8.6; 3.8.11; and 3.8.16. process of root cause analysis and correction was still ongoing with dateline up to May 2022, and will be discussed during management review.

3.8.7

Unit of certification has maintain mass balance record of FFB processed. For example, record of FFB RSPO certified and non-certified for period November 2020 to October 2021 is presented in the following Table:

Period	FFB (mt)
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	RSPO Certified	Non-Certified	Total
Nov-20	30,227.30	9,557.24	39,784.54
Dec-20	24,151.88	11,157.15	35,309.03
Jan-21	18,098.33	5,945.29	24,043.62
Feb-21	11,952.79	5,456.64	17,409.43
Mar-21	10,342.05	4,417.19	14,759.24
Apr-21	11,384.38	4,530.79	15,915.17
May-21	13,211.05	3,747.60	16,958.65
Jun-21	16,494.13	5,059.01	21,553.14
Jul-21	13,944.39	4,304.02	18,248.41
Ags-21	16,778.98	4,215.94	20,994.91
Sep-21	17,168.01	4,073.44	21,241.45
Oct-21	15,612.20	3,917.89	19,530.09
Total	199,365.48	66,382.20	265,747.68

Based on the Table above, it was known that during 12 months of period, total FFB certified and non-certified received were 199,365.48 mt and 66,382.20 mt, respectively. There is no volume extension since production of FFB RSPO-certified was still below the license projection (200,000 mt).

3.8.8

Record of certified products sold for period 26 March 2021 to 18 November 2021, is presented in the following Table:

Product Sold (mt)	CSPO	CSPK
Allocated as Credit	-	-
Sold as Physical	499.94	5,175.00
Sold as Credit	-	-
Volume Removed	5,500.00	-
Total	5,999.94	5,175.00

According to the Table above, it was known that 499.94 mt and 5,175.00 mt of CSPO and CSPK has physically sold under RSPO mass balance scheme, respectively, and 5,500 mt of CSPO sold under ISCC (volume removed).

Supporting documents such as delivery order, shipping announcement, delivery ticket, weighing minutes, which informed RSPO certificate number, delivery date, description of product, supply chain model, product quantity, identification number, certificate number, name and address of the seller, for example as follows:

- Delivery Order (DO) No. 032/CPO/DI/SA/0521 dated 22 May 2021 for delivery of 250 mt CSPO-mb, transaction No. TLM*381142 by vehicle No. B9992TM on 24 May 2021 for 20,100 kg CSPO. RSPO Cert No. MUTU-RSPO/142 and RSPO Unique No. 21050033. Delivery note stamped by RSPO Certified Mass Balance.
- DO No. 012/PK/DO/SA/0221 dated 22 February 2021 for delivery of 200 mt CSPK-mb, transaction No. TIN-394921 by vehicle No. BG8286JH on 19 May 2021 for 20,370 kg CSPK. RSPO Cert No. MUTU-RSPO/142 and RSPO Unique No. 21051605. Delivery note stamped by RSPO Certified Mass Balance.

3.8.9

There is no outsourcing milling activities to the independent third parties on processing and storage of RSPO certified products. However, Selapan Jaya Mill has cooperation with two transporter of certified products (CSPO and CSPK) namely CV Alam Wijaya and PT Maju Bersama Anggiat Miduk. Contract with those transporter has shows through Agreement, as follows:

- Agreement with CV Alam Wijaya No. 001/CPO/SA/AW/II/2021 dated 02 January 2021, valid until 31 December 2021.
- Agreement with PT Maju Bersama Anggiat Miduk No. 009/CPO/SA/MBAM/II/2021 dated 02 January 2021, valid until 31 December 2021.

Based on agreement review, it was known that clauses which mentioned that transporter as independent third parties engaged provide relevant access for duly accredited CB to their respective operations, systems, and all information, when this is announced in advance., is not available. Raised **Nonconformity No. 2021.03 with major category.**

3.8.10

Contract of Selapan Jaya Mill with CSPO/CSPK Transporter is presented as follows:

- Agreement with CV Alam Wijaya No. 001/CPO/SA/AWI/2021 dated 02 January 2021, valid until 31 December 2021.
- Agreement with PT Maju Bersama Anggiat Miduk No. 009/CPO/SA/MBAM/2021 dated 02 January 2021, valid until 31 December 2021.

3.8.11

There is no change of RSPO certified products transporter, i.e. CV Alam Wijaya and PT Maju Bersama Anggiat Miduk.

3.8.12

Selapan Jaya Mill has maintain accurate, complete and up-to-date for CPO produced and PK produced. The record keeping has saves in mass balance. Record for period 01 November 2020 to October 2021 for CPO and PK are presented in the following tables.

CPO Production and CSPO Dispatch

Period	CPO Production (mt)			CSPO Dispatch (mt)			
	RSPO Certified	Non-Certified	Total	RSPO	Other Scheme	Non-Certified	Total
Opening Stock (OS)	834.33	-	-	-	-	-	-
Nov 2020 – Oct 2021	42,017.30	14,431.46	56,448.76	2,950.00	3,700.00	35,637.36	42,287.36
Total	42,851.63	14,431.46	56,448.76	2,950.00	3,700.00	35,637.36	42,287.36

Based on the Table above, it was known that CSPO has only dispatch from positive stock. The difference value from the sold CSPO was due to un-announced of products by the buyer.

PK Production and CSPK Dispatch

Period	PK Production (mt)			CSPK Dispatch (mt)			
	RSPO Certified	Non-Certified	Total	RSPO	Other Scheme	Non-Certified	Total
Opening Stock (OS)	734.04	-	-	-	-	-	-
Nov 2020 – Oct 2021	10,228.33	3,436.72	13,665.05	7428.10	-	3,268.22	10,706.32
Total	10,228.33	3,436.72	13,665.05	7428.10	-	3,268.22	10,706.32

Based on the Table above, it was known that CSPK has only dispatch from positive stock.

3.8.13

Selapan Jaya Mill has performs FFB processing to produce CPO and PK only. Conversion factors are based on actual extraction, in daily, monthly and/or yearly basis. As refers to procedure of sounding No. WI-SAG-PKS-LAB-0133, sounding of extraction has conducted daily every morning on oil tank.

3.8.14

Sounding of extraction has carried out daily every morning on oil tank, as refers to procedure No. WI-SAG-PKS-LAB-0133.

3.8.15

Selapan Jaya Mill has only implementing RSPO mass balance supply chain module. Thus, this Indicator is not applicable.

3.8.16

According to the transaction data in palm trace, it was known that since license period in 2021, about 499.94 mt and

5,175.1 t of CSPO and CSPK has physically sold, respectively. Furthermore, 5,500 mt of CSPO has sold for ISCC scheme (removed stock). Based on document verification, the unit of certification is able to present if the Shipping announcement is announced no longer than three months. The unit of certification can present removing allocated product or credit allocation from palm trace, for example as follows:

- CSPO mass balance sold to PT LDC Trading Indonesia (member No. RSPO_PO0000010476) dated 30 August 2021 for 500 mt has confirmed on 01 September 2021 with confirmed volume 499.94 mt and transaction created in IT Palm Trace with transaction ID No. TR-603eb99-3810.
- CSPK mass balance sold to PT Sumber Indah Perkasa (member No. RSPO_PO000006557) dated 03 August 2021 for 300 mt has confirmed on 24 August 2021 and transaction created in IT Palm Trace with transaction ID No. TR-44b56b0d-7-cdd.
- However, CSPO delivered to PR Ecogreen Oleochemicals (member No. RSPO_PO1000000381) to 05 June 2021 for 1,0047 mt CSPO has just announce on 19 November 2021 (>3 months) and not conformed yet by the buyer. Transaction has created in IT Palm Trace with transaction ID No. TR-1bab8bcf-96db. Regarding this matter, mill management is encourage to ensure that shipping announcement in the RSPO IT platform shall be carried out not more than 3 months after despatch. **OFI**.

3.8.17

According to transaction documents in 2020 to 2021, it was known that all CSPO and CSPK from Selapan Jaya Mill are claims as mass balance. Moreover, Selapan Jaya Mill do not use RSPO trademark logo on product or off product, on it sales and communication.

3.8.9	Status: Nonconformity No. 2021.03 with Major Category	
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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 & 4.1.2

Company has policy on human rights written on Vision, Mission, and Policy of Sampoerna Agro, dated 2 May 2015. The policy explains that respecting human rights issue, included rights of all workers to association and negotiate collectively and give same opportunity in working. This policy also stated "To respect human rights activists". Furthermore on those policy also described about prohibiting retaliation against Human Rights Defenders (HRDs) as well as prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces. Cooperative (KUD) also has policy to respect human rights written on joint policy and commitment which explain that cooperative respect human rights, including the right of all workers to organize and bargain collectively.

The commitment of the certification unit 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 factories. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit.

During the audit carried out, the team auditor has been trying to ensure this policy has been communicated and implemented through stakeholder consultation. Based on interviews with workers, the surrounding community (village head, community leaders, smallholder's representative), and contractors known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in offices, socializing in the housing, and socializing with workers during the morning briefing before the activities started.

Based on the results of interviews with surrounding community, labour union and other workers, it is known that so far from 2020 to 2021 there has never been any intimidation/act of violence committed by the certification unit against workers, communities, contractors, or other parties who cooperate with the company. If there is a problem, usually the unit of certification will negotiate in a good manner and without resorting to violence.

Based on the explanation above, during the past year there were no issues / incidents of human rights violations that occurred in the vicinity or the operational area of the certification unit so that there were no acts of intimidation / violence carried out by the certification unit including contracted services such as security services that were contracted and others.

	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, 4.2.2, 4.2.3 & 4.2.4		
<p>Company has a mechanism of complaint and grievance handling written in <i>SOP Komunikasi, Partisipasi, dan Konsultasi</i> (P-SAG-HA-CA&L-08 on 01 August 2019). Complain from worker can be submitted to worker's supervisor verbally or written and complaint from external stakeholders can be submitted to manager, CA&L department, sustainability unit, and human resource and services and will protect identity reporter. Interview with worker in mill and estate, it is known that workers understand how to deliver their complaint if any.</p> <p>The procedure above has explained about the person in charge of receiving and resolving complaints (external and internal officers including HRD), response timeframe, confidentiality of the reporter and whistleblower, until further handling of complaints is possible to a tripartite level. (Mediation and settlement by government). 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. Based on the results of communication with cooperative administrators and company representatives, it was found that there were no illiterate parties around the certification unit. To ensure that the system is understood by all parties, the company conducts outreach to representatives who can read and write. For scheme smallholders, this is still following the same procedure as the company because the procedure has been approved by each management party.</p> <p>Based on interview with Statutory Bodies in Ogan Komering Ilir District, it is known that they understand how to communicate and consult with company. However, the results of interviews with representatives of surrounding communities, the community has known about the communication procedures and to people who served as communicators between the company and community so that people who cannot read / write can be informed by the related communicators.</p> <p>Complaint from internal stakeholder is documented in log book of stakeholder communication (Mill, Estate and smallholder). Interview with workers (company and smallholders worker) and union, inform that there is no complaint for January until October 2021. It's the same related to complain from eksternal stakeholder in 2021, this is reinforced by the results of interviews with surrounding village communities and the Statutory Bodies in Ogan Komering Ilir District which stated that there were no complaints to the company or for scheme smallholders who work with him in 2021.</p>		
	Status: Comply	
4.3		
The unit of certification contributes to local sustainable development as agreed by local communities.		
4.3.1		
<p>Unit of certification has annual community social responsibility (CSR) program, that approved by top management of PT Sampoerna Agro and PT Telaga Hikmah. Realization of CSR program during 2020 to 2021 is summarized as follows:</p> <ul style="list-style-type: none"> • CSR 2020: from January to December 2020, unit of certification has spent totaling for about IDR 81,555,956- for 17 CSR activities, such as literacy development, development of smallholder plantation and road maintenance. • CSR 2021: from January to October 2021, unit of certification has spent totaling for about IDR 102,201,441.- for 16 CSR activities, such as celebration of Eid Fitri and Eid Adha, renovation of Posyandu, donation for food and vegetable festival of Sumatera Selatan 2021, donation of paddy drier development, development of literacy house, etc. • The results of the study of the SIA document show that the existence of KUD (Smallholders) is very helpful for local development. In addition to being the main source of income for land owners, the existence of KUD provides job opportunities for local people who do not own land who work either as KUD employees or employees of land owners <p>Unit of certification also has develop plantation community as it been a part of Selapan Jaya Mill RSPO scope certification Furthermore, based on interview with representatives from surrounding communities, it was known that the CSR is annually carried out by the unit of certification which had implemented on various aspect such as infrastructure and economic development, community health and sanitation, education, social culture and religion.</p>		
	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

Hikmah 2 Estate of PT Telaga Hikmah and Selapan Jaya Mill of PT Sampoerna Agro

- Unit of certification has **location permit** as presented in document Decree of Sumatera Selatan Governor No. 784.a/SK/II/1993 dated 18 October 1993 about location permit for PT Telaga Hikmah (Hikmah 2 Estate) for area covers **± 10,000.00 ha** where situated in Mesuji Sub District, Ogan Komering Ilir District.
- Unit of certification has two (2) **plantation business permit (IUP)** for oil palm plantation and oil palm processing as presented in the following Ogan Komering Ilir Regent Decrees:
 - Decree No. 324/KEP/D.PERKE/2011 dated 24 August 2011 appointed to PT Telaga Hikmah for oil palm plantation in area covers **16,588.93 ha**.
 - Decree No. 221/Kep/D.Perke/2010 appointed to Selapan Jaya Mill of PT Sampoerna Agro for oil palm plantation in area covers 3,243.46 ha and oil palm processing mill at building land title (HGB) **118.595 ha** wit processing capacity **120 ton FFB/hour**.
- Unit of certification has **Land Title (HGU)** for Hikmah 2 Estate of PT Telaga Hikmah and **Building Land Title (HGB)** for Selapan Jaya Mill of PT Sampoerna Agro for total area covers **3,120.00 ha** and **118.595 ha**, respectively, summarized as follows:
 - Decree of BPN Head No. 20/HGB/BPN/2001 dated 27 July 2001 about HGB for PT Selapan Jaya (Selapan jaya Mill) for area covers 1,185,950 m². From this decree, issued HGB Certificate No. 01 dated 17 September 2001 for area covers 1,185,950 m² (or about **118.595 ha**) that valid for 30 years, or up to 16 September 2031.
 - Decree of BPN Head No. 02/HGU/BPN/2004 dated 07 January 2004 about HGU) of PT Telaga Hikmah for area covers 7,175.60 ha. From this decree, issued three Certificates, which certificate included on the scope of certification has shows through of HGU Certificate No. 07 dated 13 January 2004 for area covers **2,994.00 ha** that valid for 35 years, or up to 12 January 2039.
 - Decree of BPN Head No. 01/HGU/BPN-26/2004 dated 19 October 2004 about HGU of PT Telaga Hikmah for area covers 126.00 ha. From this decree, issued HGU Certificate No. 12 dated 24 November 2004 for area covers **126.00 ha** that valid for 35 years, or up to 23 November 2039.

Associate Smallholders

In re-certification assessment, there are 11 associate smallholders, with legal aspect pursuance of each cooperative units, as updated per November 2021 is summarized in the following Table:

No.	Cooperative (KUD)	No. of members	SH* with SHM	Area (ha)	STDB Information
1	Bina Sejahtera	447	593	1,122.62	1,122.75 ha on progress
2	Bina Tani Mulya	569	569	1,138.46	1,138.46 ha on progress, 24 months after replanting in 2023
3	Intan	471	398	876.57	875.57 ha on progress.
4	Jadi Mandiri	292	292	579.81	462.03 ha on progress and 117.78 ha on propose
5	Jaya Makmur	736	736	1,436.07	1,437.07 ha on progress
6	Madya Karya Bhakti	535	535	1,011.88	1,002.57 ha on progress, 24 months after replanting in 2023
7	Maju Lancar	528	528	983.88	819.76 ha and 164.12 ha on progress
8	Marga Mulya	341	341	593.16	481.10 ha on progress and 112.06 ha on propose
9	Sedia Mukti	570	570	1,068.90	1,068.90 ha on progress.
10	Serba Usaha	660	667	1,216.85	1,216.85 ha on progress.
11	Sumber Sentosa	525	649	1,199.85	1,199.85 ha on progress, 24 months after replanting in 2023
Total		5,674	5,878	11,228.05	

(note: * SH = smallholder)

Progress positive of STDB and SHM were available onsite.

4.4.2

Mechanism of land compensation to previous land owner is presented in procedure No. P-SAG-HO-CA&L-03 dated 01 September 2017. Up to recertification assessment in November 2021, there is no new land acquisition since 2003. Process of negotiation of land compensation has conducted through participatory approach, FPIC manners and did not diminish any legal rights and/or customary rights. Land owners are given the freedom to release their land without any coercion. As for the SOP, it does not apply to smallholders, because the land in the smallholders (KUD) area is private ownership equipped with a SHM (Ownership Certificate).

4.4.3

Participative map is available in scale 1 : 18,000. The making of map has been carried out through focus group discussion (FGD) to the previous land owners as respective stakeholders. There are no customary right within unit of certification operational areas. During 2020 to November 2021, there is no process of land compensation payment, nor conflict related to land occupation.

4.4.4

Based on interview with representative of previous land owners and surrounding communities, it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Payment of compensation (GRTT) is summarized in the following Table:

Period	Village, District	Area (ha)	Lot
15 July 1997	Embacang, Mesuji	252.00	126
22 October 1997	Pulau Geronggang, Pedamaran	646.50	233
26 February 1999	Pulau Geronggang, Pedamaran	107.00	52
07 March 2002	Pulau Geronggang, Pedamaran	400.00	200
26 October 2001	Pulau Geronggang, Pedamaran	400.00	200
01 November 2001	Pulau Geronggang, Pedamaran	35.50	5
20 Nov 2001 – 22 Nov 2002	Embacang, Mesuji	1,000.00	500
06 February 2003	Pulau Geronggang, Pedamaran	86.00	43
Total		2,927.00	1,359

Land compensation process has been recorded on several documents, such as payment receipt, Letter of Land Right Transfer, Letter of right Acknowledgment and Minutes of Land Measurement. Those documents has also signed by Head of Village, Witnesser and Head of District (Camat). All documents mentioned above are available in Bahasa and signed by the respective parties. Thus, it could be concluded that process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights.

4.4.5

Based on land compensation document review and interview with previous land owners, it was known that the land owners has directly involves in the process of negotiation. For land ownership in KUD (smallholders), the Company can show a recap of land ownership which consists of SHM, Sale and Purchase Certificate (for land that has been traded) or inheritance certificate. The types of evidence of land ownership shown are valid and legally recognized evidence in Indonesia.

4.4.6

Land compensation has final since 2003 and no more land compensation negotiation process up to surveillance assessment in November 2021. All compensation process in the past has conducted through participative and FPIC approach, without any conflicts. For land ownership in KUD (smallholders), the Company can show a recap of land ownership which consists of SHM, Sale and Purchase Certificate (for land that has been traded) or inheritance certificate. The types of evidence of land ownership shown are valid and legally recognized evidence in Indonesia.

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; 4.5.5; 4.5.6; 4.5.7 and 4.5.8

There is no new land acquisition or expansion that conducted by Hikmah 2 Estate and 11 associate smallholders. Latest land compensation had settled up since 2003. Based on interview with representative of previous land owners and surrounding communities, it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights.

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

Mechanism of land compensation to previous land owner is presented in procedure No. P-SAG-HO-CA&L-03 dated 01 September 2017. Up to recertification assessment in November 2021, there is no new land acquisition since 2003.

4.6.2

As mentioned in Indicator 4.6.1, it was known that up to recertification assessment in November 2021, there is no new land acquisition since 2003. According to compensation payment document review and interview with representatives from the Village of Embacang, Kerta Mukti and Panca Warna, as well as with previous land owners and government agencies of Ogan Komering Ilir District, it was known that there are no customary rights and no negative issues regarding FPIC process, which directly conducted to the previous land owners. Land owners are free to unrelease their land without any coercion. Evidence of compensation process such as land map, minutes of negotiation process, declaration of land right handover to PT Telaga Hikmah, minutes of compensation and payment receipts were available onsite.

4.6.3

As mentioned in Indicator 4.6.1, it was known that up to recertification assessment in November 2021, there is no new land acquisition since 2003. Evidence of compensation process such as land map, minutes of negotiation process, declaration of land right handover to PT Telaga Hikmah, minutes of compensation and payment receipts were available onsite. Based on hectare statement of Hikmah 2 Estate in 2021, it was known that occupation areas were still remain the same at 540.21 ha. The land owners (occupants) are not willing to be compensated by estate management, as shows through Head Villages (Pulau Geronggang, Embacang and Maribaya Village) statement record dated 14 October 2017 and negotiation record with 12 land owners dated 23 November 2017. Participatory map with scale 1 : 18,000 on this occupation areas is available. Based on observation to occupied areas in Division 1 Block 10 Hikmah 2 Estate, it was known that the particular areas were mostly planted with rubber trees and obviously separated by estate road.

4.6.4

There is no new land acquisition and no new planting being conducted. Identification of legal and customary rights had been settled up since 2003. There are no additions or new plantings in the KUD (smallholders) area. The scope of certification for the KUD area refers to the number and area of SHM from the previous year. This is indicated by a recap of the SHM Map and a list of land ownership in the KUD (Smallholders).

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

Procedure regarding land compensation including calculation towards compensation payment is presented in document No. P-SAG-HO-CA&L-03 dated 01 September 2017. Based on review on procedure, it could be concluded that the process of land compensation payment has considering legal, traditional, customary, utilization, tenure and gender rights aspect. Furthermore, the process shall directly be conducted to the land owner and prohibited to diminish any legal and/or customary right. Landowners are free to handover their land right without any coercion.

There is no new land acquisition and no new planting being conducted. Identification of legal and customary rights had been settled up since 2003. Evidence of compensation process such as land map, minutes of negotiation process,

declaration of land right handover to PT Telaga Hikmah, minutes of compensation and payment receipts were available onsite. Moreover, smallholder areas were derived from Transmigration program that initiated by Indonesian government. However, there is no new land acquisition and there is no new planting conducted. Identification of legal and customary rights had been settled up since 2014.

4.7.2

Procedure regarding land compensation including calculation towards compensation payment has mentioned in Indicator 4.7.1. Furthermore, up to recertification assessment in November 2021, there is no new land acquisition since 2003. Evidence of compensation process such as land map, minutes of negotiation process, declaration of land right handover to PT Telaga Hikmah, minutes of compensation and payment receipts were available onsite.

Based on hectare statement of Hikmah 2 Estate in 2021, it was known that occupation areas was still remain the same at 540.21 ha. The land owners (occupants) are not willing to be compensated by estate management, as shows through Head Villages (Pulau Geronggang, Embacang and Maribaya Village) statement record dated 14 October 2017 and negotiation record with 12 land owners dated 23 November 2017. Participatory map with scale 1 : 18,000 on this occupation areas is available. Based on observation to occupied areas in Division 1 Block 10 Hikmah 2 Estate, it was known that the particular areas were mostly planted with rubber trees and obviously separated by estate road.

4.7.3

Unit of certification has shows evidence that land compensation had conducted voluntary through participative ways and fair negotiations, also involving surrounding communities elders and leaders. Statement letter which informed that process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights are available onsite. Some benefit obtained by the land owners was become a part of development of plantation community, as currently works under associate smallholders which be parts of Selapan Jaya certified FFB suppliers. Based on the results of interviews with administrators and land owners in the Cooperative, it is known that there are no problems regarding land owners in the KUD. The initial land owners in the KUD have been determined by the government which is a program of Transmigration. As for the area that has been transferred, proof of sale and purchase can be shown or a letter of inheritance.

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

Mechanism of land compensation to previous land owner is presented in procedure No. P-SAG-HO-CA&L-03 dated 01 September 2017. Up to recertification assessment in November 2021, there is no new land acquisition since 2003. According to compensation payment document review and interview with representatives from the Village of Embacang, Kerta Mukti and Panca Warna, as well as with previous land owners and government agencies of Ogan Komering Ilir District, it was known that there are no customary rights and no negative issues regarding FPIC process, which directly conducted to the previous land owners. Land owners are free to unrelease their land without any coercion. Evidence of compensation process such as land map, minutes of negotiation process, declaration of land right handover to PT Telaga Hikmah, minutes of compensation and payment receipts were available onsite.

Based on hectare statement of Hikmah 2 Estate in 2021, it was known that occupation areas was still remain the same at 540.21 ha. The land owners (occupants) are not willing to be compensated by estate management, as shows through Head Villages (Pulau Geronggang, Embacang and Maribaya Village) statement record dated 14 October 2017 and negotiation record with 12 land owners dated 23 November 2017. Participatory map with scale 1 : 18,000 on this occupation areas is available. Based on observation to occupied areas in Division 1 Block 10 Hikmah 2 Estate, it was known that the particular areas were mostly planted with rubber trees and obviously separated by estate road.

4.8.2

As explained in Indicator 4.8.1, it was known that currently there is no land conflict within estate operational areas. Status of occupied areas were settled since 2017 as shows through negotiation and Head Village of Pulau Geronggang, Maribaya and Embacang statement record dated 14 October 2017, as well as occupation map with scale 1 : 18,000 which made

through participatory approach. Based on the results of interviews with administrators and land owners in the Cooperative (sumber Sentosa & Bina Tani Mulya), it is known that there are no problems regarding land owners in the KUD. The initial land owners in the KUD have been determined by the government which is a program of Transmigration. As for the area that has been transferred, proof of sale and purchase can be shown or a letter of inheritance.

4.8.3 and 4.8.4

As mentioned in Indicator 4.8.1 and 4.8.2, it was known that at the time of audit assessment in November 2021, there is no land conflict within estate operational areas, with surrounding communities. Process of land compensation has conducted transparently and fairly through FPIC manners, without diminishing any owner, legal and customary rights of the peoples. Participative map of land compensated, statement from Head of Village about land status, witnesser and list of compensation points were available. Apart from company and land owners signature, all compensation payment and negotiation has involving Head of Village and had settled up since November 2017.

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; 5.1.4 & 5.1.5

The Unit of Certification can show the FFB Price for the Current period and the Previous month Period which can be accessed openly. The company periodically provides and explains the price of FFB to cooperatives or third party FFB suppliers.

PT Sampoerna Agro, as the owner of the processing plant, has a cooperation agreement with supplier plantations which contains information related to the price of FFB. For example, in the Cooperation Agreement between PT Sampoerna Agro and Cooperative members Jaya Makmur (No. : 006 / GMP-E / VII / 2018) especially in Article 5 explains:

- The purchase price for the production of oil palm fresh fruit bunches is determined based on the Minister of Agriculture Decree No. 14 of 2013
- The procedure for fixing the purchase price of FFB produced by farmers is carried out by the Sumatera Selatan provincial pricing team in accordance with the Sumatera Selatan Governor Regulation (No. 28/2006) concerning Guidelines for the Implementation of the Purchase Price of FFB for Planters.
- The purchase price for plasma smallholder FFB by the nucleus company is determined based on the price formula as stated in MOA 17/2010 using data on the price of CPO, palm kernel and the Provincial "K" index that has been decided by the Provincial FFB Purchasing Price Team, with the purchase price formula TBS as follows: HTBS (FFB Price) = K (Hms x Rms + His x Ris)
- The FFB price is the same as the smallholder's FFB price issued by the Plantation Office of Sumatera Selatan Province based on the year of planting.

The results of interviews with representatives of cooperatives showed that they understood the basis for determining prices and how to find out the applicable price reference. The agreement is mutually agreed upon and signed by company representatives and also the head of KUD. Based on facts in the field and interviews with cooperative managers, currently all management and cooperative members have the right to make decisions regarding contracts related to cooperative policies, especially those related to the sale and purchase of FFB.

5.1.6

The certificate holder has records related to the purchase / payment of FFB from suppliers such as KUD, for example:

- Record of Debit Note for Plasma Farmer KUD Intan in June 2021 for payment of FFB as much as 644,535 kg of FFB.
- Record of Debit Note for Plasma Farmer KUD Sumber Sentosa in June 2021 for payment of FFB as much as 482.421 kg FFB.

The recording is known to have been signed by both parties (KUD management and the company). From the recording, it is also known that the payment has been in accordance with the FFB price set by the relevant agency according to the year of planting.

5.1.7

The certificate holder has shown the recorded evidence of the calibration results of the weighing equipment at the Selapan Jaya PKS in the following records:

- Information on Testing Results (No.: 365/Disperindag/Bid.Met/X/2021) Metrological Sector, Industry and Trade Office of Prabumulih City Government on October 18, 2021 which is valid until October 2022. (Scales No. 1)
- Information on Test Results (No.: 364/Disperindag/Bid.Met/X/2021) Metrological Sector, Industry and Trade Office of Prabumulih City Government on October 18, 2021, which is valid until October 2022. (Scales No. 2)

5.1.8

The company conducts a campaign related to RSPO certification to oil palm farmers around the company by conducting public consultations to nearby villages, this can be clarified from the results of public consultations with the surrounding community. Apart from that, the majority of the people around the company are members of cooperatives that work with the company and currently have followed the RSPO certification.

5.1.9

Company has SOP Komunikasi, Partisipasi, dan Konsultasi (P-SAG-HA-CA&L) which explain communication mechanism with external and internal stakeholder. Cooperative unit also has procedure regulates about communication mechanism written on SOP Komunikasi, Partisipasi, dan Keluhan (SA-PLASMA-PP-CA&L-01). The procedure is available in Bahasa Indonesia and English.

Based on Incoming letters from external stakeholder logbooks period 2021, there's no complaint from farmers, especially cooperative unit members.

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

The company can show evidence of consultation with smallholders outside the scope of the current certification. Which consists of KUD assisted (non-scope) or independent smallholders and third party suppliers regarding RSPO, benefits of RSPO and expectations needed to improve the standard of living. The socialization was carried out in July 2021 attended by 16 representatives.

5.2.2

The company can show evidence of BMP training and socialization to farmers outside the scope of the current certification. Which consists of KUD assisted (non-scope) or independent smallholders and third party suppliers regarding RSPO, benefits of RSPO and expectations needed to improve the standard of living. The socialization was carried out in July 2021 attended by 16 representatives.

5.2.3

Based on interviews with representatives and committee of smallholder cooperative representatives, it was known that support legality of FFB produced through assistance towards managing the legality of land owned by farmers through assistance in the management of Land Title certificates since the beginning of the development of oil palm plantations or agreement has being made. The process was still ongoing. For farmers outside the scope of certification (Independent) as described in indicator 2.3.2. the support carried out to support land legality includes data collection on land ownership, mapping and pinpointing the location of FFB sources. current conditions for areas outside the scope of certification, there are still many who do not have SHM/land legality. The socialization and awareness of the importance of the legality of FFB was delivered in July 2021.

5.2.4

nit of certification has provide training related to pesticide management and application, as well as safe working practices to smallholders, as follows:

- Training in KUD Intan: 12 January 2021 for hazardous and chemical material handling and application; 27 May 2021

- for emergency response; 24 October 2021 for OSH training
- KUD Madya Karya Bhakti: 25 January 2021 for hazardous and chemical material handling and application and 09 June 2021 for OSH and first aid training.
- KUD Sumber Sentosa: 16 February for first aid, 13 March 2021 for agronomy matters included pesticide application and 16 March 2021 for emergency situation.
- KUD Jadi Mandiri: currently no training towards pesticide application in KUD Jadi Mandiri due to focus on replanting activities.

Based on interview with smallholders representatives from 4 sampled cooperatives, it was known that training on safe working practices in agrochemical application has conducted annually. Furthermore, smallholders are able to explain and demonstrate technical matters in accordance with procedure such as type of PPE used, symbol of hazardous, pesticide mixing, wind flows consideration during application, special medical check up, etc.

5.2.5

Development of smallholders plantation is reported publicly by the unit of certification, as shows through several report such as semester report of Plantation Business Development Report or "*Laporan Perkembangan Usaha Perkebunan Tahap Operasional*" (LPUP) through Letter No. 139/SA/CA/IV/2021 dated 01 April 2021. Those documents had sent to the Regent of OKI and several Agencies in Ogan Komering Ilir District such as Plantation Agency, National Land Agency and Investment Board. Based on the LPDP document, it is known that the Company has an obligation to develop plasma in accordance with its IUP. The obligation to fulfill plasma has been fulfilled.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1, 6.1.2 & 6.1.3

Unit certification have has policy related to nondiscrimination and equal opportunity written on CH policy dated 1 October 2019 which stated "*To respect and uphold human rights, including the right of employees to form labor unions and discuss issues collectively. We neither discriminate based on race, ethnicity, nationality, religion, physical disabilities, gender, sexual orientation, membership in labor unions, political affiliations, nor age. No forced nor illegal labor. To respect human rights activists*". In addition, in job vacancies that have been published by the company, there are no requirements that refer to discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief, so indirectly the certification unit has implemented a non-discrimination policy and also equal opportunity. This is evidenced by the diversity of ethnic accepted to work. The results of interviews with workers during field visits and interviews with labor unions and representatives of the Gender Committee also obtained information that there was no indication of acts of discrimination based on religion, ethnicity, gender and regional origin in the process of accepting work.

The results of the employment document review prove that certification unit does not discriminate and treat all workers equally, the following is evidence that can be shown by the company:

- The composition of workers consisting of various ethnic groups (11 ethnic), religions (5 religion), gender (2 gender) and workers' origins. The existing workers do not only come from one area but come from several areas spread throughout Indonesia such as Java, Sumatra, Kalimantan and others. During the audit, there was no information regarding AKAD workers (Angkatan Kerja Antar Daerah) in company.
- Worker placement and training are carried out in accordance with their expertise / type of work, such as prospective harvest workers are placed as harvest workers and receive regular 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.
- For the scheme smallholders workers, it is the same as applied by the company where the composition of workers consists of many ethnicities, religions and genders and there is no indication that there is discrimination in employment. Every worker in the smallholders is a worker as administrator, administrator and field worker (harvester and upkeeper).

Based on the results of interviews with workers (harvester, pesticide applicator, including smallholders worker and process

operator) it is known that workers have never felt that the certification unit (company and smallholders) has discriminated against since 2019 until now. This is because all activities from recruitment, performance appraisal, promotion, and union, each worker is given the same opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in trade unions, affiliations, politics, or age. There is no difference between the communication between superior and workers because of the things mentioned above, so that the workers do not feel isolated or discriminated against by the superiors. This has resulted in the absence of discrimination issues from 2020 to the present (October 2021).

These explanations can conclude that the certification unit has treated all workers equally without discrimination based on gender, ethnicity, religion, health conditions or others.

6.1.4

A pregnancy test for workers is carried out just to ensure that pregnant workers are not allowed to do work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a safer job but still equal in terms of wages and other benefits, so that there is no discriminatory action. This is made clear by the results of interviews with women workers in the in spraying activities stating that female workers are required to have monthly pregnancy testing at the clinic to ensure that no female workers working with chemicals are pregnant / breastfeeding and testing the pregnancy is not a discriminatory measure given by the certification unit.

6.1.5

Gender committees have been formed and are still active until today in the certification unit which is chaired by the committee chairperson along with coordinators in several sections and there are representatives in each unit (including in scheme smallholders who are members of worker associations). The structure of the gender committee not only consists of female workers but also includes male workers. 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. The workers also knew of the existence of the gender committee because it had been routinely socialized by its management. The results of this socialization can be seen with the absence of differences in company operational activities such as promotional activities, the same status of workers without gender bias because overall are given equal opportunities for all genders (male or female) in work.

The results of interviews with maintenance workers (male and female workers) and representatives of the gender committee in each unit (estate and scheme smallholders) revealed that until now there were no reports / issues / complaints related to gender reported by the workers and at the moment the activities carried out were gender meetings during children healthcare (posyandu), women recitation weekly and others. Currently the certification unit is more focused on gender bias and equality for women because the most vulnerable parties in plantation operational activities are women, but this does not mean that the company/smallholders does not focus on other genders. This is evidenced by the absence of any issues or incidents related to this from until now. Besides that, the company/smallholders provides the female worker with menstrual leave, pregnant and nursing leave for 3 months. Pregnant and nursing female worker is prohibited to work related to chemical and also certification unit gives special breast feeding time for female worker. Gender committee also inform, there is no issue or complaint related to sexual harassment on the workplace (company and smallholders).

6.1.6

Equal payment of wages has been made by certification unit properly, 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. For example, harvesting workers with initial MSD and IST who get wages in October 2021 whose value is above the minimum wage, but with different amounts based on years of service, ability, attendance and job performance (structure and scale wage). This is in line with statements from workers who were interviewed with types of work as harvesters and sprayers who have the same type of work but have different wage scales based on their performance, length of work in the company, productivity and other factors.

In addition, based on the results of review of structure and scale wage, it was found that the certification unit already has a wage scale structure for each worker based on position, class, work performance, and not based on gender differences or origins.

The structure and scale of wages for workers in the smallholder scheme is different from the provisions in the company. The smallholder scheme has its own provisions for wages where there is a difference in wages between the administrators (the wages given are different based on the position of the management such as chairman, vice chairman, treasurer, secretary and others), administration, and field workers (wages are based on the work performance of each work each year). day, so that wage receipts differ from one worker to another). Based on the results of interviews with smallholders workers (managers and field workers) it is known that the wages given are always in accordance with the work performance of each worker so that this has been carried out in accordance with existing regulations (in accordance with the minimum wage provisions) and so far there have been no complaints regarding that matter.

The results of interviews with workers (harvesting, spraying and mill operators) note that workers already know that there is a wage scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. The monthly wages received are in accordance with the grade owned by each worker and so far there have been no complaints / errors regarding this matter.

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 certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement written in Bahasa. This Collective Labor Agreement explains the working conditions and rights / obligations of workers such as, recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. The company regulation has been routinely disseminated by the certification unit to all employees.

The certification unit still have workers with contract status for daily worker (PHL), Cooperative Workers (Cooperative), Regular Workers (Company) and Staff. All the rights for each employment status have been distinguished. The results of interviews with workers (harvesters, sprayers, fertilizers and mill operators) and union representatives know that workers have a sufficient understanding of their rights (wages, overtime, incentives, fines, etc.) listed in the Collective Labor Agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2021 have been above the minimum wage set by the government, wage based on years of service, ability, attendance and job performance (structure and scale wage) and there are no late payments every month.

A review of the October 2021 wage document for harvest workers, pesticides, sprayers and mill operators proves that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2021. For example, workers wages with the initial MSD and IST have a different based on wage related to years of service, ability, attendance and job performance.

Based on the above explanation it can be concluded that the workers have understood the work requirements that have been socialized by the certification unit in an understandable language.

6.2.2 & 6.2.3

The certification unit has Collective Labor Agreement are made in a Bahasa that explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave and other provisions. Explanations related to the contents of the Collective Labor Agreement include:

- Employee Acceptance (recruitment, selection, transfer, promotion, performance appraisal) which explains that all workers wishing to join the company must follow the specified requirements including: being over 18 years old, having a health certificate, taking a selection exam, and other requirements.
- Working Time which explains that there are 2 types of working time in the company, namely by working 8 hours per

day or 5 working days in a week and 7 hours per day or 6 working days in a week, in which the total working hours are 40 hours in a week. a week.

- Wages which explains the wage that cannot be lower than the minimum wage set by the government every year, granting rice allowance to all workers according to its calculation, and other explanations.

In addition to being generally stated in Collective Labor Agreement, the certification unit also has a decree, policy, memorandum and work contract for workers in orientation period that specifically explain these matters. An example is:

- Memorandum No. 08/KGM/II/2021 on 25 January 2021 for Minimum Wage in 2021, is IDR 3,144,446 per month or IDR 125,777 per day and will take effect on January 1, 2021.
- Minimum Wage Decree of the Sumatera Selatan Province established by the Governor of Sumatera Selatan in 15 December 2020.
- Decree of KUD Madya Karya Bhakti No. 371/KUD-ITN/PW/II/2021 dated 03 May 2021 concerning Management Employee Wages, where on average the management has an obligation to work 25 days a month with the provisions of 4-5 hours of work per day with a wage of IDR 1,800,000 – 2,500,000, and if you work more than normal working hours, the hourly wage is IDR 18,000 – 20,000.
- Employment contract for five (5) contract workers, which explains the hours of work, wages, BPJS, leave, overtime, and others.
- October 2021 salary slips with the initial MSD and IST have a different based on wage related to years of service, ability, attendance and job performance.
- Overtime payment in October 2021 that has been accordance with applicable laws for security, engine room operator and boiler operator.
- List of women workers that has been given maternity leave and pregnant workers in January 2021 until October 2021.
- Unit certification has provisions related to deduction / penalty which have been stated in the contract or Collective Labour Agreement and further explanation is set out in an internal memo.
- In the payroll document, there is information that states the results of the worker's wages in one month according to the work performance of each worker. Payroll has also been accurate for each worker, for example the number of days worked in a month, premium payments, fines, deductions from workers' wages and other information that is in accordance with facts in the field.
- Etc.

Since January to October 2021 there has been no change in policy, but what has changed is the decision related to the minimum wage which has changed every year following the government's decision. Regarding the change in the minimum wage decision, it has been routinely submitted annually to workers at the beginning of the year and this is reinforced by the results of interviews with field workers and trade union representatives who are clear about any changes in the minimum wage every year. Based on the description above, the certification unit has demonstrated legal compliance related to working conditions, such as compliance with minimum wage, working hours, overtime, maternity leave and other compliance.

The results of interviews with workers (harvesters, sprayers, and mill operators) and union representatives know that workers have a sufficient understanding of their rights (wages, overtime, incentives, deductive, fines, etc.) listed in the Collective Labor Agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2021 have been above the minimum wage set by the government and there are no late payments every month, 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.

A review of the October 2021 wage document for harvest workers, pesticides, sprayers and mill operators proves that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2021 (accurate information based on all work performance). For example, workers' wages with the harvester, maintenance and process operator in mill all wages above the minimum wage.

6.2.4

The certification unit has provided welfare facilities to occupants in the form of housing, clinics, water supply, electricity, education, transportation and other facilities. The results of the field visit in the housing area revealed that workers were

provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there were daycare for children. The house is inhabited by 1 family and specifically for workers who are not married then 1 house will be filled by 2 workers. This is in line with the results of interviews with housing residents stating that the facilities provided by the certification unit are houses, electricity, availability of clean water, transportation of school, child daycare, places of worship (mosque & church), sport facilities and others. In general, the facilities provided by the certification unit are good / suitable for use by workers and their families. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing that is repaired if there is damage (usually if there is damage the worker will inform it and it will be handled directly by the repair company), the availability of electricity that has been provided by the company in the form of PLN or a generator, and the availability of clean water which is always monitored for its feasibility every 6 months (the results of monitoring clean water in the residential area do not show any test parameters that exceed the threshold).

Especially for smallholders scheme workers, housing and supporting facilities are not provided, this is because the workers are residents of the place where the cooperative was founded and have their own homes. Besides that, workers are members of smallholders/farmers so they do not need such supporting facilities. Other supporting facilities such as health have been covered by the puskesmas in the village, electricity has been provided by PLN and clean water has been owned by each worker at home.

6.2.5

Certification unit has made it easier for workers and their families to obtain food sources by providing employee cooperatives that sell the daily needs of workers and provide access to vegetable traders to sell in the workers' housing area. In addition there are also workers who open small business stalls to sell daily necessities in each housing.

Based on interviews with workers (harvesters, sprayers, maintenance and mill operators), housing residents, labor unions and gender committees, it is known that workers have no difficulty in getting food sources because the company has provided cooperatives that sell daily necessities and the existence of vegetable sellers given access to sell at home. In addition, workers can buy these needs into markets around the area of the company with less difficult access.

Especially for scheme smallholders workers, they have no difficulty finding sources of food because they live in a village where all sources of food are available (there are shops, markets and other sales facilities).

6.2.6

In Indonesia there is no set standard of living wage, so the certification unit still applies the national minimum wage for all workers. In addition to the payment of the minimum wage, the unit of certification has an assessment of the implementation of applicable wages and benefits in kind provided to workers in the unit of certification which are in line with the RSPO Guidelines for Implementing Living Wages.

The certification unit has the determination of assessment prevailing wage and all kind of benefits for DLW simulation in 2021 has been included in the calculation of main wage, worker status, housing facility, education, electricity, water sources, healthcare and others. Every calculation made has been adjusted to the actual situation and the location where the certification unit is located. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is above the stipulation of the minimum wage with scale of minimum (IDR. 4,748,900/month). This calculation is for all employees of the company as well as workers of the scheme smallholders, so that the prevailing assessment of the prevailing wage and all kinds of benefits has been calculated in its entirety. Based on the explanation above, it can be concluded that the unit of certification has a Decent Living Wage calculation based on prevailing wage and in kind benefits provided by the certification unit.

6.2.7

For scheme smallholders workers, all of the workers are permanent workers consisting of administrators, administration and field workers (harvesters and upkeepers) where these workers are smallholders members/farmers. This is based on the results of interviews and review of labor documents in each smallholder scheme, where all workers employed in the smallholder scheme are the surrounding community, most of whom are smallholder members/farmers.

Nonconformity No. 2021.04 with Minor category

- Based on the review of Hikmah Dua Estate's manpower documents, it is known that currently the certification unit still has 279 workers with PHL status (Free Daily Workers) who are employed for various types of work, such as harvesting and maintenance.
- Based on the results of observations and interviews with harvest workers at Hikmah Dua Estate, it is known that there are still workers with PHL status (Free Daily Workers) who work as harvest workers.
- In the explanation in Law no. 13 of 2003, which explains that the criteria for permanent work are work that is continuous, uninterrupted, not limited by time and is part of a production process in one company or work that is not seasonal. Where from this explanation, harvesting work is one of the permanent jobs and cannot be employed for workers with PKWT status (Specific Time Work Agreement) or PHL (Free Daily Workers), where this is again clarified in Kepmenaker No. 100 in 2004.
- The unit of certification has not yet been able to show evidence that the use of PHL workers (Free Daily Workers) has been carried out in accordance with Kepmenaker No. 100 of 2004, starting from working days and types of work that can be done.

The unit of certification has not been able to show sufficient evidence that non-permanent workers and casual daily workers are limited to temporary or seasonal work and are in accordance with the applicable laws and regulations.

6.2.7 | **Status: Nonconformity No. 2021.04 with Minor Category**

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

Policies are available to form trade unions both in PT Sampoerna Agro Tbk and KUD unit. For example, PT Sampoerna Agro Vision, Mission, and Policy which states that the Company respects the rights of every worker to form and become a union member. For KUD, there is a joint policy and commitment that states respect for human rights, including the right of all workers to collectively and negotiate collectively. In addition, the certification unit has a Collective Labor Agreement which states that employees have the right to establish trade unions and become members / leaders of trade unions in accordance with applicable regulations. The information on freedom of association listed in the Collective Labor Agreement was carried out regularly to the workers.

The company has a union and is known to all workers in the estate and mill. In addition, the cooperative also has a representative group of workers whose representative is elected directly by workers and smallholders.

Based on interviews with labor union representatives who explained that the company had given freedom of association and at present labor unions have been formed. The establishment of the union is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. Certification unit is giving freedom for worker to express their opinion and also, certification unit did not give any intervention related to labor union activity. Labor union has registered to Manpower Agency of Ogan Komering Ilir District.

6.3.2

The certification unit has records of meetings between labor unions and management representatives as well as with internal unions. The following are examples of records of meetings conducted by labour unions in 2021, namely:

- The meeting between the union with management representative on 22 January 2021 a discussion about existing labor issues and industrial relations issues, but these issues do not exist and only discuss COVID-19.
- The meeting between the union with management representative on 22 April 2021 a discussion about Holiday Allowance (THR) and consolidation of members related to the existence of inspection procedures in Pandemic condition.
- The meeting between the union with management representative on 21 October 2020 a discussion about Labor Union Office renovation.

Based on the results of interviews with labor union representatives and their members who are workers in each unit, it is known that the union holds meetings when there are labor issues or problems in the company with those accommodated in Bipartite LKS meetings between worker representatives and management representatives and since 2020 until now

there has been no labor issue. which exists. This is also supported by the results of a review of worker complaint documents and the absence of complaints submitted to labor union representatives.

6.3.3

The absence of unit certification interference in the selection or operation of labor union activities, this is evidenced by the results of interviews with workers and union representatives stating that in the process of selecting / making decisions and planning activities, members provide input / aspirations to their representatives each to make an election / decision-making and no management has a position as staff / managerial (assistant and above). The employee who currently serves as the are field workers and not the staff (assistant and above), then there will be no conflict of interest that occurs with the company because there are no workers who have the authority as decision makers (staff class and above). The explanation has reinforced the fact that management did not interfere directly / indirectly with the taking decisions and activities carried out by labor unions.

Based on interviews with labor union representatives who explained that the company had given freedom of association and at present labor unions have been formed. The establishment of the union is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. Certification unit is giving freedom for worker to express their opinion and also, certification unit did not give any intervention related to labor union activity.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1, 6.4.2, 6.4.3 & 6.4.4

Certification unit has Policy to maintain morality is written in CH policy dated 1 October 2019 which stated "*To protect female employees at workplace by strongly prohibiting any sexual harassment and violence towards them, as well as protecting their reproduction rights. We do not employ underaged children and we do facilitate child care*". KUD unit also policy which stated that won't employ children under 18 years old. The results of the verification of documents revealed that there were no workers under the age of 18. In addition to having a policy governing the minimum age for workers for workers, the certification unit also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement with the contractor. The policy was socialized to workers and to the contractor when signing the work agreement.

Based on field visits and interviews with workers in the fields, it is known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of company and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work, the youngest age of workers is 21 years when entering work. Aside from that, that hasn't any issue/incident related to sexual harassment, violence at work/reproductive rights.

Based on the results of the review of the Work contract between KUD MKD and FFB transporter. For example, letter of agreement of KUD Madya Karya Bhakti and Selapan Jaya POM No. 009/GMP-E/VII/2018 dated 13 July 2018. It is known that in The agreement has a separate clause to ensure that the contractor does not employ minors (under 18 years old) and complies with the prevailing laws and regulations in Indonesia.

Based on this, it can be concluded that the unit of certification has a policy on child protection including the prohibition of child labor and has been well documented and known to all workers.

Status: Comply

6.5

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

6.5.1 & 6.5.2

The certification unit has a Policy to maintain morality is written in policy dated 1 October 2019 which stated "*To protect female employees at workplace by strongly prohibiting any sexual harassment and violence towards them, as well as protecting their reproduction rights. We do not employ underaged children and we do facilitate child care*". It explains 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 & certification unit has socialized to the employees and the representatives of the committee gender are available in each division. This policy is applied by every unit such as estate, mill and scheme smallholders.

Based on interview with workers (company and smallholders worker) and committee gender, the policy had disseminated to workers through gender committee meetings with workers and in the last year period, that hasn't any issue/incident related to sexual harassment, violence at work/reproductive rights.

6.5.3

The certification unit has Policy concerning Pregnant and Breastfeeding Women Workers. The policy explains about giving mothers special time to breastfeed their children, prohibiting pregnant / breastfeeding women workers from working with chemicals, providing light work / which does not endanger the mother / obstetric / child, and providing a special room for breastfeeding her child.

For now, the certification unit has recorded employees who have branded as New Mother conditions in each unit by recapitulating the total number of female workers who were in that condition in 2020 as many as 5 workers and in 2021 increase to 13 workers (all of them were confirmed not to work in chemical-related work).

The management has carried out an assessment of the needs of new mothers by asking for their opinions, as well as taking actions to meet the needs that have been identified. For the examples for that and based on information from management representatives, it is known that in order to accommodate the needs of new mothers, especially in terms of privacy, giving breastfeed for children has been provided breastmilk Corner at the daycare. In addition, information obtained from female nursing mothers is given a special time for 1 hour to provide breast milk for their children. May be done at the ASI Corner and their respective homes during break hours.

Based on interviews with women workers and gender committee representatives, it is known that the certification unit has provided a special place for new mother such as breastfeeding at child daycare with special time to breastfeed. There is no prohibition from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered / picked up by the foreman at these times.

The certification unit has specifically provided the need for new mother to breastfeed by setting a special time for breastfeeding at work, the availability of a special room for breastfeeding and other supporting facilities.

6.5.4

Company has a mechanism of complaint and grievance handling written in *SOP Komunikasi, Partisipasi, dan Konsultasi* (P-SAG-HA-CA&L-08 on 01 August 2019). The procedure aims to accommodate complaints and grievance from employees. In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower). For scheme smallholders, this is still following the same procedure as the company because the procedure has been approved by each management party.

The results of interviews workers (company and smallholders) for example spraying teams, warehouse officers, and weighbridge are known to be aware of the grievance mechanism. Related complaints of sexual harassment (women's issues) can be submitted to the gender committee. In the last year period, that hasn't any complaint related to sexual harassment, violence at work/reproductive rights.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1 & 6.6.2

There are no migrant workers who work in the company's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in company regulations, collective labor agreements, cooperative statement/decreed and in work agreements. Based on employee list (company and scheme smallholders) and observation in field known that there is no migrant workers, forced labor. Every worker (company and scheme smallholders) has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker, for example:

- There is no retention for identity, because all labor documents for individuals are in the form of photocopies and not original items such as ID cards, diplomas, family cards and others.
- There is no contract substitution, because all existing contract workers currently work in accordance with existing contracts such as contract workers for maintenance activities only doing maintenance activities and do not employ workers other than those stated in the contract.
- The freedom of workers in resigning, because if the worker wants to resign there is no understanding or prohibition from the company to the worker concerned. This is evidenced by the presence of workers who resigned to move to work and the company gave all their rights as fully resigned workers without any shortcomings.
- There is no coercion in doing overtime work, workers who do overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation and the company also does not prohibit this.

Based on employee data and interview with workers (company and scheme smallholders), most of the workers came from local communities. They have the recruitment process in the company and is in accordance with applicable employee acceptance procedures. Based on the results of interviews with workers in plantation and mill, it is known that currently there are no migrant workers, retention of identity, payment recruitment fees, contract substitution, involuntary overtime, lack of freedom of workers to resign, penalty for termination, debt bondage, and withholding. This is because the certification unit has carried out its operations in accordance with applicable regulations.

There are no significant obstacles related to employment or violations of company procedure. For example, for the harvesters works daily based in 7 working hours. Certification unit provides output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the harvest premium payment. No penalty is given to the harvester if it does not get output due to natural factors such as rain. Based on payment list, the harvesters have earned above the minimum wage.

For workers in the smallholders scheme, there are no significant obstacles related to employment or violations. For example, workers who work in smallholders such as administrators, administration and field workers (harvesters and upkeepers) get hourly wages which are calculated higher than the minimum hourly wages set by the government. These workers work about 4-5 hours a day for management and administration, while for harvester and upkeeper workers they get wages according to their work performance every day.

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 certification unit 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 including for every smallholders/KUD. The *P2K3* team has received approval from the Head of Manpower and Transmigration of the Province of Sumatera Selatan and the *P2K3* secretary is a certified occupational health and safety expert. This is the example of OHS Committee that has been ratified by related agencies:

- The establishment of the *P2K3* (OHS Committee) for KUD Intan which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 23 June 2021 (Decree No. 900/SK/Nakertrans/2021). In the *P2K3* structure, the secretary is an OHS Expert who has a license appointed directly by the Ministry of Manpower and is valid until March 2024.
- The establishment of the *P2K3* (OHS Committee) for PT Telaga Hikmah which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 14 October 2019 (Decree No. 2654/SK/NAKERTRANS/2019). In the *P2K3* structure, the secretary is an OHS Expert who has a license appointed directly by the Ministry of Manpower and is valid until October 2022.
- The establishment of the *P2K3* (OHS Committee) for KUD Sumber Sentosa which were registered / approved by the Manpower and Transmigration Agency of Sumatera Selatan Province in 23 June 2021 (Decree No. 908/SK/Nakertrans/2021). In the *P2K3* structure, the secretary is an OHS Expert who has a license appointed directly by the Ministry of Manpower and is valid until April 2024.

OHS committee in every unit including in smallholders/KUD routinely conducts monthly meetings on OHS issues in the

workplace. The documentation of the meeting was recorded and stored well. Based on interviews to workers who are members of the P2K3 organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident analysis, report, firefighting simulation, checking of emergency response equipment, OHS sign board, safety patrol, etc. The last P2K3 Meeting in September and October 2021 on which discussed the evaluation of the annual evaluation of OSH implementation, preparation of inspection, and others attended by P2K3 officers.

6.7.2

The certification unit has a procedure for emergencies responds such as:

- Emergency Preparedness and Response Procedure at PKS (No: P-SAG-PKS-DRR-01, 1 September 2009) and approved by the COO of PT Sampoerna Agro.
- Work Instruction for Washing and Cleaning Ex Sacks of Fertilizer (WI-SA-PLASMA-PP-0303) on October 1, 2015.
- Work Instruction for Washing and Cleaning Ex Pesticide Packaging (WI-SA-PLASMA-PP-KS-0606) on October 1, 2015.
- Handling Procedure of Hazardous Material (No.P-SAG-RO-PCR-05) dated 1 October 2012.
- For the scheme smallholder/KUD, they have their own OHS procedure which refers to the procedures mentioned above and is made simpler to make it easier for the applicant to understand. These procedures are Fire Emergency Response Work Instructions, First Aid Work Instructions, Chemical and Fertilizer Warehouse Work Instructions, etc.

Simulation was performed regularly to ensure the preparedness of emergency response equipment in the certification unit (In this simulation activity, the company does it together with the scheme smallholder/KUD). The routinely emergency simulation that has been conducted by certification unit for example:

- Emergency response simulation and first aid for mill workers on 02 June 2021.
- Emergency response simulation and first aid for estate workers on 16 March 2021.

Based on the results of field observations in the mill and plantation, it is known that the certification unit has carried out the procedures that have been well related to the emergency response, such as the evacuation route in the mill / office / housing area, the availability of first aid kits in the room or those carried by the first aid officer. in field, and every personnel that have responsibility related to this has understood well the procedures that are owned.

The last first aid training has been conducted in 02 June 2021 and certification unit has workers with licensed first aid officers. Certification unit also has a first aid box in each unit and based on document review, 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. In 2021 there were 2 incidents of work accidents that occurred, the certification unit has investigated work accidents and evaluated each time there was an accident in every operational activity. The certification unit has also shown evidence of investigation, reporting to the BPJS and the Manpower Agency of Ogan Komering Ilir District no later than 3 days after the work accident.

Based on interviews with workers in the fields of, it is known that since 2019 there has been a work accident in mill units and if an accident occurs in the field, the certification unit has provided first aid services. Each foreman as first aid before a follow-up examination is carried out at the nearest clinic or hospital. The first aid officer (foreman) in the field states that training has been routinely carried out by the company and there are also several officers who have received certificates as First Aid Officers from government agencies and at the time the explanation of the use of each item is quite clear.

6.7.3

Based on the results of field visits and interviews with workers (harvester, pesticide applicator and mill operators) in the units, it is known that workers have received PPE for free every year according to their respective types of work and if there is PPE damaged, it can be immediately reported to the direct supervisor for replacement. At the time of the audit, all workers were seen to have used PPE in accordance with existing standards and the level of risk, such as pesticide applicators using aprons, masks, face shields, gloves, boots, and others. In addition, the certification unit also has proof of the delivery of PPE to all workers every year and replacement of PPE that is damaged, for example the replacement of PPE in the form of safety shoes and masks on 13 February 2021 for waste operator, and New PPE in the form of safety shoes on the 05 August 2021 to 140 mill workers. Every PPE given to all workers (all level workers) is in accordance with

the needs, types of work, risks and conditions of the PPE, this has been well documented from the PPE award records kept by the OHS Department. This has been regulated in the hazard identification document, risk assessment and risk control (HIRAC) as well as the PPE For Every Job Specification document.

The certification unit also has a sanitation facility for a pesticide applicator in each unit which is used as a storage, cleaning and replacement area when coming from work to home from work. This is done to ensure that workers arrive clean and come home clean without bringing hazardous chemicals to the home location. Based on the results of field visits to pesticide sanitation facilities in every sampling unit, it was found that the facilities were clean and well organized, there were room which were used for bathing and cleaning PPE separately.

6.7.4

Certification unit have Collective Labor Agreement that describe about workers have the right to receive medical care and be protected by the accident insurance company. The management unit show proof of payment of BPJS. Payments are made every month by percentage according to the regulation. The last payment that has been paid by certification unit is on 15 October 2021 for "BPJS Ketenagakerjaan" period of October 2021 and on 07 October 2021 for "BPJS Kesehatan" period of October 2021. All proof of payment shown and payment details for the "BPJS Health and Employment" program are in accordance with the current actual conditions / in accordance with the number of existing workers.

Based on the interview with workers in estate and mill, concluded that all employees were aware of the medical service procedures in the event of an accident or illness. All employees interviewed also claimed to have a health BPJS card, if they went to a company clinic there was no fee at all. Based on interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself.

In addition, if there is a work accident claim that occurs, an accident management and reporting will be carried out to the BPJS. For example, the accident that occurred at Selapan Jaya POM which caused lost time accidents and the incident has been reported to the BPJS and the BPJS claim management has been fully reported through the KK1-KK3 Report.

In the 2020 RSPO ASA-4 assessment, there are notes related to BPJS for KUD Serba Usaha, KUD Jaya Makmur and KUD Maju Lancar, where all of their workers have not been registered in the BPJS program. This is similar to the condition of KUD Jadi Mandiri, KUD Sumber Sentosa, KUD Intan and KUD Madya Karya Bhakti which are also not yet fully registered. The certification unit has made various efforts to register all its workers in the BPJS program in 2021, this is evidenced by the invitation of BPJS to conduct socialization and explanations regarding registration procedures using SIPP Online (Participant Reporting Information System) in accordance with the letter submitted to the party. BPJS on February 17, 2021. Then the BPJS has scheduled a meeting on June 24-25, 2021 to carry out this, but that month there was an increase in COVID-19 cases in Indonesia which caused BPJS to cancel attendance due to Circular No. 18 of 2021 from the BPJS which stated that starting from June 21 until the next 14 days to do WFH (Work from Home) and eliminate all face-to-face activities and official travel. Due to this incident, the registration plan for all KUD workers was hampered by re-evaluation by the certification unit to be carried out again in early 2022.

The certification unit has the opportunity to re-realize the plan for registering all KUD workers which is the supply base of Selapan Jaya Mill in 2022.

6.7.5

The certification unit is still consistent in monitoring the recording of occupational 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 no 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 every unit including scheme smallholders/KUD. For examples in period of January until March 2021 in company (PT Sampoerna Agro) have two (2) accident, 673,148 employee hour of works, with 18 lost time, Severity Rate is 26.74 and Frequency Rate is 2.97. In addition, for example from the Scheme smallholders, KUD Intan has no accident during that period (zero accident).

Status: Comply	
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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

The company has program of Integrated Pest Management (IPM) plans as documented on procedure and Work Instruction as follows:

- Procedure P-SAG-KBN-PML-16 Controlling Leaf, Stem and Root Pest date March 2, 2015
- Work Instruction WI-SAG-KBN-PML-1601 Controlling Leaf Pest date March 2, 2015
- Work Instruction WI-SAG-KBN-PML-1602 Planting Beneficial Plant date March 2, 2015
- Work Instruction WI-SAG-KBN-PML-1603 Controlling Stem Pest date March 2, 2015
- Work Instruction WI-SAG-KBN-PML-1604 Controlling Root Pest date March 2, 2015
- Procedure P-SAG-KBN-PML-17 Controlling Tirataba Pest date March 16, 2012
- Procedure P-SAG-KBN-PML-18 Controlling Rat Pest date March 16, 2012
- Procedure P-SAG-KBN-PML-18 Controlling Pest and Disease in Smallholder Estate date March 16, 2012
- Procedure and Work Instruction consist of manual, chemist and biological technic to control pest and disease.

One way for companies to naturally control nettle caterpillar is by planting and maintaining beneficial plants to attract natural enemy insects for nettle caterpillar such as *Turnera subulata* and *Antigonon leptopus* plants. Based on field observations, it can be seen that along the CR and MR roads the *Turnera subulata* plants are already well developed. A record of the progress of planting host plants for natural enemies of pests such as *Turnera subulata* and *Antigonon* is also shown.

Based on the results of field visits to KUD Sumber Sentosa and KUD Intan, it is known that the KUD has used owls as one of the natural enemies of rats for pest control.

7.1.2

Based on the results of the study of the beneficial plant planting documents, it was found that the *Antigonon leptopus* planting company, *Turnera subulata*. Unit of Certification (company and KUD) also uses owls as natural enemies of rats. Based on the prevailing regulations in Indonesia, it is known that the species developed by the company are not classified as invasive species.

7.1.3

Based on the results of interviews with management Unit of Certification (company and KUD), it is known that the unit of certification does not control pests by using fire. Pest control is carried out chemically after first carrying out a census and biological control by planting beneficial plants as a home for natural enemy insects from leaf-eating caterpillars and breeding owls (*Tyto Alba*) as natural enemies of rats.

Based on the results of field visits to Hikmah Dua estate and KUD samples, it is known that there is no trace of the use of fire as a means of controlling pests and diseases.

Status: Comply

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

7.2.1

The company has shown a list of pesticides used by the company and the KUD. The list of documents explains the name of the pesticide, the active ingredient, LD50, the target of the pesticide, the registration permit number and the validity period of the distribution permit. Based on this document, it is known that there are 7 types of pesticides used in Hikmah Dua Estate and 2 types of pesticides used by each KUD. The example is Garlon with the active ingredient triclopir butoxy ethyl ester, LD 50 710 mg/Kg, registration number 0103011984695 and the permit period is valid until April 16, 2023 and the target is broadleaf weeds.

7.2.2

The company has shown a list of pesticides used by the company and KUD for the 2021 period. The list of documents explains the name of the pesticide, active ingredient, LD50, pesticide target, registration permit number and the validity period of the distribution permit as well as the use of pesticides per hectare. Based on this document, it is known that there are 7 types of pesticides used in Hikmah Dua Estate and 2 types of pesticides used by each KUD.

The example is the use of Garlon with the active ingredient triclopir butoxy ethyl ester 670 g/L, LD 50 710 mg/Kg, registration number 0103011984695 and the permit period is valid until April 16, 2023 and the target is broadleaf weeds.

The use of Garlon in Hikmah 2 Estate during 2021 is 10.42 liters with an application area of 2260.22 ha. From the use of pesticides, it is known that the use of pesticides per hectare is 0.004 liters per hectare and the amount of use of active ingredients per hectare is 0.000014 g/L.

7.2.3

The company has shown a memorandum from the R&D Director dated November 8, 2019 number 121 / DRD / XI / 2019 regarding the use of chemical substitutes for paraquat. In the memorandum, it was explained that Sampoerna Agro's sustainability policy had determined that Paraquat chemicals could no longer be used due to high levels of toxicity and low degradability of the active ingredients. For this reason, other active ingredients to replace Paraquat are using the active ingredient herbicide Methyl Metsulfuron and LVA Emulant emulsifying surfactant (C13 oxo alcohol ethoxylates) with recommended doses per ha of 0.75 kg / ha and 0.8 liter / ha.

The company has shown a memorandum from the R&D Director dated 15 November 2019 number 124 / DRD / XI / 2019 regarding the discontinuation of the use of paraquat and chemicals that are prohibited from being used under the provisions of the RSPO.

The company has also shown documents on the use of pesticides for the 2018-2021 period. Based on this document, it is known that from November 2019 until the time when the audit was carried out, the company and KUD no longer used pesticides with active paraquat ingredients according to the above memorandum.

7.2.4

Based on the results of the review of pesticide use documents for 2021 for each plantation, it is known that the company does not use pesticides preventively for pest and disease control. Based on the results of interviews with company management, it was explained that the use of pesticides for pest and disease control was always based on census results.

Examples of census activities that have been carried out include:

- Census of Rats for the October 2021 Period which was conducted on 11 – 30 October 2021. It is known that there were attacks in block 52 with 6.67% attacks which exceeded the threshold value so that chemical management was carried out.
- The caterpillar census for the September 2021 period in Hikmah 2 Estate, it is known that there were 5.9 percent attacks in Block 19 A so that chemical control was carried out.

7.2.5

The company has shown the pesticide use document for the 2020 period for the Hikmah Dua estate and 4 KUD samples. Based on the document on the use of pesticides, it is known that the company does not use pesticides with active ingredients. Based on the results of field visits to the chemical (pesticide) storage warehouse at Hikmah Dua Estate and KUD, it was found that there were no pesticides with the active ingredient paraquat.

As for Pesticides with Group 1A / 1B, the company uses the Racumin brand of pesticides with the active ingredient Kumatetrail with a total use of 6.30 Kg for the period 2021 to October. The use of class 1B pesticides is based on the results of the census which have indeed exceeded the threshold and their use has been applied by employees who have attended training.

7.2.6

The company has shown proof of training documents that have been provided to employees for Hikmah Dua Estate and 4 KUD as samples. One of the example is :

- Minutes of the implementation of herbicide use training activities on January 20, 2021 at KUD Sumber Sentosa. The training was attended by 12 participants.
- Minutes of the implementation of OHS training activities, P2K3, and Spray to the Spray Unit Team on July 6, 2021 at KUD Intan. The training was attended by 11 participants.
- Minutes of the implementation of the spraying socialization activity on February 26, 2021 at KUD Madya Karya Bakti. The training was attended by 11 participants

7.2.7

Based on the results of field visits in chemical (pesticide) storage warehouses, both in Hikmah 2 Estate or in 4 sample KUDs, it is known that pesticides are stored according to the type of each pesticide, in addition it is also known that pesticides have also been equipped with MSDS and have also been there is a "trap" to accommodate pesticide spills when it is taken. The Pesticide Warehouse has been equipped with the K3 symbol, and adequate ventilation.

7.2.8

The company has procedure of Integrated Management System (IMS) about Waste Management (P-SAG-KBN-LMB-01 revision 02 issued date October 30, 2015). The procedure consists of 4R system (Reduce, Reuse, Recycle and Recovery). The management and waste disposal plan has been including about used pesticide container and hazardous is disposal to third parties.

For example, the transportation of LB3 (Pesticide packaging) at KUD Intan which was carried out on 19 October 2021 by PT Ramos Alam Sejahtera with the type

- Packaging Used Toxins 71.81 Kg
- Used Plastic Fertilizer Sacks 132.75 kg

Based on interviews with employees and foremen of pesticide application in Hikmah II estate and Sumber Sentosa Cooperative management, is known that all containers used were returned and sent to temporary storage places for hazardous and toxic waste materials that were not used for purposes other than pesticide application activities. All used containers, work tools and work clothes are stored in a special storage area. Thus, there are no contaminated items to be taken home. The results of the employee's home Hikmah II estate observations show that it is not found that the used pesticide packaging is disposed of at the disposal site and is not used for other purposes such as trash cans, flower pots and so on.

7.2.9

Based on the results of interviews with unit of certification management (company and KUD) , it is known that the unit of certification does not spray to control pests and diseases through the air.

7.2.10

The certificate holder has shown the results of the annual special Health examination records for pesticide operators as contained in the Health Examination Results Report (Spirometry and Cholinestrace) of PT Sampoerna Agro's Plasma Plantation from 2 to 7 March and 17 March 2020 by the UPTD Balai Hiperkes and Occupational Safety of the Department of Manpower and Sumatera Selatan Province Work Safety (No.: 560/33/UPTD/BHP/2020). Here are some details of the workers examined:

- KUD Jaya Makmur as many as 23 spray workers under normal conditions.
- KUD Maju Lancar as many as 19 spray workers under normal conditions.
- Multipurpose KUD as many as 12 workers who deal with pesticides under normal conditions.
- KUD Marga Mulya as many as 41 pesticide workers in normal conditions.
- KUD Becomes Independent
- KUD Sumber Sentosa 13 workers are in normal condition
- KUD Intan as many as 18 workers under normal circumstances
- KUD Madya Karya Bakti as many as 17 workers in normal conditions

For the 2021 health checks that have not been carried out until now, the management unit has carried out an analysis of

the reasons why a Health Check cannot be carried out, one of the reasons is because the results of the risk analysis related to covid 19 are still quite high. The management unit shows a temporary plan for medical checkup activities in March and September 2022.

7.2.11

The unit of certification has a memorandum regarding the prohibition of employing pregnant or lactating women to spray and fertilize with document number 0044/MD/VIII/2010 issued by the Managing Director on August 31, 2010.

For Kebun Hikmah 2 Estate spray employees consist of male and female employees, therefore the company has a mechanism to ensure employees who work are not pregnant, including by conducting periodic checks once a month on female spray employees. For example, periodic inspections in November 2021 were carried out on 14 female spray employees at Hikmah Dua Estate with the overall result that none of the employees were pregnant. The examination was carried out on November 11, 2021 at the PT Telaga Hikmah Health Center. For 4 KUDs that were sampled in the 2021 Recertification audit activity. It is known that the spray employees used are male, so periodic pregnancy checks are not carried out.

	Status: Comply	
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**7.3
Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.**

7.3.1

The company has procedure of Integrated Management System (IMS) about Waste Management (P-SAG-KBN-LMB-01 revision 02 issued date October 30, 2015; No P-SAG-PKS-LMB-01 dated 30 October 2015; No SA-PLASMA-PP-LMB-01 dated 1 April 2017). The procedure consists of 4R system (Reduce, Reuse, Recycle and Recovery). Management and waste disposal plan has been included about identification and monitoring the waste and pollution source and hazardous and toxic waste disposal to third parties. There is also document identification of the source of waste and its control in Hikmah II Estate, KUD Intan, and POM on May 2021 is explained the used pesticide container transported by third parties licensed.

Based on field observation Selapan Jaya POM, Hikmah Dua Estate, and KUD samples, 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. Liquid waste from mill is processed through WWTP until it has been fulfilled quality standard before it is steamed to water body. Domestic waste from housing area is disposed into landfill in each unit.

7.3.2

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The efforts taken by the company are:

- Domestic waste: based on field observation, the company has collected domestic waste periodically and dump it to the landfill and it's known that location of landfill is far away from waterways and the housing area.
- Empty fruit bunch is applied to estate plantation area to substitute chemical fertilizer. Based on field visit EFB application is well managed.
- Shell and fiber are reused for engine fuel of boiler. It reduces the carbon emission from the combustion of fossil fuel.
- POME use for fertilizer, based on field visit the condition of flatbed has been maintenance well and no environmental pollution potential.
- The managing for clinical waste, the company also has cooperation with licensed parties such as PT Dame Alam Sejahtera.

For Hazardous waste generated operational is transported by third parties licensed from government, accordance agreement letter:

- Letter of agreement for the management hazardous waste between KUD Intan and PT Ramos Alam Sriwijaya for hazardous waste transported activities No. 071/MOU/I-RAS/VII/2021 dated July 1, 2021, valid for 1 year. (Lisence of PT RAS: KLHK Recommendation for hazardous waste transportation No. S.170/PSLB3-VPLB3/PPLB3/PLB.3/05/21

and Permit from Directorate General of Land Transportation No. SK.00026/AJ.309/1/DJPD/2020 dated 28 January 2020).

- Letter of agreement for the management hazardous waste between KUD Sumber Sentosa and PT Ramos Alam Sriwijaya for hazardous waste transported activities No. 079/MOU/I-RAS/VII/2021 dated July 1, 2021, valid for 1 year.
- Letter of agreement for the management hazardous waste between KUD Bina Tani Mulya and PT Ramos Alam Sriwijaya for hazardous waste transported activities No. 070/MOU/I-RAS/VII/2021 dated July 1, 2021, valid for 1 year.
- Letter of agreement for the management hazardous waste between Hikmah Dua Estate and PT Ramos Alam Sriwijaya for hazardous waste transported activities No. 037/MOU/I-RAS/III/2021 dated March 1, 2021, valid for 1 year. (License of PT RAS: KLHK Recommendation for hazardous waste transportation No. S.1426/PSLB3-VPLB3/PPLB3/PLB.3/12/2019 dated 27 December 2019 and Permit from Directorate General of Land Transportation No. SK.00026/AJ.309/1/DJPD/2020 dated 28 January 2020 and are valid for 5 years; MoU of PT RAS with PT Dame Alam Sejahtera No. 873/SPK/DAS-RAS/XI/2020 dated 20 November 2020 and valid for 1 year, Permit for Hazardous Waste PT Dame Alam Sejahtera No. S-153/VPLB3/P3LB4/PLB.3/3/2021 dated 12 March 2021).
- Letter of agreement for the management hazardous waste between PT Sampoerna Agro, PT Ramos Alam Sriwijaya and PT Dame Alam Sejahtera for hazardous waste handling activities No. 034/SPK/SA-RAS-DAS/III/2021 dated March 1, 2021, valid for 1 year.

The company has shown hazardous waste balance in each estate and also has shown the evidence of hazardous waste transported, consist of:

- KUD Sumber Sentosa date 19 October 2021, ex pesticide container & inner fertilizer sack is 392.78 kg Number Manifest KLHK-16360500026.
- KUD Madya Karya Bhakti date 10 October 2021, ex pesticide container & inner fertilizer sack is 213.12 kg Number Manifest KLHK-1636045955.
- KUD Intan date 19 October 2021, ex pesticide container & inner fertilizer sack is 204,56 kg Number Manifest KLHK-1636050115.
- Hikmah Dua Estate date 2 October 2021, hazardous contaminated container 0.04 ton (KLHK-1634339074, hazardous waste storage 0.176 Ton (KLHK-1634530437, used oil 0.38 Ton (KLHK-1634531195), and medical waste 0.003 (KLHK-1634339270)
- Selapan Jaya POM date 2 August 2021, used oil 1.6 Ton (KLHK-1628945775), electronic waste 0.007 (KLHK-1628945567), hazardous used storage 0.278 Ton (KLHK-1628945277), hazardous contaminated waste 0.104 (KLHK-1628945552), and medical waste 0.0025 Ton (KLHK-1628944819).

Based on document verification, amount of hazardous waste until October 2021 produced is in accordance with hazardous waste transported. The company has also managed domestic waste by doing socialization of organic and inorganic domestic waste on January 2021, inorganic waste collection every month, inorganic waste sells every two months, and waste management result review in 2021. The company is encouraged to ensure Domestic Waste Management as regulated in procedure no. P-SAG-KBN-LMB-01 (Rev. 02) dated 30 October 2015 and procedure No. P-SAG-PKS-LMB-01 dated 30 October 2015, carried out consistently. **(OFI)**

Based on interview with management representative of mill, estate, and KUDs, proper disposal of waste has been implemented in each unit. For example, shell and fiber is reused for engine fuel of boiler, liquid waste is processed through WWTP, toxic and hazardous waste is stored in licensed hazardous temporary storage, and domestic waste is transported into landfill.

7.3.3

Based on results of document review and field observation, found that company and KUD shown proper management ways for ex chemical containers, medical waste, and other hazardous/non-hazardous waste disposal based on their procedures and waste management plan. Based on results of field observation in housing complex of Hikmah Dua Estate, it is found that companies managed settlements/housing domestic waste by provide landfill on each division and sort the organic/an-organic waste. Besides, there is no open fire for waste disposal.

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**

Practices that maintain or enhance soil fertility to ensure sustained yield are contained in:

- Procedure for fertilizing palm, number document: P-SAG-KBN-PML-21 Rev 01 issued on date March 16, 2012 for main estate.
- Procedure for fertilizing, number document: SA-PLASMA-PPKS-03, Issued on date April 1, 2016 for smallholder.

Hikmah Dua Estate and 4 KUD which are sample assessments can show fertilization realization documents for the period January to October 2021. The company has also shown an empty bunch and solid decanter application document for Hikmah Dua estate for the period January to October 2021.

- During 2021, Hikmah Dua Estate uses 4 types of fertilizers in accordance with the recommendations they have. The types of fertilizers and the amount used include Dolomite, Urea, Borate, NPK.
- Sumber Sentosa KUD has not fertilized since June 2021, this is because Sumber Sentosa KUD will carry out replanting which is planned to be carried out in July 2022.

In the 2021 period, every KUD (outside the KUD that will replant) has fertilized according to the recommendations from R&D, the delay in fertilization recommendations in 2019 has been handled in 2020 so that fertilization recommendations can be issued in early 2021.

7.4.2

The Certification Unit consisting of Hikmah Dua Estate & 4 KUD Samples can show the results of leaf sample analysis and the results are contained in the 2021 fertilization recommendation. The parameters being tested are the nutrients N, P, K, Ca, Mg and B.

The company has also shown the results of soil sample analysis for the Village Unit Cooperative and the Hikmah Dua estate. The results of the analysis of the soil samples are as follows:

- Report Of Analysis No: 049/FL/2020 dated May 5, 2020 for PT Telaga Hikmah with a total sample of 68 samples The tests included N, P, K, Ca, Mg & B. The tests were carried out by the Integrated Laboratory Research & Development Department of Sampoerna Agro Tbk.
- Report of Analysis No:025/FL/2021 dated March 29, 2021 for KUD Sumber Sentosa, KUD Serba Usaha and KUD Intan with a total sample of 36 samples. The tests included N, P, K, Ca, Mg & B. The tests were carried out by the Integrated Laboratory Research & Development Department of Sampoerna Agro Tbk.
- In addition, the Certification Unit can show a soil analysis conducted on 17 September 2016 (20 soil samples). Conducted by PT Binasawit Makmur Analytical Laboratory. Parameters analyzed are soil fraction, soil texture, pH, C, N, C / N, P, K, Ca, Na, Mg, JKB, CEC, KB and other micro nutrients. The 2021 soil analysis has been carried out, indicated by the Minutes of Sampling from September 28, 2021 to October 12, 2021. In addition, the Minutes of the submission of soil samples of 28 bags of soil samples on November 1, 2021 from PT Telaga Hikmah to the SGRO Palembang Internal Laboratory are shown. Based on information from management, the new test results will be completed at the end of November 2021.
- Soil analysis for KUD Plantation dated August 16, 2019. For plasma area III, IV, and V Group Sampoerna Agro Tbk. With a Number of Analysis 056/SL/2019 as many as 74 samples. The types of parameters tested include N-Total, TOC, CEC, Exch (K, Na, Ca < Mg) p2O5, Al-add, Texture, Boron, Fe in DTPA. The tests were carried out by the Integrated Laboratory Research & Development Department of Sampoerna Agro Tbk.

7.4.3

Unit of Certification (company & KUD) has a nutrient recycling strategy which is stated in the SOP for fertilization with the number P-SAG-KBN-PML-21 Rev 01 and work instructions with the number WI – SAG – KBN – PML – 2104 regarding manual organic fertilizer application and WI – SAG – KBN – PML – 2105 regarding the application of mechanical organic fertilizers.

Companies can show documents on the use of empty bunches and solid decanters for the period 2021 (January-October) as a nutrient recycling strategy. The implementation of the Hikmah Dua Estate is as follows:

Empty Bunch

- Plan: 44,761 tons
 - Realization: 46,865 tons
- Decanter Solid
- Plan: 8,343 tons
 - Realization: 6,891 tons

7.4.4

The Certification Unit can show fertilizer use data for all units of the certification area. For this audit activity, the management unit can show records of fertilization in the Hikmah Dua Estate and 4 sample KUDs (Intan, Madya Karya Bakti, Sumber Sentosa & Jadi Mandiri) for the period 2021.

- During 2021, Hikmah Dua Estate uses 4 types of fertilizers in accordance with the recommendations they have. The types of fertilizers and the amount used include Dolomite, Urea, Borate, NPK.
- Sumber Sentosa KUD has not fertilized since June 2021, this is because Sumber Sentosa KUD will carry out replanting which is planned to be carried out in July 2022.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

The unit of certification can show a semi-detailed 2016 study document accompanied by a land suitability map, a slope map and a soil type map with a scale of 1:50,000. From the results of the document review, it is known that all certification areas are not located in peat areas, the soil types in the Hikmah Dua Estate are dominated by *Typic Kandiodults*, *Typic Hapludults*, *Typic Dystrudepts* and the soil types in the All KUDs are dominated by *Typic Kandiodults*, *Typic Hapludults* and *Plinthic Kanhapludults*. Meanwhile, for slopes, it is known that more than 97% of the certification area is in flat conditions (<8%) and the rest is in wavy conditions (9-15%). From the data shown, it is known that there is no marginal or fragile soil area in the scope of certification.

7.5.2 & 7.5.3

Based on study of the area statement document and the replanting plan program, it was found that there were replanting activities in 4 KUD locations including KUD Bina Sejahtera, KUD Sedyta Mukti, KUD Maju Lancar and KUD Jadi Mandiri.

As explained in indicator 7.5.1, Unit of certification can show a semi-detailed 2016 study document accompanied by a land suitability map, a slope map and a soil type map with a scale of 1:50,000. From the results of the document review, it is known that all certification areas are not located in peat areas, the soil types in the Hikmah Dua Estate are dominated by *Typic Kandiodults*, *Typic Hapludults*, *Typic Dystrudepts* and the soil types in the All KUDs are dominated by *Typic Kandiodults*, *Typic Hapludults* and *Plinthic Kanhapludults*. Meanwhile, for slopes, it is known that more than 97% of the certification area is in flat conditions (<8%) and the rest is in wavy conditions (9-15%). From the data shown, it is known that there is no marginal or fragile soil area in the scope of certification.

Several activities that have been carried out by the certification unit to minimize soil erosion and degradation include planting cover crops and recycling biomass by chipping palm trees. In accordance with the audit sample from 4 samples taken in the KUD Jadi Mandiri area, it is one of 4 cooperatives that carry out replanting activities. There are several records of best management practices for replanting activities that have been carried out at KUD Jadi Mandiri.

Based on the results of a field visit to KUD Jadi Mandiri plot of 971-972 KUD Jadi Mandiri, it is known that the management unit has planted cover crops and recycled biomass by utilizing palm trees by chipping.

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; 7.6.2; 7.6.3

Based on the results of the study of the planting year document and area statement, it is known that the company does not carry out new planting of oil palm for the development of new plantations.

	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; 7.7.2 The company did not carry out any new plantings after November 2018. The certification unit has conducted a semi-detailed survey in 2016 for Hikmah Dua Estate & 2013 for KUDs. Unit Certification can show a map of soil types in 2017, from the results of the semi-detailed study, it is known that there is no peat area within the scope of the certification area. As seen on the map, the soil types in the Hikmah Dua Estate are dominated by <i>Typic Kandiodults</i> , <i>Typic Hapludults</i> , <i>Typic Dystrudepts</i> . Meanwhile the soil types in the All KUDs are dominated by <i>Typic Kandiodults</i> , <i>Typic Hapludults</i> and <i>Plinthic Kanhapludults</i>		
7.7.3; 7.7.4; 7.7.5; 7.7.6; 7.7.7 The certification unit has conducted a semi-detailed survey in 2016 for Hikmah Dua Estate & 2013 for KUDs. Unit Certification can show a map of soil types in 2017, from the results of the semi-detailed study, it is known that there is no peat area within the scope of the certification area. As seen on the map, the soil types in the Hikmah Dua Estate are dominated by <i>Typic Kandiodults</i> , <i>Typic Hapludults</i> , <i>Typic Dystrudepts</i> . Meanwhile the soil types in the All KUDs are dominated by <i>Typic Kandiodults</i> , <i>Typic Hapludults</i> and <i>Plinthic Kanhapludults</i>		
	Status: Comply	
7.8 Practices maintain the quality and availability of surface and ground water		
7.8.1 The company has a water management plan that take account of the efficiency of use and renewability of sources can be seen in the 2020 water management plan and HCV management plan. This water management plan has covered scheme smallholder. Water management implementation has described in EIA report Semester 1 of 2021. Plan had described the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan. According to an environmental monitoring analysis, it was informed that the company's activities had not yet had a negative impact. In addition, water consumption in the housing complex of Mill (WTP) and consumption water is bought from gallon water. water testing shows that all parameters comply with Minister of Health Regulation No. 32 of 2017. The company has conducted the testing of surface water quality once every 6 months, based on the results of testing of semester 1 of 2021 known there is no test results that exceed the quality standard Government Regulation No. 22/2021 Class II.		
7.8.2 The company and scheme smallholders have procedures related to the identification of sources and water quality (P-SAG-ADM-KTU-08 and SA-PLASMA-PP-KS-12). These procedures concerning to protect and manage the riparian zone. The company has identified rivers and wetlands inside plantation area including scheme smallholders. Analysis of HCV containing distribution maps of the river in the area of PT SA, PT TH and the cooperative of PT SA. Based on the identification documents of High Conservation Value (HCV) that rivers flow in the operational area of Selapan Jaya mill and supply base is Ketek river, Dabok river and Tungong river. All identified buffer zone has been designated as HCV and protected areas. Field observations on Hikmah Dua estate showed evidence of surface water protection measures and including riparian such as: <ul style="list-style-type: none"> - Determination of river buffer zone with a distance of 50 meters left-right of small river demarcation of the border is done with the installation of boundary markers. - No chemicals application (fertilizers and herbicides) in the buffer zone area. - Signboard of river buffer zone protection. Prohibiting the use of chemicals in the river buffer zone. - Planting riparian with Guatemala, bamboo and trembesi to prevent landslide and erosion. 		
7.8.3		

The company already has a permit for the disposal of palm oil industry wastewater to PT Sampoerna Agro based on the decision of the Regent of Ogan Komering Ilir number: 370/KEP/D.LH/2017 dated June 19, 2017 which is valid for 5 years. Wastewater is discharged into the *anak sungai* Dabok Hitam, with the highest discharge of 2.5 m³ per ton of CPO Palm Oil Product.

The company has routinely tested the quality of liquid waste every 1 month in an accredited laboratory. Based on the results of testing during January-October 2021, it is known that all parameters including BOD are still in accordance with the Minister of Environment Regulation No. 5 of 2014.

7.8.4

The water usage monitoring was done periodically and recorded, for example on October 2021 FFB processed 19,514 MT, process water usage 28.308 m³, and water usage efficiency was 0.68 m³/MT FFB processed, under standard efficiency on year 2021 is 1.20 m³/MT FFB processed.

Based on result of filed observation in Selapan Jaya POM water treatment plant, it is found that monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet/outlet serves normally. Procedure for Mill water usage and monitoring are provided and has been listed on procedures No P-SAG-ADM-KTU-08.

The company already has the First Extension of Surface Water Extraction and Utilization Permit (SIPPAIR) of PT Sampoerna Agro Tbk in Ogan Komering Ilir District from the One-Stop Investment and Integrated Service Office of Sumatera Selatan Province Number: 0406 / DPMPSTSP.V/X/ VIII / 2020 dated 2 October 2020 which is valid for 2 years. Permitted water discharge is 9880 m³ per day. The company shows proof of payment of water fees for the August 2021 usage period which was paid on 14 September 2021 through Sumatera Selatan Bank.

Status: Comply

7.9

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

7.9.1

The company has consistently implemented efficiency of fossil fuel efforts through renewable energy usage by using shell and fiber. Its efforts have documented and monitored well. For example, in monitored renewable energy usage and efficiency analysis document recorded as follows:

- Daily monitoring of the use of solid waste for boiler fuel.
- Daily monitoring on fossil fuels uses in each unit.

The Company has a record of the use of renewable energy or fossil energy are explained on recapitulation GHG source POM on 2020. Directly, unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2020 has produces 4,433,700 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 17.9 kWh/ton FFB. Result Direct fossil fuel used is 0.28 kWh/ton FFB.

Status: Comply

7.10

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

7.10.1

The company has attached a List of Waste, Pollution and Carbon Gas Sources updated in March 2021. Activities that generate waste, pollution and carbon include the use of electrical energy, fertilization, spraying, and transportation of FFB. Plans to reduce emission includes doing electrical energy saving, efficient using of fertilizers and application based on fertilizer recommendations, reducing use of chemicals in spray activities, fossil fuel efficiency calculation, and routine vehicle servicing.

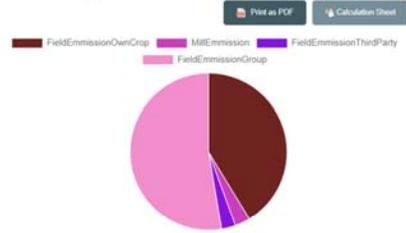
Based on auditor verification result during audit known data pesticides usages monitoring, data diesel fuel monitoring, HCV identification, data POME, total planted area and etc. found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile this GHG calculation using options No 1 (apply full version).

Calculation of GHG 2021 and its monitoring has conducted by sustainability department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for Selapan POM and its supply base are listed as follows:

Summary Emission

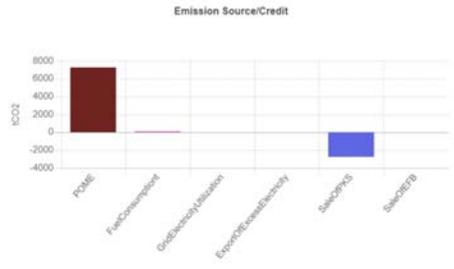
Product	tCO2e / tProduct	Action
CPO	2.29	☺
PK	2.29	☺
PKO	0.00	☺
PKE	0.00	☺

Description	Unit	Value	Action
Oil palm planted on mineral soil	Ha	37206.62	☺
Oil palm planted area on peat	Ha	6457.72	☺
Total oil palm planted area	Ha	43664.34	☺
Conservation area (Forested)	Ha	656.76	☺
Conservation area (Non-Forested)	Ha	29.71	☺
FFB Production per hectare	t/ha	12.98	☺
OER	%	24.51	☺
KER	%	5.93	☺



Mill Emissions and Credits

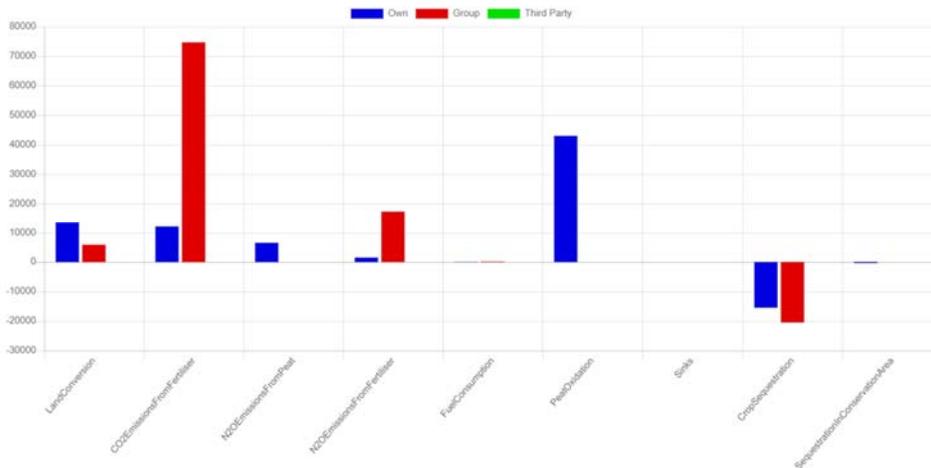
Description	tCO2	tCO2e/t FFB	Action
Emission Sources			
POME	7305.19	0.03	☺
Fuel Consumption	120.81	0.00	☺
Grid Electricity Utilisation	0.00	0.00	☺
Credits			
Export of Excess Electricity to Housing & Grid	0.00	0.00	☺
Sale of PKS	-2804.21	-0.01	☺
Sale of EFB	0.00	0.00	☺
Total	4621.79	0.03	☺



Estate/Plantation field emissions and sinks

Description	Own			Group			3rd Party			Total
	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	
Emission Source										
Land Conversion	13458.31	0.44	0.24	5986.44	0.46	0.05	0.00	0.00	0.00	19444.76
CO2 Emissions from Fertiliser	12180.24	0.40	0.22	74756.09	5.70	0.62	0.00	0.00	0.00	86936.33
N2O Emissions from Peat	6634.70	0.22	0.12	0.00	0.00	0.00	0.00	0.00	0.00	6634.70
N2O Emissions from Fertiliser	1625.59	0.05	0.03	17391.24	1.33	0.14	0.00	0.00	0.00	19016.83
Fuel Consumption	124.25	0.00	0.00	286.90	0.02	0.00	0.00	0.00	0.00	411.15
Peat Oxidation	43074.66	1.41	0.76	0.00	0.00	0.00	0.00	0.00	0.00	43074.66
Sinks										
Crop Sequestration	-15594.04	-0.51	-0.28	-20596.74	-1.57	-0.17	0.00	0.00	0.00	-36190.78
Sequestration in Conservation Area	-453.04	-0.01	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	-453.04
Total	61050.67	2.00	1.08	77823.93	5.93	0.65	4283.30	0.00	0.00	143157.90

Field Emission and Sinks



Production	t/yr
FFB processed	212,136.56
CPO produced	51,992
PK produced	12,572

Palm Oil Mill Effluent (POME) Treatment	
Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion	
POME to anaerobic pond (%)	8
Divert to methane capture (flaring) (%)	0
Divert to methane capture (electricity generation) (%)	92

7.10.2
Based on planting year data, it is known the company planted from 1994 to 2012. Until recertification audit, there is no new planting activities above 15 November 2018.

7.10.3
The company has identified pollutions and emissions sources of Selapan Jaya POM, such as CO₂ (boiler, generator, transportation), CH₄ (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for estate are listed on the identification documents and management plans for pollution sources for the period 2021, such as: emissions (CO₂, CO), noise, chemical waste, organic and inorganic waste and infectious waste. Plans to reduce or minimize has been implemented and monitored as explained on RKL-RPL semester I year 2020.

Fossil fuel reducing on Selapan Jaya POM palm oil mill have been implemented by fiber/shell usage for boiler. POME has been monitored every month and monitoring periods January – October 2021, shown that all of POME testing parameters is compliant to the standards quality.

Status: Comply

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

7.11.1
The company have a zero burning policy that explicit stated in Group Company Policy signed by Chief Executive Officer on July 20th, 2015. The statement is: To prevent environment pollution and land clearing without fires (zero burning). A

procedure for zero burning on Land Clearing, SOP No P-SAG-KBN-PML-03, is available. This procedure is referring to national law regarding controlling on damage and Environment Pollution caused by land fire and forest fire. The SOP mentioned that land clearing must be carried out with controlling and zero burning, and also prohibition of HCV areas disturbance. Land clearing method used is the uprooting and stacking of the wood to rotten.

All KUD have a policy to avoid the usage of fire during land clearing or replanting presented in procedure of land preparation for replanting. The work instruction mentioned that land preparation for replanting with zero burning.

Based on planting year data, known the company planted from 1994 to 2012. Until surveillance 4 no new planting activities, meanwhile based on document verification in plans of replanting, it is known the replant oil palm is only for plasma on year 2021. Based on field observation in replanting area of plasma, there is no indication of land preparation was done by burning.

7.11.2

The company have a zero burning policy that explicit stated in Group Company Policy signed by Chief Executive Officer on July 20th, 2015. The statement is: To prevent environment pollution and land clearing without fires (zero burning). A procedure for zero burning on Land Clearing, SOP No P-SAG-KBN-PML-03, is available. This procedure is referring to national law regarding controlling on damage and Environment Pollution caused by land fire and forest fire. The SOP mentioned that land clearing must be carried out with controlling and zero burning, and also prohibition of HCV areas disturbance. Land clearing method used is the uprooting and stacking of the wood to rotten. The company has been monitored of land fire every month, if on dry season every day, the reporting has explained on RKL-RPL semester 1 of 2021.

7.11.3

The company has involved stakeholders on locations border operational areas as an effort to prevent and control fires through socialization and simulation of land fires on March 2021 involving all representative management cooperative and public figure.

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

New planting after November 2005 have been reported by the company to the RSPO, as for planting above 2010 without going through the NPP stage, the company has received a 3-year sanction for not being able to claim certified products for planting areas above 2010. The current ban of 3 years has already passed. As for the previous audit to recertification, there have been no changes and no new developments. Based on RSPO email (rspocompensation@rspo.org) on October 25, 2017, the PT Telaga Hikmah have passed LUCA review with information Total final conservation liability 0 Ha and Total area requiring remediation 0 Ha. In addition, there are no new planting activities for planting after 15 November 2018.

7.12.2

The company (Hikmah Dua estate) has conducted HCV assessment on September 23-28, 2012 by Forest Faculty, Bogor Agriculture University. HCV conducted by qualified assessors namely Dr Nyoto Santosa and Ir Ahmad Faisal Siregar. HCV identification found HCV 4.1 (swamp area) about 53.82 Ha. In the HCV study process the company and consultant conducted public consultation with relevant stakeholder on September 28, 2012 attended by 60 persons from related community and internal workers.

The company also has conducted HCV assessment for its supplier (17 KUD) in 2017 and 1 KUD i.e. KUD Jadi Mandiri is conduct HCV assessment on 2010. HCV conducted by qualified assessor. The HCV assessment cover area of 20,217.27 ha. HCV identification found HCV is overlapping between HCV 1.1 and HCV 4.1 about 137.75 Ha, The HCV area for 11 KUDs included in the certification scope was 39.71 Ha. In the HCV study process the company and consultant conducted public consultation with relevant stakeholder on February 17, 2017 attended by 57 persons from related community. Based on document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover country, Consultancy

report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia. The HCS no applied for this assessment because the company has been certified before November 2018.

7.12.3

Based on document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover country, Consultancy report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia.

7.12.4

The company established HCV management plan to maintain the HCV areas in operation area of PT Sampoerna Agro, Hikmah Dua Estate and scheme smallholders, listed on Management plan HCV 2017-2021 documents. HCV management activities that taken by the management unit are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, fire control, regular patrols for maintain HCV security, RTE species monitoring, enrichment in riparian. This HCV plan has been reviewed and developed by involving relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (e.g. representative of Villages in Mesuji District, KUDs, etc.) which was held on 7 April 2021.

Field visits on HCV Area, Block 01 Division 1 Hikmah Dua Estate found that companies have marked buffer zone, still natural vegetation and HCV signboard placement. During field visit also found riparian condition were managed well and there are no chemical activity indications on that riparian that become sampling audit. Results of the verification documents, field visits and interviews with villagers obtained information that there are no areas of HCV-related and affect the local community.

7.12.5

Results of the verification documents, field visits and interviews with villagers obtained information that there are no areas of HCV-related and affect the local community.

7.12.6

HCV assessment covers presence of protected area that significantly affected by plantation and mill, conservation status and identification of HCV habitats. Based on HCV assessment identification, there is not any species (flora and fauna) categorized as RTE species. The HCV assessment was conducted using Common Guidance for Identification of HCV, HCV assessment manual (HCVRN 2013) and Guidance of identification of HCV in Indonesia (HCV Toolkit Indonesia, 2008). The company has HCV map.

The company has rules to protect RTE species that stated on procedure of *Konservasi Satwa dan Tumbuhan Dilindungi* (SOP-AGR-052-R03 dated 1 August 2017). Besides, scheme smallholder has also procedure of *Pengelolaan dan Pemantauan KBKT di KUD* (SA-PLASMA-PP-KS-12 dated 1 April 2017) regarding rules to protect RTE species. The company and smallholder have management and monitoring program to educate the worker and local company about the status RTE species by periodic socialization of HCV value. There is a memorandum no 058/MD/V/2016 date May 16, 2016 signed by Managing Director Sumatera that mention the disciplinary sanction if any worker and local community found to have captured, harmed, collected or killed RTE species in accordance with government regulation.

The company have established HCV management plan, and implemented it well. Regularly patrols record RTE species and monitored illegal hunting, and other illegal activities. The company has been monitored RTE every month and recapitulation every quarter. Based on monitoring period June to August 2021 for Hikmah Dua Estate and all cooperative. All of records for daily patrols on year 2021 for estate and KUD are available and verified by auditors and concluded no RTE species on operation area.

7.12.7

The company has carried out activities related to HCV management & monitoring implementation and the protection of flora and fauna period 2021 which has covered scheme smallholders. For example, the results of flora and fauna monitoring and HCV area on 2021, patrols, land measurements and community claims. As the results of 2020 HCV management and monitoring output, company has plan feed back into (review) the management plan 2021 i.e conduct water quality testing for, Dabok River, Ketek River and Tungong River every year for maintain surface water quality.

Based on document verification and interview with management, company has also conducted monitoring HCV area boundary markers quarterly. For examples, company has shown result of last monitoring HCV boundary areas in 2021 as shown below:

- Minutes of HCV boundary mark monitoring at KUD Marga Mulya, KUD Serba Usaha, KUD Sumber Sentosa, KUD Maju Lancar, KUD Jaya Makmur dan KUD Sedia Mukti in July 2021, attached documentation the activities photo.
- Minutes of HCV boundary mark monitoring at KUD Marga Mulya, KUD Serba Usaha, KUD Sumber Sentosa, KUD Maju Lancar, KUD Jaya Makmur dan KUD Sedia Mukti in November 2021, attached documentation the activities photo.

Those monitoring results show that HCV mark boundaries is still in good condition. In addition, based on document verification, company has established HCV management plan to maintain the HCV areas in operation area of PT Sampoerna Agro, Hikmah Dua Estate and scheme smallholders, listed on Management plan HCV 2017-2021 documents. This HCV plan has been reviewed and developed from results of 2020 HCV management and monitoring output by involving relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (e.g. representative of Villages in Mesuji District, KUDs, etc.) which was held on 7 April 2021.

7.12.8

The opening after November 2005 has been reported by the company to the RSPO, while for planting above 2010 without going through the NPP stage the company has received sanctions for 3 years unable to claim certified products for planting areas above 2010. As for now the sanctions are for 3 years. already passed. As for the previous audit, up to now there has been no change and no new developments.

	Status: Comply	
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3.2 Conformity Checklist of Certificate and Trademark Use

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

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT Sampoerna Agro Tbk against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below

PT Sampoerna Agro Tbk Time Bound Plan (TBP) is explained in table 1.10. PT Sampoerna Agro Tbk run ten (10) mills and ninety (90) estates (own and smallholders) in Indonesia and has achieved RSPO certified for six (6) mills and supply base in Indonesia. PT Sampoerna Agro Tbk has informed the TBP progress, MUTU has considered that PT Sampoerna Agro Tbk is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PT Sampoerna Agro Tbk on 9 July 2020 approved by Chief Executive Officer.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Sampoerna Agro Tbk based on their Time Bound Plan. There are two (2) mills and forty-seven (47) uncertified management unit of PT Sampoerna Agro Tbk. 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 follow RSPO requirement related to Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has 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: Companies are already doing internal audits. There are internal audit reports for each company.</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit:</p> <ul style="list-style-type: none"> - PT Sungai Rangit (Sungai Rangit Mill and supply base), February 2020 - PT Lanang Agro Bersatu (Lanang Agro Bersatu Mill and supply base), March 2020 - PT Tebar Tandan Tenerah, February 2020 - PT Nusantara Sarana Alam, February 2020 - PT Kedurang Prakarsa Nabati, February 2020 - PT Pratiwi Agro Sejahtera, February 2020 - PT Kusuma Mentari Makmur, February 2020 - PT Agro Panindo Utama, February 2020.
i.	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). 	<p>Company Group/Holding Statement: The uncertified management units has carried out some ef-forts to comply requirement as follows: HCV assessment :</p>

	<ul style="list-style-type: none"> Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<ul style="list-style-type: none"> Hikmah V estate (additional for land use right year 2019) – PT Telaga Hikmah has carried out HCV assessment on 24 to 29 September 2012. KUD Makmur Bersama (scheme of smallholder under Sumber Sawit estate) has carried out HCV assessment on 24 to 27 January 2017 Limau Kesturi Estate – PT Sawit Selatan has carried out HCV Assessment on July to August 2011 and re-assessment on Oct to November 2016. Limau Kasturi Estate Smallholder has carried out HCV assessment on July 2011. Jaya Permai Estate, Nawa Surya Estate & Puncak Terang Estate – PT Selatan Jaya Permai has carried out HCV assessment on 18 to 28 May 2010 and re-assessment on 04 to 12 August 2015. Nawa Surya Estate Smallholder has carried out HCV assessment on May 2010. Gading Jaya Estate & Sepucuk Estate – PT Sampoerna Agro Tbk has carried out HCV assessment on 17 to 19 December 2013 (Gading Jaya Estate) and on 18 to 19 May 2010 (Sepucuk Estate). Megaterang Estate & Tanjung Sari Estate – PT Mutiara Bunda Jaya has carried out HCV assessment on 11 to 18 September 2012. KUD Tanjung Mesayu, KUD Sumber Makmur, KUD Sari Makmur and KUD Permata Indah (Mega Terang Small-holder) – scheme of smallholder under PT Mutiara Bunda Jaya has carried out HCV assessment on 6-11 February 2017. Baboti Estate, Rauk Naga Estate Waringin Estate, Sukamara Estate, Telaga Bintang Estate and Sungai Sagu Estate – PT Sungai Rangit has carried out HCV assessment on 12 to 16 February 2013. UAI smallholder has carried out HCV assessment on May 2010. Gaharu Palm Estate – PT Anugrah Palm Indonesia has carried out HCV assessment on 01 to 10 December 2014 and re-assessment on August 2017. Bukit Subur Estate & Bukit Makmur Estate – PT Lanang Agro Bersatu has carried out HCV assessment on 03 to 10 August 2010 and re-assessment on 13 to 15 April 2017. Lanang Agro Bersatu smallholder has carried out HCV assessment on May 2012. Gunung Tenerah Estate – PT Tebar Tanda
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		<p>Tenerah has carried out HCV assessment on 20 to 25 June 2013.</p> <ul style="list-style-type: none"> • Gunung Alam Estate – PT Nusantara Sarana Alam has carried out HCV assessment on 19 to 26 August 2014. • Kedurang Perkasa Nabati Estate – PT Nusantara Sarana Alam has carried out HCV assessment on 19 to 26 August 2014. • Gunung Sejahtera Estate – PT Pertiwi Agro Sejahtera has carried out HCV assessment on 20 to 29 June 2013. • Gunung Mentari Estate – PT Kusuma Mentari Makmur has carried out HCV assessment on 14 to 20 April 2014. • Gunung Utama Estate – PT Agro Planindo Utama has carried out HCV assessment on 14 to 20 April 2014. <p>Disclosure of non-complaint land clearing & RaCP :</p> <p>All uncertified management units above has carried out land clearing activities since November 2005 without preceded by HCV identification/assessment and after year 2010 exception Gading Jaya Estate & Sepucuk Estate – PT Sampoerna Agro Tbk because it have not the year of planting more year 2010.</p> <p>Auditee has provided disclosure of non-complaint land clear-ing and/or LUCA document and document of RaCP process on behalf uncertified management units and certified management units. Uncertified management units such as PT Usaha Agro Indonesia (12,502 ha), PT Kedurang Prakarsa Nabati, PT Selatan Jaya Permai and Telaga Hikmah Small-holder and certified management units such as PT Telaga Hikmah, PT Mutiara Bunda Jaya, PT Sampoerna Agro Tbk (Sepucuk & Gading Jaya Estate), PT Aek Tarum, PT Gunung Tua Abadi and PT Bina Sawit Makmur. Whereas, other uncertified management units has been provided plan of submit LUCA to RSPO.</p> <p>Information of LUCA for some certified and uncertified management units as follow as :</p> <ul style="list-style-type: none"> • PT Telaga Hikmah : disclosure of non-complaint land clear-ing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 07 September 2016 and the result of LUCA verification is zero compensation liability.
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	<ul style="list-style-type: none"> • PT Mutiara Bunda Jaya : disclosure of non-complaint land clearing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 10 March 2018 and the last of process is the auditee has submitted response from RSPO Secretariat dated on 16 December 2019. • PT Sampoerna Agro Tbk (Sepucuk & Gading Jaya Estate): disclosure of non-complaint land clearing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 21 May 2018 and the last of process is the auditee has submitted LUCA revision based on response from RSPO Secretariat dated on 12 December 2018. • PT Usaha Agro Indonesia (12,502 ha) : disclosure of non-complaint land clearing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 07 September 2016 and the result of LUCA verification is zero compensation liability. • PT Selatan Jaya Permai : disclosure of non-complaint land clearing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 11 June 2018 and the last of process is auditee has submitted revision of LUCA based on response from RSPO Secretariat dated on 31 July 2018. • PT Kedurang Prakarsa Nabati : disclosure of non-complaint land clearing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 13 April 2018 and the last of process is the auditee still preparing LUCA revision based on response from RSPO Secretariat dated on 04 October 2018. • Telaga Hikmah Smallholder : disclosure of non-complaint land clearing and LUCA document has submitted to RSPO secretariat. LUCA document has submitted dated on 31 May 2018 and the last of process is the auditee has received response dated on 25 August 2019 from RSPO secretariat. <p>Company has carried out New Planting Procedure (NPP) process for some management units under PT Sampoerna Agro Tbk i.e PT Sungai Rangit, PT Anugrah Palm Indonesia, PT Kusuma Mentari Makmur, PT Agro Planindo</p>
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		<p>Utama, PT Pertiwi Agro Sejahtera, PT Usaha Agro Indonesia (2,283 ha), PT Telaga Hikmah, PT Sampoerna Agro Tbk, PT Mutiara Bunda Jaya and PT Lanang Agro Bersatu. Field and document verification has carried out by Certification Body (CB) and NPP reports has submitted to RSPO Secretariat.</p> <p>Auditor Verification: HCV assessment has been conducted for:</p> <ul style="list-style-type: none"> - PT Sungai Rangit, Feb 2013 - PT Lanang Agro Bersatu, August 2010 - PT Tebar Tandan Tenerah, June 2013 - PT Nusantara Sarana Alam, August 2014 - PT Kedurang Prakarsa Nabati, June 2016 - PT Pratiwi Agro Sejahtera, June 2013 - PT Kusuma Mentari Makmur, April 2014 - PT Agro Panindo Utama, April 2014 <p>Year of planting in each subsidiaries are:</p> <ul style="list-style-type: none"> - PT Sungai Rangit, 1998 to 2013 - PT Lanang Agro Bersatu, 2010 to 2018 - PT Tebar Tandan Tenerah, 2014 to 2017 (still develop) - PT Nusantara Sarana Alam, 2015 to 2017 (still develop) - PT Kedurang Prakarsa Nabati, 2018 (still develop) - PT Pratiwi Agro Sejahtera, 2013 to 2017 (still develop) - PT Kusuma Mentari Makmur, 2014 to 2017 (still develop) - PT Agro Panindo Utama, 2014 to 2017 (still develop) <p>LUCA assessment has been conducted for:</p> <ul style="list-style-type: none"> - PT Sungai Rangit, March 2016 - PT Lanang Agro Bersatu, February 2016 - PT Tebar Tandan Tenerah, July 2015 - PT Nusantara Sarana Alam, August 2015 - PT Kedurang Prakarsa Nabati, June 2016 - PT Pratiwi Agro Sejahtera, November 2015 - PT Kusuma Mentari Makmur, May 2015 - PT Agro Panindo Utama, July 2015 <p>The un-certified unit still on process to comply with RaCP process.</p>
ii.	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: Year of planting in each subsidiaries are:</p> <ul style="list-style-type: none"> - PT Sungai Rangit, 1998 to 2013 - PT Lanang Agro Bersatu, 2010 to 2018 - PT Tebar Tandan Tenerah, 2014 to 2017 (still develop)

		<ul style="list-style-type: none"> - PT Nusantara Sarana Alam, 2015 to 2017 (still develop) - PT Kedurang Prakarsa Nabati, 2018 (still develop) - PT Pratiwi Agro Sejahtera, 2013 to 2017 (still develop) - PT Kusuma Mentari Makmur, 2014 to 2017 (still develop) - PT Agro Panindo Utama, 2014 to 2017 (still develop) <p>Subsidiaries of Sampoerna Agro Tbk has carried out New Planting Procedure (NPP) process for some management units under PT Sampoerna Agro Tbk i.e PT Sungai Rangit, PT Anugrah Palm Indonesia, PT Kusuma Mentari Makmur, PT Agro Planindo Utama, PT Perti-wi Agro Sejahtera, PT Usaha Agro Indonesia (2,283 ha), PT Telaga Hikmah, PT Sampoerna Agro Tbk, PT Mutiara Bunda Jaya and PT Lanang Agro Bersatu. Field and document verification has carried out by Certification Body (CB) and NPP reports has submitted to RSPO Secretariat.</p> <p>Auditor Verification: Uncertified unit that conduct land clearing area after 1 January 2010 without NPP will be subject of sanction.</p>
iii.	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: The organization have some procedures relate of land compensation i.e P-SAG-RO-CAS-02 & P-SAG-RO-CAS-03. It has covered mechanism of identifying legal and customary or user right and identifying people entitled to compensation.</p> <p>The organization has carried out some meetings or discussions/ socializations relate of land acquisition since initial discussion/ meeting, information gathering and associated consultations, negotiation and agreement signed.</p> <p>Until end year 2019 that any uncertified management units have not land conflict and other uncertified management unit was solved or still in-process their the land conflict by each uncertified management units</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for:</p> <ul style="list-style-type: none"> - PT Sungai Rangit - PT Lanang Agro Bersatu

		<ul style="list-style-type: none"> - PT Tebar Tandan Tenerah - PT Nusantara Sarana Alam - PT Kedurang Prakarsa Nabati - PT Pratiwi Agro Sejahtera - PT Kusuma Mentari Makmur - PT Agro Panindo Utama <p>Based on information in media online, known that:</p> <ul style="list-style-type: none"> - PT Sungai Rangit: No information of conflict - PT Lanang Agro Bersatu: https://www.hmstimes.com/sengketa-lahan-dengan-pt-lab-warga-sandai-lakukan-audiensi-ke-dprd-ketapang/ on March 2019 - PT Tebar Tandan Tenerah: No information of conflict - PT Nusantara Sarana Alam: No information of conflict - PT Kedurang Prakarsa Nabati: No information of conflict - PT Pratiwi Agro Sejahtera: No information of conflict - PT Kusuma Mentari Makmur: No information of conflict - PT Agro Panindo Utama: No information of conflict.
iv.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement: There is no issue of labour disputes in uncertified unit. The company also has procedure for Internal complaints and grievances. The procedure is No P-SAG-RO-CAS-08 dated April 1st 2012.</p> <p>Auditor Verification: There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>
v.	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 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 <i>Prosedur Hukun dan Persyaratan Lainnya</i>.</p> <p>Auditor Verification: Land 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 Sungai Rangit has had HGU and IUP. - PT Lanang Agro Bersatu has had HGU.

		<ul style="list-style-type: none">- PT Tebar Tandan Tenerah has had IUP and location permit. The HGU is still on process.- PT Nusantara Sarana Alam has had IUP and location permit. The HGU is still on process.- PT Kedurang Prakarsa Nabati has had IUP and location permit. The HGU is still on process.- PT Pratiwi Agro Sejahtera has had IUP and location permit. The HGU is still on process.- PT Kusuma Mentari Makmur has had location permit. The IUP and HGU is still on process.- PT Agro Panindo Utama has had IUP and location permit. The HGU is still on process.
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3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

NCR No.	: 2020.01	Issued by	: Radytio Puspanjana
Date Issued	: 27 Nov 2020	Time Limit	: Recertification
NC Grade	: Minor	Date of Closing	: 5 January 2021
Standard Ref. & Requirement	2.2.2 All contract, including those or FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.		
Evidence observed (filled by auditor): The Selapan Jaya POM and Hikmah Dua Estate already have a work agreement letter with a third party which explains that service providers must compliance law regulations government for aspect occupational health and safety.			
Non-Conformance Description (filled by auditor): The Selapan Jaya POM and Hikmah Dua estate have not been able to show proof of fulfillment of legal obligations by third parties, related to occupational health and safety insurance.			
Root Cause Analysis (filled by organization audited): The company has not conducted an evaluation to a third party regarding the fulfillment of legal obligations by a third party regarding occupational health and safety insurance.			
Correction (filled by organization audited): Encourage third parties to register their workers for occupational health and safety insurance in stages.			
Corrective Action (filled by organization audited): The conducted evaluation of third parties regarding all compliance with laws and other regulations.			
Assessor Evaluation and Conclusion (filled by auditor): Auditor verification date 5 January 2021 The company shown a evidence consist of: <ul style="list-style-type: none"> - Proof of payment of Employment Insurance (<i>BPJS Ketenagakerjaan</i>) of the contractor PT Tenggerraja Jaya Teknik for the period of October 2020 paid on November 30, 2020. - Proof of payment of Health insurance (<i>BPJS Kesehatan</i>) of the contractor CV Alam Wijaya for the period of October 2020 paid on November 9 2020. - Proof of payment of Employment Insurance (<i>BPJS Ketenagakerjaan</i>) and Health insurance (<i>BPJS Kesehatan</i>) of the contractor PT Telaga Hikmah for the period of October 2020 paid on November 9 2020. - The minutes of the meeting between contractors CV Anton Putra and the company (PT Telaga Hikmah) on December 29, 2020, discussing the registration procedures for Employment Insurance (<i>BPJS Ketenagakerjaan</i>) and Health insurance (<i>BPJS Kesehatan</i>) as a form of support for fulfilling legal obligations in the fields of health insurance and employment insurance. Base on the evidence submitted to auditor, the nonconformity number 2020.01 has been comply and will be observed on next audit.			
Verified by	: Radytio Puspanjana		

NCR No.	: 2020.02	Issued by	: Radytio Puspanjana
Date Issued	: 27 Nov 2020	Time Limit	: Recertification
NC Grade	: Minor	Date of Closing	: 5 January 2021
Standard Ref. & Requirement	: 7.12.7 The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.		
Evidence observed (filled by auditor): The CH already has: <ul style="list-style-type: none"> • SOP for HCV monitoring which explains that monitoring of HCV area boundaries is carried out every 6 months • The HCV management and monitoring plan for the period 2020 - 2024, the monitoring activities consist of monitoring disturbance of HCV areas 12 times a year, monitoring the effectiveness of HCV management 12 times a year, monitoring rehabilitation and restoration activities on the riparian once a year, monitoring and evaluating the SOP applied once a year. • RTE species monitoring report of the KUD Permata Bunda, Jaya Makmur and Maju Lancar • The monitoring water quality testing report of the KUD. • The HCV monitoring and management report year 2019. 			
Non-Conformance Description (filled by auditor): <ul style="list-style-type: none"> • The CH has not been able to show evidence of monitoring of HCV area boundary markers in accordance with established procedures. • The CH has not yet demonstrated an evaluation of the implementation of HCV management and monitoring in 2019. 			
Root Cause Analysis (filled by organization audited): Management and Monitoring Procedures for High Conservation Value Areas (HCV) SA - PLASMA - PP -KS- 12 are still not being implemented optimally by CH due to budget constraints for the KUD assisted in making HCV monitoring stakes.			
Correction (filled by organization audited): The calculated of the HCV buffer zone and boundary markers for riparian and swamp.			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> - The Socializing management and monitoring procedures for High Conservation Value Areas - HCV (SA - PLASMA - PP - KS - 12) to assisted KUDs, especially KUDs that have High Conservation Value Areas (HCV). - The reviewed of the monitoring results of the management and monitoring of HCV in 2020 and making the 2021 management plan for the Assisted KUDs can be implemented in accordance with ensuring the SOP for the management and monitoring of High Conservation Value Areas (SA - PLASMA - PP - KS - 12). 			
Assessor Evaluation and Conclusion (filled by auditor): Auditor verification date 5 January 2021 The company shown a evidence consist of: <ul style="list-style-type: none"> - Minutes of letter of the checked the HCV mark boundary at KUD Sumber Sentosa dated December 15, 2020, attached documentation the activities photo. - Minutes of letter of the checked the HCV mark boundary at KUD Serba Usaha dated December 16, 2020, attached documentation the activities photo. - Minutes of letter of the checked the HCV mark boundary at KUD Sedia Mukti (riparian Tonjong river and riparian Ijo river) dated December 12-14, 2020, attached documentation the activities photo. 			

- Minutes of letter of the checked the HCV mark boundary at KUD Permata Bunda (riparian Kemang river, riparian dabuk river and swamp) dated December 8, 2020, attached documentation the activities photo.
- Minutes of letter of the checked the HCV mark boundary at KUD Marga Mulya (swamp) dated December 16, 2020, attached documentation the activities photo.
- Minutes of letter of the checked the HCV mark boundary at KUD Maju Lancar (riparian Ijo river) dated December 9, 2020, attached documentation the activities photo.
- Minutes of letter of the checked the HCV mark boundary at KUD Jaya Makmur dated December 9, 2020, attached documentation the activities photo.
- The HCV management review 2020 minutes date December 10, 2020 for scope of KUD.
- The Report of socialization of HCV management and monitoring SOPs on December 10, 2020 to representatives of KUD management.
- The inventory data of the HCV boundaries on riparian KUD areas (Permata Bunda, Jaya Makmur, Maju Lancar, Sedia Mukti, Sumber Sentosa, Serba Usaha and Marga Mulya) period 2020.

Base on the evidence submitted to auditor, the nonconformity number 2020.02 has been comply and will be observed on next audit.

Verified by	:	Radytio Puspanjana
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3.4.2. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment

NCR No.	: 2021.01	Issued by	: Bayu Yogatama
Date Issued	: 20 November 2021	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	2.3.2 Non-critical For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in indicator 2.3.1.		
Evidence observed (filled by auditor): <p>The company shows a list of FFB suppliers for the 2020-2021 period, from the document it is known that the company gets FFB supplies from traders (traders), including CV Bermuda Agro Mandiri, CV Bintang Sarana Abadi, CV Berkas Sentosa Abadi. Based on the Basic Info study, it is known that the three FFB suppliers are actively sending FFB to Selapan Jaya POM, while FFB data enters Selapan Jaya POM from 3 Traders during the Last 12 Months (November 2020 – October 2021) as follows:</p> <ul style="list-style-type: none"> • CV Bermuda Bintang Agro Mandiri as much as 4,316 tons • CV Bintang Sarana Abadi as much as 3,167 tons • CV Berkas Sentosa Abadi as much as 877 tons <p>In accordance with the SOP, the company has contracts with all FFB suppliers (traders/collectors) which are valid from January 2, 2021 – December 31, 2021, including:</p> <ul style="list-style-type: none"> • 002/SA/SPK/I/2021 with CV Bermuda Bintang Agro Mandiri • 003/SA/SPK/I/2021 with CV Bintang Sarana Abadi • 004/SA/SPK/I/2021 with CV Berkas Sentosa Abadi <p>In accordance with the SOP, the company has contracts with all FFB suppliers (traders/collectors) which are valid from January 2, 2021 – December 31, 2021, including:</p> <ul style="list-style-type: none"> • 002/SA/SPK/I/2021 with CV Bermuda Bintang Agro Mandiri • 003/SA/SPK/I/2021 with CV Bintang Sarana Abadi • 004/SA/SPK/I/2021 with CV Berkas Sentosa Abadi <p>Referring to the FFB Supply Cooperation Agreement which is owned in article 3 (Prerequisites as a Supplier) point 6, it is explained several obligations that need to be fulfilled by the supplier which reads. The first party has submitted to the second party the following information and information documents (hereinafter referred to as "Prerequisite Documents").</p> <p>Complete identity which is at least in the form of name, address, name of management/director and Commissioner, NPWP, SIUP, TDP of the plantation company or in the form of name, address, copy of ID card of the planter/farmer who owns the plantation from whom the first party buys or obtains FFB, which subsequently it sends to a Third Party.</p> <ul style="list-style-type: none"> • Map of the location of the plantation block from where the FFB supplied by the first party comes from. • The area of the plantation from which FFB is obtained, which will be supplied by the first party. • Type and origin of FFB seeds to be supplied by the first party. • Details regarding the year of planting per block of FFB to be supplied by the first party. <p>Non-Conformance Description (filled by auditor): The company has not been able to show FFB source information obtained indirectly from FFB suppliers such as geolocation of FFB origin, proof of land ownership status by planters/farmers, valid planting/operational/trading permits.</p>			
Root Cause Analysis (filled by organization audited):			

The mill has not made a list of FFB source information in accordance with the information required by the certification unit from the FFB supplier, as required in the related Indicators.

Correction (filled by organization audited):

The POM and Commercial sections will complete information on FFB sources obtained indirectly from FFB suppliers in accordance with the information required by the certification unit from FFB suppliers, at a minimum:

- FFB supplier geolocation coordinates data. Especially for FFB originating from the yard, the coordinates of the village office or cooperative can be used.
- Proof of land rights: Certificate of Land (SKT)/Certificate of Customary Land (SKTA)/Certificate of Ownership (SHM), *Hak Guna Usaha* (HGU) or other proof of ownership that can be recognized by the authorities.
- Plantation operational permit in the form of Plantation Business Permit (IUP) or its equivalent (SPUP/ITUBP, etc.).

Corrective Action (filled by organization audited):

Coordinate with commercial parties in order to convey information on FFB sources obtained indirectly from FFB suppliers in accordance with the information required by the certification unit from FFB suppliers, with the minimum data obtained as described in the Corrective Action column.

Assessor Evaluation and Conclusion (filled by auditor):

Verification 07 January 2022

The unit of certification describes the root cause analysis, corrective actions, and plans for proof of improvement to be implemented. The description is acceptable. Next, please show documents related to proof of repair as described in the correction column. In addition, please indicate the program and the required data collection timeline. Non-conformance No. 2021.01 is declared **unfulfilled**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2021.02	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 20 November 2021	Time Limit	: 18 February 2022
NC Grade	: Major	Date of Closing	: 10 March 2022
Standard Ref. & Requirement	: 3.6.2 Critical Monitoring the effectiveness of the OHS plan to manage OHS risks in people.		
Evidence observed &			
<p>1. Based on the OSH license monitoring document for workers at Selapan Jaya Mill in 2021, where there are 4 steam aircraft operators, 2 lift and transport operators and 1 general OHS expert whose license has expired. The certification unit also has an OHS Work Program and an OHS Training Plan for Selapan Jaya Mill for 2021, of which there are several plans as follows:</p> <ul style="list-style-type: none"> • Training plan for obtaining/renewing license as a boiler operator in October 2021. • Training plan to obtain/renew license as Electrical OHS Expert in June 2021. • Training plan for obtaining/renewing license as General OHS Expert in March 2021. • Training plan to obtain/renew license as operator of power and production (genset/turbine) in October 2021. <p>However, all of these plans were not implemented in 2021 until the audit activities were carried out.</p> <p>2. The certification unit also re-examines the extension plan for workers' OHS licenses that have expired in 2021 by 2022 for Selapan Jaya Mill, starting from the licenses for lift and transport operators, OHS Experts, boiler operators and so on. However, the unit of certification has not been able to show the necessary evaluation as a basis for rescheduling/changing plans from those previously determined.</p> <p>3. Based on the results of observations and interviews with engine room operators at Selapan Jaya Mill, it is known that in one day there are 3 shifts of working time for engine room operators, but these workers do not yet have an OHS license as a power and production operator to operate generators or turbines that there is. In the 2021 OHS training plan this has been planned but has not been realized until now.</p> <p>4. Based on the results of document studies and field observations at Selapan Jaya Mill, it is known that the certification unit has 2 generator engines with a capacity of more than 200 KVA and a turbine with a capacity of more than 200 KVA, the certification unit also has 1 electrical OHS technician, however does not yet have an Electrical OHS Expert as regulated in Manpower Regulation No. 12 of 2015. In the 2021 OHS training plan this has been planned but has not been realized so far.</p>			
Non-Conformance Description (filled by auditor):			
The unit of certification has not shown sufficient evidence that all OHS work programs and OSH training plans have been carried out, evaluated, documented and assessed for effectiveness on a regular basis.			
Root Cause Analysis (filled by organization audited):			
The unit has not evaluated the OHS work program and in particular for licensed officers on a regular basis			
Correction (filled by organization audited):			
The unit evaluates the OHS work program and in particular for licensed officers for the Year 2020-2021.			
Corrective Action (filled by organization audited):			
Implement the OHS work program and especially for licensed officers who have been evaluated.			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification 07 January 2022			
The unit of certification describes the root cause analysis, corrective actions, as well as evidence of improvement plans that will be implemented. The description is acceptable. Next, please show several documents as described in the root cause and correction description column, including the following:			
<ul style="list-style-type: none"> • The results of the evaluation of the fulfillment of the needs of operators with special OHS qualifications. • The 2022 training work plan program along with a budget that has been approved by the authorized company representative. 			

- Evidence of communication with PJK3 regarding the realization of the training implementation.

Based on the explanation above, Non-conformance No. 2021.02 is declared unfulfilled.

Verify February 20, 2022

The unit of certification has shown some evidence of additional improvements as follows:

- Evaluation document of OHS license ownership at PT Sampoerna Agro – Selapan Jaya Mill in 2021 which was carried out on December 15, 2021. The results of the evaluation contained several records related to OHS licenses that had expired and workers who did not have OHS licenses including the following:
 - ❖ 4 workers who have OHS licenses as boiler Operators have expired.
 - ❖ 1 worker who has an OHS license as a First Aid Officer has expired.
 - ❖ 2 workers who have OHS licenses as Lifting Operators have expired.
 - ❖ 1 worker who has an OHS license as a OHS Expert has expired.
 - ❖ 1 engine room operator who does not yet have an OHS license as an operator of a production and power.
 - ❖ process operators who do not have an OHS license as a boiler operator.
 - ❖ 1 assistant who will later be appointed as an Electrical OHS Expert.
 - ❖ 1 assistant who will later be appointed as a Fire OHS Expert.
- Memorandum Document No. 0630/PKS SJ/X/2021 dated October 5, 2021 regarding the Application for Fire OHS Expert Certification Training, from the Selapan Jaya Mill Manager to the Head of HR Operation. Where in the memo includes the names of workers who will be proposed to attend training and the basic regulations as an obligation to have a Fire OHS Expert.
- Memorandum Document No. 0733/PKS SJ/XII/2021 dated 22 November 2021 regarding the application for OHS Operator License Certification Training at Selapan Jaya Mill, from the Selapan Jaya Mill Manager to the Head of HR Operations. Where in the memo lists as many as 13 workers who will be included in the OHS training as Boiler Operators, Storage Tank Operators, Production & Power Operators, Welders, Electrical Technicians, and Electrical OHS Experts.
- Memorandum Document No. 0493/PKS SJ/VIII/2021 dated August 13, 2021 regarding Extension of Operational License (SIO) and OHS Expert, from Selapan Jaya Mill Manager to Head of HR Operation. Where in the memo includes the names of 7 workers who will extend the OHS license for Lifting Operators, Boiler Operators, Electrical Technicians and OHS Experts.
- Letter No. 171/SA/HRS/XI/2021 dated 22 November 2022 concerning Requests for Training of Fire OHS Experts and Electrical OHS Experts, from PT Sampoerna Agro to the Manpower and Transmigration Office of Sumatera Selatan Province (can be shown proof of handover on the same date with a stamp and signature of the recipient). The letter contains an application to provide the training at PT Sampoerna Agro in December 2021.
- Letter No. 130/SA/HRS/VIII/2021 dated August 5, 2021 regarding Application for Extension of General OHS Expert License, from PT Sampoerna Agro to the Manpower and Transmigration Office of Sumatera Selatan Province (can be shown proof of handover on the same date with a stamp and signature receiver). The letter contains the name and number of PT Sampoerna Agro's General OHS Expert certificate whose Decree has expired for renewal.
- PT Sampoerna Agro's 2022 Training Plan which was prepared by the Head of HR Operations on December 31, 2021 and prepared by the company leadership. In the program, there are 16 training plans that will be carried out in 2022 such as training for General OHS Experts, Fire OHS Experts, Lifting Operators, Electric OHS, Welders, and others.

From the evidence of improvement above, there are still some things that have not been shown by the company, namely:

- The results of the evaluation of the work program and OHS training in 2021.
- OSH work program in 2022.
- The 2022 training program does not fully cover training/extension of OHS licenses such as Boiler Operators and Production & Power Operators, both of which are included in one of the evaluation points in 2021 that are needed in 2022, but have not been included in the 2022 training program Please pay attention again and be given an explanation.

- In the evaluation results of OHS license ownership at PT Sampoerna Agro in 2021, not all have been identified and evaluated. This is evidenced by the fact that there are still workers who are planned to be included in order to obtain an OHS license (according to Memorandum No. 0733/PKS SJ/XII/2021 dated November 22, 2021) that have not been fully included in the evaluation. Please pay attention again and be given an explanation.
- Document update process for extension of Decree OHS Expert of PT Sampoerna Agro which has been submitted to the Manpower and Transmigration Office of Sumatera Selatan Province since August 5, 2021 in accordance with Letter No. 130/SA/HRS/VIII/2021.
- Response from the Manpower and Transmigration Office of Sumatera Selatan Province to provide training for Fire OHS Expert and Electrical OHS Expert in December 2021 at PT Sampoerna Agro in accordance with Letter No. 171/SA/HRS/XI/2021 dated 22 November 2022. If it has been approved, please show proof of its implementation and if it is not approved, please show the next plan.
- Proof of follow-up for the realization plan to obtain new OHS licenses for workers who have been proposed to attend training as Boiler and Production & Power Operators in accordance with Memorandum No. 0733/PKS SJ/XII/2021 dated November 22, 2021. The evidence can be in the form of communication with PJK3 for training registration or proof that the workers have been registered with PJK3 for training.
- Document update process of OHS license renewal for 4 boilers operators in accordance with Memorandum No. 0493/PKS SJ/VIII/2021 dated August 13, 2021. If the extension has been completed, please show the new license, but if not, show the latest update.

Based on the explanations and descriptions above, it is stated that this discrepancy has not been fulfilled.

Verification March 10, 2022

The unit of certification has shown some evidence of additional improvements as follows:

- Evaluation document for 2021 OHS work program conducted on December 31, 2021 with discussions related to licensed OSH training activities and license renewal for workers who already have OHS licenses which have expired in 2021. The result is that the company makes work programs and certified OHS training in 2022 which was approved by the Selapan Jaya Mill Manager on February 01, 2022. In the program, one of them has included plans for training and extension of licensed OSH that have not been realized in 2021 (OHS Expert, Fire OHS Expert, Transport Operators, Steam Planes, Production Power Planes, Electric OHS Expert, Welders, etc.) and will be implemented/targeted to be completed in 2022.
- PT Sampoerna Agro's 2022 training plan prepared by the Head of HR Operations on January 02, 2022 and prepared by the company's leadership. In the program, there are 16 training plans that will be carried out in 2022 such as training for General OHS Experts, Fire OHS Experts, Lifting Operators, Boiler, Production & Power Operators, Electric OHS Expert, Welders, and others.
- PT Sampoerna Agro (Mill Selapan Jaya) worker's OHS license evaluation document which was created and updated on 15 December 2021, which includes all workers who already have a valid OHS license, its validity period has expired (currently in the process of being extended in related parties) to workers who do not yet have an OHS license but are planning to participate in training targeted at 2022. The licenses included include General OHS Experts, Fire OHS Experts, Lifting Operators, Boiler, Production & Power Operators, Electric OHS Expert, Welders, and others.
- Letter No. 026/SA/HRS/III/2021 dated March 3, 2021 from PT Sampoerna Agro to the Manpower and Transmigration Office of Sumatera Selatan Province related to the Application for Extension of the OHS License for Boiler Operators for the Sampoerna Agro Group as many as 14 workers (3 of whom are workers from PT Sampoerna Agro – Mill Selapan Jaya). The letter has been received by the agency on March 4, 2021. To find out the progress of the license extension, the company also shows Certificate No. 560/23/Nakertrans/II/2022 dated 16 February 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the OHS license extension for 14 workers (3 of whom are workers from PT Sampoerna Agro – Mill Selapan Jaya) which is still in process at the Ministry of Manpower.
- Certificate No. 560/28/Nakertrans/II/2022 dated February 16, 2022 from the Department of Manpower and Transmigration of Sumatera Selatan Province related to the management and progress of the extension of the General OHS Expert PT Sampoerna Agro – Mill Selapan Jaya which is still in process at the Ministry of Manpower. (This letter is a reply to Letter No. No. 130/SA/HRS/VIII/2021 dated August 5, 2021 from PT Sampoerna Agro)

- Letter No. 023/SA/HRS/III/2021 dated March 3, 2021 from PT Sampoerna Agro to the Department of Manpower and Transmigration of Sumatera Selatan Province related to the Application for Extension of the OHS License for Lifting Operators for the Sampoerna Agro Group as many as 29 workers (4 of whom are workers) from PT Sampoerna Agro – Mill Selapan Jaya). The letter was received by the agency on March 4, 2021. Certificate No. 560/33/Nakertrans/II/2022 dated 16 February 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the extension of the PT Sampoerna Agro – Mill Selapan Jaya Lifting Operator which is still in process at the Ministry of Manpower.
- Letter No. 149/SA/HRS/XI/2021 dated November 3, 2021 from PT Sampoerna Agro to the Manpower and Transmigration Office of Sumatera Selatan Province related to the Application for the Extension of the OHS License for Lifting Aircraft Operators for the Sampoerna Agro Group as many as 31 workers (4 of whom are workers) from PT Sampoerna Agro – Mill Selapan Jaya). The letter has been received by the agency on November 3, 2021. Certificate No. 560/31/Nakertrans/II/2022 dated 16 February 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the extension of the PT Sampoerna Agro – Mill Selapan Jaya Lifting Operator which is still in process at the Ministry of Manpower.
- Letter No. 025/SA/HRS/III/2021 dated March 3, 2021 from PT Sampoerna Agro to the Department of Manpower and Transmigration of Sumatera Selatan Province related to the Application for Extension of Welding License for the Sampoerna Agro Group as many as 12 workers (1 of them are workers from PT Sampoerna Agro – Selapan Jaya). The letter was received by the agency on March 3, 2021. Certificate No. 560/34/Nakertrans/II/2022 dated February 16, 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the extension of the PT Sampoerna Agro - Selapan Jaya Welder License which is still in process at the Ministry of Manpower.
- Letter No. 024/SA/HRS/III/2021 dated March 3, 2021 from PT Sampoerna Agro to the Department of Manpower and Transmigration of Sumatera Selatan Province related to the Application for Extension of the Electrician's K3 License for the Sampoerna Agro Group as many as 19 workers (1 of them are workers from PT Sampoerna Agro – Selapan Jaya). The letter was received by the agency on March 3, 2021. Certificate No. 560/30/Nakertrans/II/2022 dated February 16, 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the extension of the OHS Electrical Technician License of PT Sampoerna Agro - Selapan Jaya which is still in process at the Ministry of Manpower.
- Letter No. 131/SA/HRS/X/2021 dated October 5, 2021 from PT Sampoerna Agro to the Department of Manpower and Transmigration of Sumatera Selatan Province related to the Application for Extension of the Fire Fighting OHS License for the Sampoerna Agro Group as many as 11 workers (2 of whom are workers from PT Sampoerna Agro – Selapan Jaya). The letter was received by the agency on October 5, 2021. Certificate No. 560/29/Nakertrans/II/2022 dated February 16, 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the extension of the PT Sampoerna Agro - Selapan Jaya OHS Fire Management License which is still in process at the Ministry of Manpower.
- Letter No. 035/SA/HRS/II/2021 dated 18 February 2021 from PT Sampoerna Agro to the Manpower and Transmigration Office of Sumatera Selatan Province related to the Application for Extension of the First Aid Officer License for the Sampoerna Agro Group as many as 49 workers (5 of whom are workers from PT Sampoerna Agro – Selapan Jaya). The letter was received by the agency on October 5, 2021. Certificate No. 560/32/Nakertrans/II/2022 dated February 16, 2022 from the Manpower and Transmigration Office of Sumatera Selatan Province related to the management and progress of the extension of the First Aid Officer License of PT Sampoerna Agro – Selapan Jaya which is still in process at the Ministry of Manpower.
- The company can show a reply email from PT Cahaya Sampurna Abadi (PJK3) on March 10, 2022 related to information on the training schedule for Fire OHS Experts, Lifting Operators, Boilers, Production & Power Operators, Pressure Vessels & Storage Tanks, Interpreters Welding and Electrical OHS in 2022. This email is to reply to an email from PT Sampoerna Agro dated March 09, 2022 regarding a request for a training schedule to register workers from the PT Sampoerna Agro Group to take part in the training in 2022. PT Cahaya Sampurna Abadi is the recommended PJK3 by the Department of Manpower and Transmigration of Sumatera Selatan Province to PT Sampoerna Agro to be able to provide OSH training in accordance with applicable laws and regulations.
- There is also an attachment from PT Cahaya Sampurna Abadi's Email dated March 10, 2022 to PT Sampoerna Agro, namely Letter No. 084/CSA/III/2022 dated March 10, 2022 regarding the previous email response

explaining that there is a training schedule for 2022 in accordance with the training plan to be followed including:

1. General K3 Expert Training on March 16 – 29, 2022.
2. Electrical K3 Expert Training on March 14 – April 01, 2022.
3. Training of Fire K3 Experts on 11 – 13 April 2022.
4. Lifting Aircraft Operator K3 Training on 18 – 21 April 2022
5. Welder Training on 16 – 21 May 2022.
6. OHS Training for Steam, Pressure Vessel and Storage Tank Operators on 01 – 29 August 2022.
7. OSH Training for Production Power Aircraft Operators from 03 – 31 October 2022.

Based on the explanation and description above, this discrepancy is declared to have been met and will be re-observed at the time of the next assessment related to the realization of the training plan to obtain the stipulated K3 license along with the realization of the license extension which has expired since 2021.

Verified by	:	Mohamad Amarullah dan Rindu Galih Rezza Rachmansyah
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NCR No.	: 2021.03	Issued by	: Mohamad Amarullah
Date Issued	: 20 November 2021	Time Limit	: 18 February 2022
NC Grade	: Major	Date of Closing	: 21 January 2022
Standard Ref. & Requirement	<p>3.8.9 Critical <u>Outsourcing Activities</u></p> <p>i. The mill shall not outsource its milling activities. In cases where the mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced Indonesia National Interpretation RSPO Principles & Criteria 2018 33 activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification.</p> <p>ii. The mill shall ensure the following:</p> <p>a) The mill has legal ownership of all input material to be included in outsourced processes.</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.</p>		
<p>Evidence observed (filled by auditor): Unit of certification shows several agreement with RSPO-certified product transporter, for example as follows:</p> <ul style="list-style-type: none"> • Agreement No. 001/CPO/SA/AW/II/2021 dated 02 January 2021 with CV Alam Wijaya. • Agreement No. 009/CPO/SA/MBAM/II/2021 dated 02 January 2021 with PT Maju Bersama Anggiat Miduk. 			
<p>Non-Conformance Description (filled by auditor): Clauses which mention that the certification body (CB) has access to the outsourcing contractor to conduct assessment on their system and operations if an audit is deemed necessary, is not available.</p>			
<p>Root Cause Analysis (filled by organization audited): Different of point of view in interpreting Indicator 3.8.9. Formerly, access for CB to conduct audit on contractor operations and system has conducted via interview through giving contact number of contractor PIC. Thus, specific clauses on documented form is considered unnecessary.</p>			
<p>Correction (filled by organization audited): To revise contract agreement with certified product transporter that including clauses which mention that the CB has access to the outsourcing contractor to conduct assessment on their system and operations if an audit is deemed necessary.</p>			
<p>Corrective Action (filled by organization audited): To make sure that new clauses that mentioned in correction column has added on the new contract and agreed by the contractors company.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification 21 January 2022</p>			

Unit of certification shows draft of contract that will be used for the coming agreement with third party contractor that handle RSPO certified product transportation. Clauses which mentioned that contractor company is willing to be audited towards RSPO SCCS and ISCC when necessary by the CB appointed by the unit of certification is presented in Point 13.10. Furthermore, contact number of contractor PIC is informed in Appendix 3 of agreement. The contract is signed by Director from PT SA and Contractor. Sighted contract with contractor PT Maju Bersama Anggiat Miduk No. 009/CPO/AT/MBAM.I/2022. The contract valid for 1 (one) year up to 31 December 2022.

Based on root cause and corrective action analysis, as well as correction evidence given, NCR No. 2021.03 is stated **closed**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2021.04	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 20 November 2021	Time Limit	: ASA-1.1
NC Grade	: Minor	Date of Closing	: -
Standard Ref. & Requirement	: 6.2.7 Non-Critical Pekerja tetap dipekerjakan untuk semua pekerjaan utama yang dilakukan oleh unit sertifikasi. Pekerja tidak tetap dan pekerja harian lepas dibatasi untuk pekerjaan yang bersifat sementara atau musiman.		
Evidence observed & <ul style="list-style-type: none"> Based on the review of Hikmah Dua Estate's manpower documents, it is known that currently the certification unit still has 279 workers with PHL status (Free Daily Workers) who are employed for various types of work, such as harvesting and maintenance. Based on the results of observations and interviews with harvest workers at Hikmah Dua Estate, it is known that there are still workers with PHL status (Free Daily Workers) who work as harvest workers. In the explanation in Law no. 13 of 2003, which explains that the criteria for permanent work are work that is continuous, uninterrupted, not limited by time and is part of a production process in one company or work that is not seasonal. Where from this explanation, harvesting work is one of the permanent jobs and cannot be employed for workers with PKWT status (Specific Time Work Agreement) or PHL (Free Daily Workers), where this is again clarified in Kepmenaker No. 100 in 2004. The unit of certification has not yet been able to show evidence that the use of PHL workers (Free Daily Workers) has been carried out in accordance with Kepmenaker No. 100 of 2004, starting from working days and types of work that can be done. 			
Non-Conformance Description (filled by auditor): The unit of certification has not been able to show sufficient evidence that non-permanent workers and casual daily workers are limited to temporary or seasonal work and are in accordance with the applicable laws and regulations.			
Root Cause Analysis (filled by organization audited): The unit of certification has not identified temporary workers and casual daily workers who work in accordance with the applicable laws and regulations.			
Correction (filled by organization audited): Identifying non-permanent workers and casual daily work in accordance with applicable laws and regulations, such as: <ul style="list-style-type: none"> Number of working days 21 days or more for 3 consecutive months Daily freelance work is prioritized for maintenance work and other work outside of the main job. 			
Corrective Action (filled by organization audited): Employing temporary workers and casual daily workers in accordance with the provisions of the applicable laws and regulations.			
Assessor Evaluation and Conclusion (filled by auditor): Verification 07 January 2022 The unit of certification describes the root cause analysis, corrective actions, as well as evidence of improvement plans that will be implemented. The description is acceptable. Furthermore, please show several documents as described in the description of the problem and correction column, including the following: <ul style="list-style-type: none"> Company identification results related to permanent and non-permanent work. The results of the identification of the need for permanent workers and company contracts in each type of work that employ PHL workers. Implementation of working days for workers with PHL status in accordance with the laws and regulations. 			

- Future implementation plans for compliance with applicable laws and regulations for PHL.
- For corrective actions, it is better to add a routine monitoring mechanism to ensure that all PHL workers comply with the applicable laws and regulations along with supporting evidence.

Based on the explanation above, Non-conformance No. 2021.04 is declared unfulfilled.

Verified by	:	Rindu Galih Rezza Rachmansyah
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3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	3.8.16 Critical	<p>Registration of Transactions</p> <p>i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii. Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</p> <p>CSPO delivered to PR Ecogreen Oleochemicals (member No. RSPO_PO1000000381) to 05 June 2021 for 1,0047 mt CSPO has just announce on 19 November 2021 (>3 months) and not conformed yet by the buyer. Transaction has created in IT Palm Trace with transaction ID No. TR-1bab8bcf-96db. Regarding this matter, mill management is encourage to ensure that shipping announcement in the RSPO IT platform shall be carried out not more than 3 months after despatch.</p>
2	6.7.4 Non Critical	<p>All workers are provided with health services and are covered by occupational accident insurance. Costs incurred as a result of work incidents, resulting in injury or illness, are borne in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.</p> <p>In the 2020 RSPO ASA-4 assessment, there are notes related to BPJS for KUD Serba Usaha, KUD Jaya Makmur and KUD Maju Lancar, where all of their workers have not been registered in the BPJS program. This is similar to the condition of KUD Jadi Mandiri, KUD Sumber Sentosa, KUD Intan and KUD Madya Karya Bhakti which are also not yet fully registered. The certification unit has made various efforts to register all its workers in the BPJS program in 2021, this is evidenced by the invitation of BPJS to conduct socialization and explanations regarding registration procedures using SIPP Online (Participant Reporting Information System) in accordance with the letter submitted to the party. BPJS on February 17, 2021. Then the BPJS has scheduled a meeting on June 24-25, 2021 to carry out this, but that month there was an increase in COVID-19 cases in Indonesia which caused BPJS to cancel attendance due to Circular No. 18 of 2021 from the BPJS which stated that starting from June 21 until the next 14 days to do WFH (Work From Home) and eliminate all face-to-face activities and official travel. Due to this incident, the registration plan for all KUD workers was hampered by re-evaluation by the certification unit to be carried out again in early 2022.</p> <p>The certification unit has the opportunity to re-realize the plan for registering all KUD workers which is the supply base of Selapan Jaya Mill in 2022.</p>
3	7.3.2 Non Critical	<p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</p> <p>Ensure Domestic Waste Management as regulated in procedure no. P-SAG-KBN-LMB-01 (Rev. 02) dated 30 October 2015 and procedure No. P-SAG-PKS-LMB-01 dated 30 October 2015, carried out consistently.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Has a good commitment in implementing sustainable palm oil production principles, supported by competence PIC.

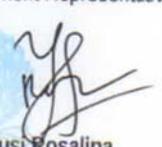
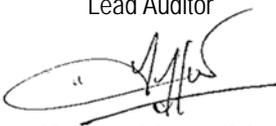
2	Mechanization on EFB mulching activities through Empty Bunch Spreader (EBS)
3	Development of smallholder plantation towards RSPO standard..
4	Conducting methane capture through development of Biogas Plant which utilize as source of energy.
5	Implementation of other scheme, such as ISO 9001:2015 (2020-2023); ISO 14001:2015 (2020-2023); ISPO (2020-2025); ISCC (2021-2022); and PROPER Blue (2019/2020).

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>National Land Agency (BPN) of Mesuji Date of interview: - Source of information: -</p> <p>Notes: Representatives from BN cannot be contacted. There is no information from the head of Agency.</p>	<p>As searching to electronic mass media and information from surrounding communities, in general there is no negative issues that need to be verified further, towards regulation pursuance, land title, land conflict and land dispute.</p>
<p>Environmental Agency of Ogan Komering Ilir District</p> <ul style="list-style-type: none"> • Regular environmental reporting is reported routinely such as RKL-RPL Report every semester, Hazardous and Toxic Waste Report quarterly, and Liquid Waste Report quarterly. • There is no issue with environmental permits. • There is report from Aliansi Masyarakat Mesuji Raya about 7 demands submitted to the company. Two of them is about mill smoke and mill liquid waste which are considered to pollute the environment. Environmental Agency has verified this issue by conducting field visit on 11 November 2021 which results is no indication of water pollution from PT Sampoerna Agro Tbk operational activity. 	<p>Based on document verification, water quality testing has been in accordance with government regulation No. 22 in 2021. This has been verified in indicator 7.8.1.</p>
<p>Ogan Komering Ilir District Office of Plantation and Animal Husbandry</p> <ul style="list-style-type: none"> • Reporting must be routinely submitted to the office • There is no HGU problem • The company always reports CSR activities • Facilities and infrastructure for land fire extinguishers have met the standards • There is no information regarding land fires • There is a land dispute with Pulau Geronggang village 	<p>CH has process to resolve the land dispute and has been explain in Criteria 4.2.</p>
<p>Mandiri Hikmah Dua Cooperative (FFB transport contractor, EFB Transport, Maintenance)</p> <ul style="list-style-type: none"> • It has been reported to the Manpower office • Workers are equipped with PPE provided by the contractor • The company carries out routine monitoring of contractors • Wage system based on work results • There is no problem with payment of work results • No work accidents 	<p>CH has complied with RSPO P&C</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Previous Land Owner Date of interview: 17 November 2021 Source of information: - Land owners From Village of Pulau Geronggang and Village of Panca Warna</p> <p>Notes:</p> <ul style="list-style-type: none"> • Compensation calculation and payment has smoothly been conducted since 1997 to 2003 without any conflict and other following negative issues. Furthermore, the process has involving respective agencies and elders in the society. • Compensation was carried out through voluntary without any coercion or by forced. • There are no customary rights inside estate operational areas. 	<p>In general, it could be concluded that land compensation process has goes smoothly, transparent and carried out without any pressure. Furthermore, process of compensation has involving respective agencies and elders in the society.</p>
<p>Surrounding Communities Date of interview: 16-17 November 2021 Source of information: - Kepala Desa (Kades) or Head of Village of Embacang - Kades of Kaur Kerta Mukti Village - Kades Panca Warna Village</p> <p>Notes:</p> <ul style="list-style-type: none"> • In general, there ia good relationship between unit of certification (PT Sampoerna Agro and PT Telaga Hikmah) with surrounding communities. Presence of these companies has significantly giving positive impact for community welfare. • Apart as head of village, all interviewee were members of smallholders cooperative assisted by Sampoerna Agro. • FFB payment has in accordance with Plantation Agency of Sumatera Selatan Province. • There is no land conflict existed that obstruct estate and mill operational activities. • Village representative has involves in annual CSR program meeting. The most important needs for community is road and infrastructure maintenance. • Village occupants is considered heterogen, mixed between the locals and transmigrant. • Communities are allowed to utilize by product of EFB and solid from mill for local agricultural activities. • Estimated about 70 % of employee were locals from surrounding Mesuji Sub District and/or Regency of OKI. • Unit of certification is considered transparent in providing recruitment which informed through Kades Office, mass media (local press), etc. process of recruitment and selection also considered fair. • Any proposal or aspiration has responded less than one week. 	<p>In general, it could be concluded that relationship between PT Sampoerna Agro, PT Telaga Hikmah and sampled surrounding villages communities has considered satisfactory. There are no legal, social and environmental conflicts.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> • There are no negative issues towards environment aspect, due to estate and mill operational activities. Monitoring and observation from Environment Agency has conducted in 2021 resulting parameters tested were below threshold limit and there is no evidence of pollution affected air and water quality. • There is no issues towards land conflict on the scope of certification areas. • Demonstration on manpower matters in February and June 2021 is more to personal, not involving community scale. 	
<p>Manpower and Transmigration Agency of Ogan Komering Ilir District.</p> <p>During the past year there has been no case related to industrial relations disputes that occurred in the certification unit. The certification unit submitted the daily contract (BHL) employee registration documents to the agency with the complete the supporting documents such as the employment contract. Certification unit has been implemented minimum wage, overtime and others labor standard in accordance with government regulation. Every labor union has been verified by agency and still active in certification unit.</p>	<p>The certification unit has paid minimum wages, overtime and others labor standard in accordance with the government regulations. Since 2019 until now there is no issues related to industrial relation dispute and other worker welfare issue.</p>
<p>Labour Union (Serikat Pekerja Sampoerna Agro –SPSA)</p> <p>The relationship between the certification unit and the union is well established, the certification unit supports the existence of the union and gives freedom to unionized employees and facilitates the union by giving room as an office. In the past one year period there were no work relationship disputes found, all employee rights were fulfilled by the certification unit in accordance with applicable regulations.</p>	<p>There are no negative issues that need further verification. The certification unit has ensure that the employee's rights have been fulfilled in accordance with the regulations.</p>
<p>Group Workers Representative of KUD Madya Karya Bhakti, Sumber Sentosa, and KUD Intan</p> <p>Workers' representatives are the result of a mutual agreement between workers and management and there is no coercion. In the past one year period there were no work relationship disputes found, all employee rights were fulfilled by the certification unit in accordance with applicable regulations.</p>	<p>There are no negative issues that need further verification. The certification unit has ensure that the employee's rights have been fulfilled in accordance with the regulations.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<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-around;"><div data-bbox="438 777 763 1050"><p>PT Sampoerna Agro Management Representative</p><p><u>Yusi Rosalina</u> Thursday, 10 March 2022</p></div><div data-bbox="1023 777 1331 1050"><p>Mutuagung Lestari Lead Auditor</p><p><u>Mohamad Amarullah</u> Thursday, 10 March 2022</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	National Land Agency of Ogan Komering Ilir District	Ogan Komering Ilir District		By phone	17 Nov 2021	-	✓
2	Environmental Agency of Ogan Komering Ilir District	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
3	Ogan Komering Ilir District Office of Plantation and Animal Husbandry	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
4	Manpower and Transmigration Agency	Ogan Komering Ilir District.		By phone	17 Nov 2021	✓	-
5	Previous land owner: - Village of Pulau Geronggang - Village of Panca Warna	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
6	Surrounding Community: - Kepala Desa (Kades) or Head of Village of Embacang - Kades of Kaur Kerta Mukti - Kades Panca Warna	Ogan Komering Ilir District		By phone	16-17 Nov 2021	✓	-
7	Selapan Jaya Mill: - 2 Security Officers - 2 Weighbridge Operators - 1 Laboratory Officer - 1 WTP Officer - 1 Biogas Plant Officer	Ogan Komering Ilir District	-	Direct Interview	17 Nov 2021	✓	-
8	Hikmah 2 Estate: - 2 Foreman - 1 Harvester - 4 Pesticide Applicators - 1 resident of Housing area G2 - 2 Warehouse Officer	Ogan Komering Ilir District	-	Direct Interview	17 Nov 2021	✓	-
9	Cooperative of Intan: - Head Group - 1 Harvester - 1 warehouse worker - 2 cooperative workers	Ogan Komering Ilir District	-	Direct Interview	18 Nov 2021	✓	-
10	Cooperative of Jadi Mandiri 3 Harvester	Ogan Komering Ilir District		Direct Interview	18 Nov 2021	✓	-
11	Cooperative of Sumber Sentosa: - Head Group - 4 Harvester - 5 spray workers - 3 fertilizer workers	Ogan Komering Ilir District	-	Direct Interview	17 Nov 2021	✓	-

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	3 Cooperative workers						
12	Mandiri Hikmah Dua Cooperative	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
10	Madya Karya Bhakti Cooperative <ul style="list-style-type: none"> • Head Group • harvesters • 1 OHS Expert • 2 Spray workers 	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
11	Labour Union	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
12	Group Workers Representative of KUD Madya Karya Bhakti, Sumber Sentosa, and KUD Intan	Ogan Komering Ilir District		By phone	17 Nov 2021	✓	-
13	Sawit Watch	Indonesia	info@sawitwatch.or.id	Email	08 Nov 2021	-	✓
14	WALHI	Indonesia	informasi@walhi.or.id	Email	08 Nov 2021	-	✓
15	AMAN	Indonesia	rumahaman@cbn.net.id	Email	08 Nov 2021	-	✓
16	WWF	Indonesia	wwf-indonesia@wwf.or.id	Email	08 Nov 2021	-	✓

Appendix 2. Assessment Program

DATE	14 – 20 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Sunday, 14 November 2021 (1st day quarantine)		
08.50 – 09.55 10.15 – 14.30	<ul style="list-style-type: none"> Jakarta (SHIA) → Palembang (ID 6878) Stay in Palembang for 1st day of quarantine 	Team Auditor Team Auditor
Monday, 15 November 2021 (2nd day quarantine)		
08.00 – 12.00	Palembang → Location Selapan Jaya Mill PT Sampoerna Agro	Team Auditor
12.00 – 14.00	Break	Team Auditor
14.00 – 17.00	Document review and verification	Team Auditor
Tuesday, 16 November 2021 (3rd day quarantine)		
08.00 – 09.00	<ul style="list-style-type: none"> Opening meeting teleconference (auditee presentation and auditor presentation) <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	PT SA rep. MAH + Team Auditor
09.00 – 12.00	<ul style="list-style-type: none"> Verification of Basic Information Mill and Estate, TBP, Partial Certification Interview with stakeholder (via phone): <ul style="list-style-type: none"> Plantation Agency, local contractors, company cooperative and smallholder cooperatives, Environment Agency and 3rd party FFB Suppliers BPN, previous land owner, community representatives, Manpower Agency, Labor Union, Gender Committee, OSH Committee Document review and verification 	MAH BYT / ELC MAH / RGR Team Auditor
12.00 – 14.00	Break	Team Auditor
14.00 – 16.00	<ul style="list-style-type: none"> Teleconference meeting with KUD representatives via Zoom → if possible Document review and verification 	Team Auditor Team Auditor
16.00 – 17.00	Presentation of Daily Progress	Team Auditor
Wednesday, 17 November 2021		
07.00 – 08.00	Swab Antigen conducted by PT Sampoerna Agro	Team Auditor
08.00 – 12.00	<ul style="list-style-type: none"> Observation to Cooperative of KUD Madya Karya Bhakti (475 sh) <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV, Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) Interview with 21 smallholder representatives 	RGR RGR RGR

DATE	14 – 20 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Observation to Hikmah Dua Estate of PT Telaga Hikmah: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV, Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) 	MAH / ELC MAH / ELC
	Observation to Cooperative of KUD Sumber Sentosa (783 sh) <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV, Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) Interview with 21 smallholder representatives 	BYT BYT BYT
12.00 – 14.00	Break	Team Auditor
14.00 – 16.00	Observation to Selapan Jaya Mill <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge), implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO) and Hydrant Simulation Implementation of Environmental aspect, Inspection to Chemical Storage, Workshop, Hazardous Waste Storage, Fire Control Simulation, POME (effluent) Pond and land application 	MAH / RGR BYT / ELC
16.00 – 17.00	Presentation of Daily Progress	Team Auditor
Thursday, 18 November 2021		
08.00 – 12.00	Observation to Cooperative of KUD Bina Tani Mulya (566 sh) <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV, Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect. Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) Interview with 21 smallholder representatives 	BYT BYT BYT

DATE	14 – 20 November 2021	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
07.00 – 12.00	Observation to Cooperative of KUD Intan (591 sh): <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV, Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) Interview with 21 smallholder representatives 	MAH MAH MAH
	Observation to Cooperative of KUD Jadi Mandiri (556 sh) - replanting <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV, Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), peat management (if any), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place) Interview with 21 smallholder representatives 	RGR / ELC RGR / ELC RGR / ELC
	Break	Team Auditor
12.00 – 14.00	Document review and verification	Team Auditor
14.0 – 16.00	Document review and verification	Team Auditor
16.00 – 17.00	Presentation of Daily Progress.	Team Auditor
Friday, 19 November 2021		
08.00 – 11.30	Document review and verification	Team Auditor
12.00 – 16.00	Location Selapan Jaya Mill PT Sampoerna Agro → Palembang	Team Auditor
16.00 – 17.00	Swab Antigen in Palembang	Team Auditor
Saturday, 20 November 2021		
08.00 – 10.00	Internal discussion and closing meeting preparation	Team Auditor
10.00 – 12.00	Closing meeting teleconference	MAH + Team Auditor
16.20 – 17.35	Palembang → Jakarta (GA 113)	Team Auditor
-	-	-