

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance & Re-Certification

Name of Management Organization : Tanah Laut Palm Oil Mill, PT Smart Tbk, a subsidiary of Golden Agri Resources, Ltd.

Plantation Name : PT Smart Tbk; Tanah Laut Estate, Kintapura Estate

Location : Bukit Mulia Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia

Certificate Code : **MUTU-RSPO/174**

Date of Initial Registration : 11 September 2017

Date of Last Issue : 02 September 2022 Date of License Issue : 11 October 2022

Date of Certificate Expiry : 10 September 2027 Date of License Expiry : 10 September 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.3 (Remote Audit)	08 September 2020	Zaenal Abidin (Team Leader); Rene Ugroseno and Nanang Rusmana	Harso Yuli Antena	Ardiansyah
ASA-1.3; ASA-1.4 & RC-2 (Onsite Audit)	11 to 16 July 2022	Moh Arif Yusni (Team Leader), Yudhi Yuniarto Tallutondok, Radityo Puspanjana, Ririn Wahyuni Sipayung		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.3; ASA-1.4 & RC-2	02 September 2022

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Figure 1. Location Map of PT Smart, Tbk

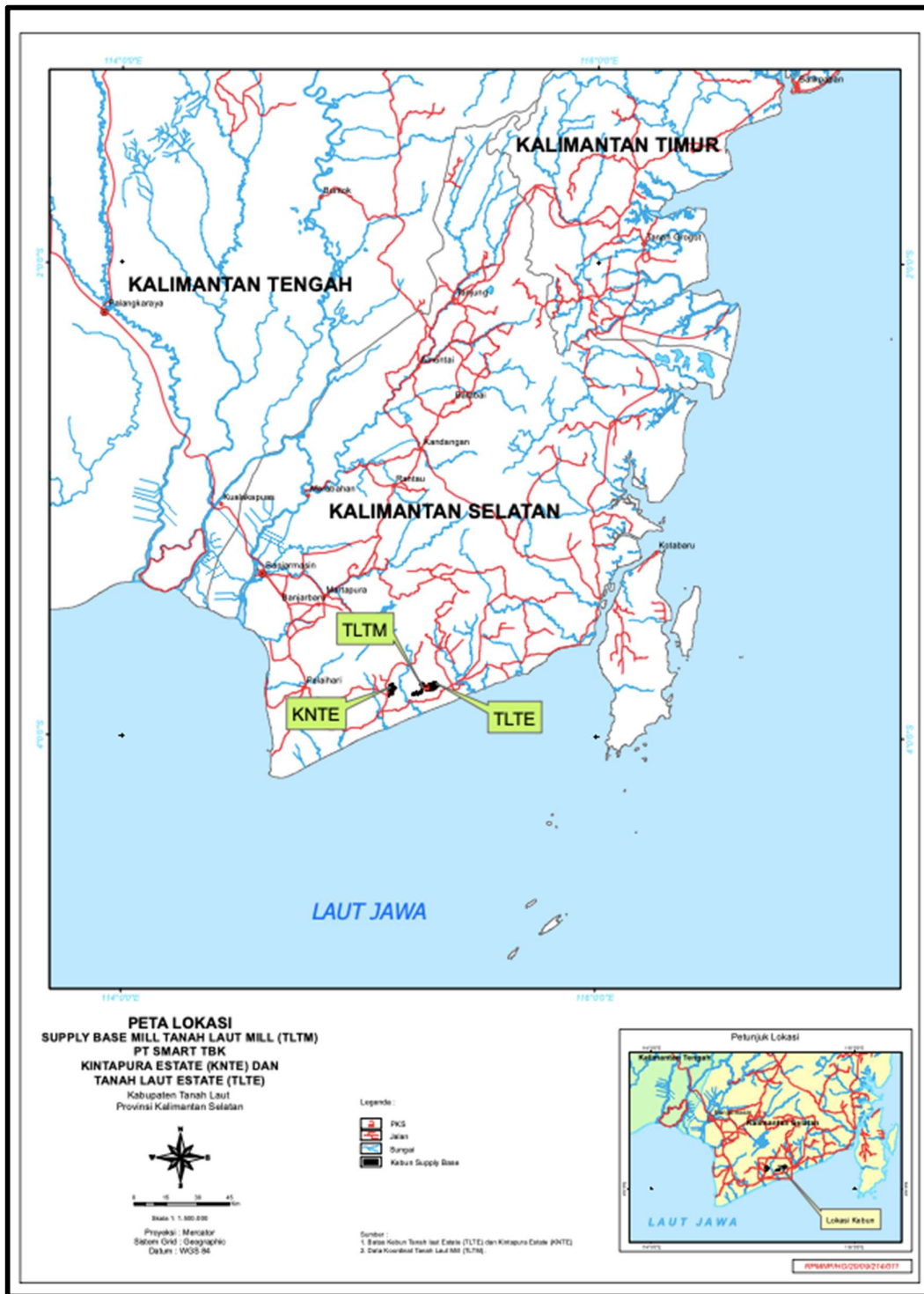


Figure 2. Operational Map of PT Smart, Tbk – Tanah Laut Estate

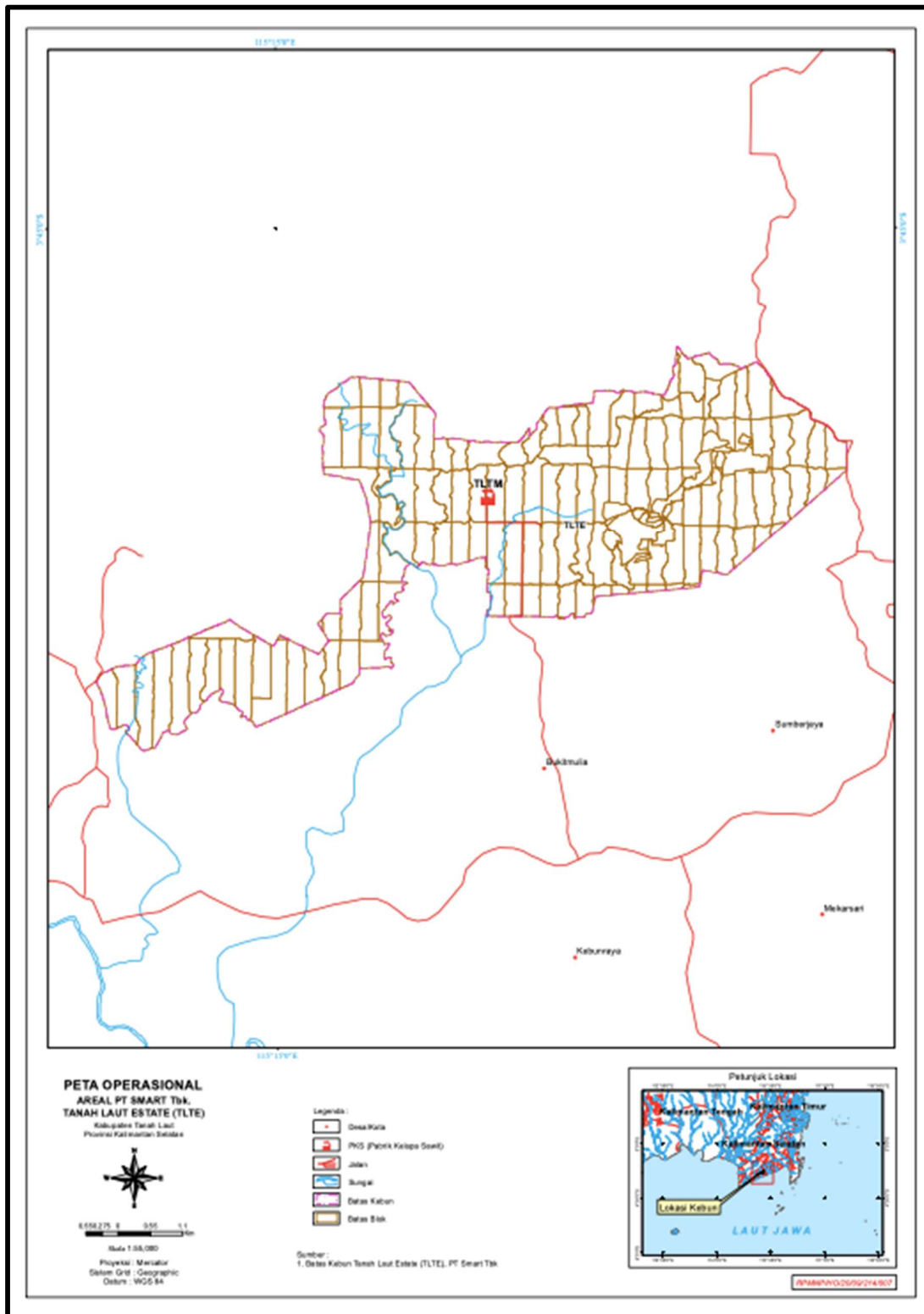
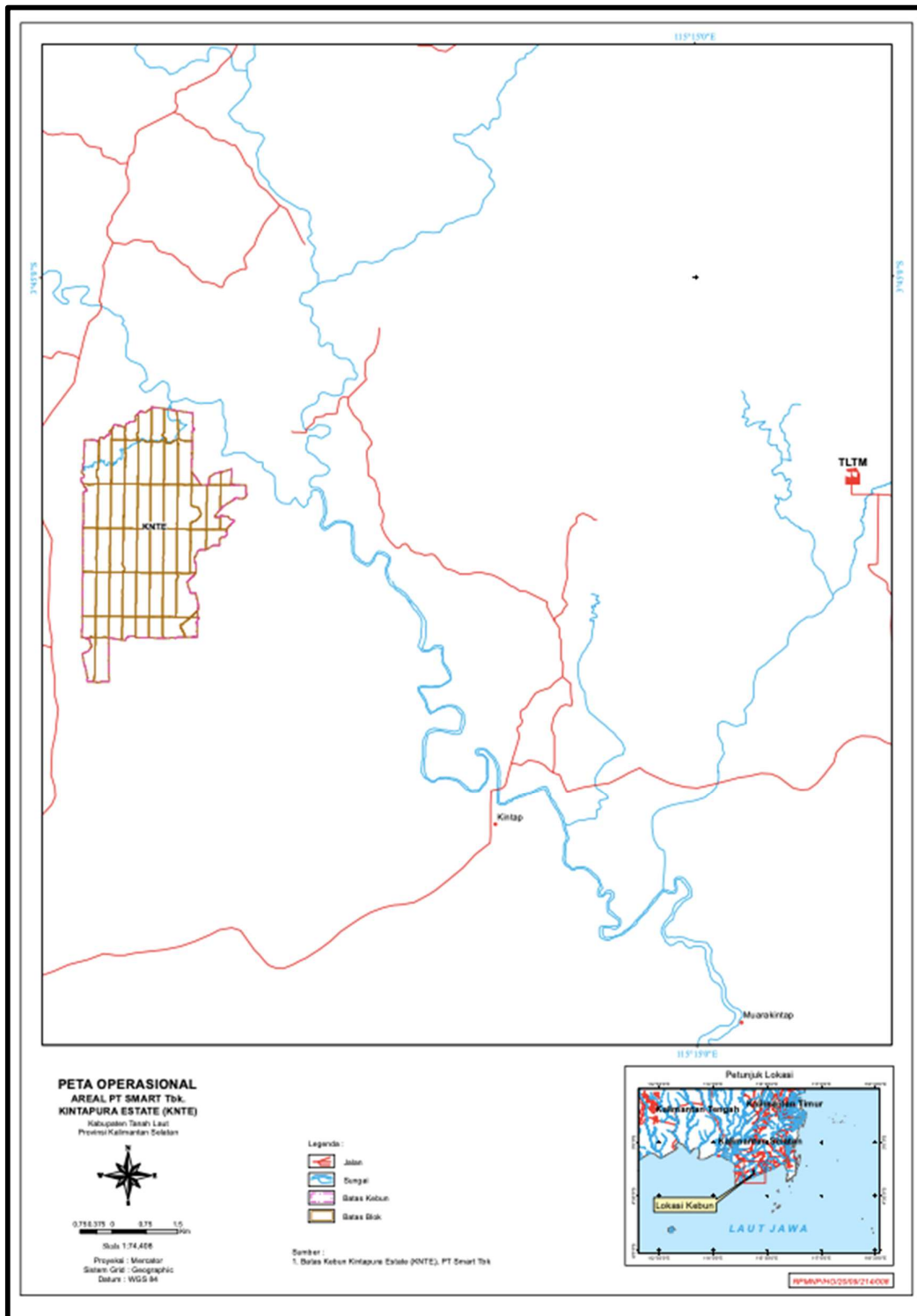


Figure 2. Operational Map of PT Smart, Tbk – Kintapura Estate



Abbreviations Used

ASA	:	Annual Surveillance Assessment
ATM	:	Automatic Teller Machine
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Insurance)
BKPM	:	<i>Badan Koordinasi Penanaman Modal</i> (Investment Agency)
BOD	:	Biochemical Oxygen Demand
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CEO	:	Chief Executive Officer
CFO	:	Chief Financial Office
CH	:	Certificate Holder
CLA	:	Collective Labour Agreements
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Sosial Responsibility
DPLH	:	<i>Dokumen Pengelolaan Lingkungan Hidup</i> / Environmental Management Document
EBS	:	Empty Bunch Spreader
EFB	:	Empty Fruit Bunch
EHS	:	Environmental Health and Safety
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Inform and Consent
GAR	:	Golden Agri Resource
GHG	:	Green House Gas
GSEP	:	GAR Social and Environment Policy
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title/Right)
HIRAC	:	Hazard Identification Risk Assessment and Control
ID	:	Identity
IPM	:	Integrated Pest Management
ILO	:	International Labour Organization
ISCC	:	International Sustainability and Carbon Certification
ISO	:	International Standard Organization
ISPO	:	Indonesia Sustainable Palm Oil
IUCN	:	International Union for Conservation of Nature
IUP	:	Plantation Permit/Licenses
KAN	:	Indonesian Accreditation Body
KER	:	Kernel Extraction Rate
KNTE	:	Kintapura Estate
LA	:	Land Application
LD	:	Lethal Dosage
LKUP	:	<i>Laporan Kegiatan Usaha Perkebunan</i> (Plantation Activity Report)
LSU	:	Leaf Sampling Unit

MCMD	:	Management Committee for Mill Development
MCU	:	Medical Check Up
MoU	:	Memorandum of Understanding
MSDS	:	Material Safety Data Sheet
MUTU	:	Mutuagung Lestari
NGO	:	Non-Government Organization
NPWP	:	<i>Nomor Pokok Wajib Pajak</i> (Tax Identity Number)
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
OSH	:	Occupational Safety and Health
OIA	:	Operational Internal Audit
PK	:	Palm Kernel
PKS	:	<i>Pabrik Kelapa Sawit</i> (Palm Oil Mill)
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PSM	:	Perkebunan Sinar Mas
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i>
PPE	:	Personal Protective Equipment
RC/PC	:	Regional Controller / Production Controller
RKL- RPL	:	Environmental Management and Monitoring Report
RSPO	:	Roundtable Sustainable Palm Oil
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assessment
SMARTRI	:	SMART Research Institute
SMD Ops	:	Senior Managing Directors Operation
SOP	:	Standard Operating Procedure
SPO	:	Sustainable Palm Oil
SPSI	:	Serikat Pekerja Seluruh Indonesia
SPUP	:	Surat Pendaftaran Usaha Perkebunan (Plantation Business Permit)
SSU	:	Soil Sampling Unit
THR	:	<i>Tunjangan Hari Raya</i> (holiday allowance)
TLTE	:	Tanah laut Estate
TLTM	:	Tanah laut Mill
UKL-UPL	:	<i>Upaya Pengelolaan & Pemantauan Lingkungan Hidup</i> / Environmental Management & Monitoring Effort
UMP	:	<i>Upah Minimum Provinsi</i> (Province Minimum Wage)
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit</i>
VPA	:	Vice President Agronomi
VPA /VPM	:	Vice President Agronomy / Vice President Manufacture
WHO	:	World Health Organization
WLTK	:	<i>Wajib Laporan Tenaga Kerja</i>
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • <i>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</i> • <i>RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020</i> 	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	Tanah Laut Palm Oil Mill, PT Smart Tbk, a subsidiary of Golden Agri Resources, Ltd.	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	Organization address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535. Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor. Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia.	
1.2.4	Telephone	(+62-21) 50338899	
1.2.5	Fax	(+62-21) 50389999	
1.2.6	E-mail	yahya.mustakim@sinarmas-agri.com	
1.2.7	Web page address	www.goldenagri.com.sg	
1.2.8	Management Representative who completed the application for certification	Yahya Mustakim (Head of Sustainability Management System and Certification Operations Sustainability)	
1.2.9	Registered as RSPO member	1-0096-11-000-00 – 30 January 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base <ul style="list-style-type: none"> • Tanah Laut Mill, Tanah Laut Estate and Kintapura Estate 	
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
	Tanah Laut Mill	Bukit Mulia Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia	03° 47' 28.80" S 115° 16' 56.90" E
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Tanah Laut Estate (TLTE)	Sungai Cuka Village, Sumber Jaya Village, Bukit Mulia Village, Pasir Putih Village, Kintap Kecil Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia	3° 47' 52.508" S 115° 16' 17.691" E

Kintapura (KNTE)	Estate	Kintapura Village & Salaman Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia	3° 48' 23.449" S	115° 8' 23.977" E
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State	4,952.18 Ha		
	• Community	Ha		
	*from the total land title 4,952.18 ha, scope of certifications area 4,556.30 Ha			
1.5.2	Area Statement			
	• Total area	4,556.30 Ha		
	• Mature area	3,116.72 Ha		
	• Immature area	61.20 Ha		
	• Nursery	8.03 Ha		
	• Mill, building and Housing	46.23 Ha		
	• Road	140.64 Ha		
	• Trench, swamps and river	150.80 Ha		
	• Air strip	7.32 Ha		
	• Others Area (mining area, national electric enterprise line and etc)	1025.36 Ha		
	*HCV area covering 337.46 ha located in the planting area			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Kintapura Estate	Tanah laut Estate	Total
	1995	-	19.34	19.34
	1996	-	631.89	631.89
	1997	-	145.78	145.78
	1998	698.90	572.45	1271.35
	1999	571.93	68.00	639.93
	2004	47.71	208.03	255.74
	2005	12.35	-	12.35
	2016	-	8.08	8.08
	2017	-	24.44	24.44
	2018	-	41.39	41.39
	2019	-	66.43	66.43
	Sub Total Mature	1,330.89	1,785.83	3,116.72
	2020	-	14.88	14.88
	2021	-	46.32	46.32
	Sub Total Immature	-	61.20	61.20
	TOTAL	1,330.89	1,847.03	3,177.92
1.6.2	New Planting area after January 2010		- Ha	
1.6.3	Planting Cycle		2 nd Cycle	

1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Tanah Laut Mill	30	227,207.38	46,106.83	20.29	11,913.94	5.24
	<i>*Production data source from September 2019 – June 2022</i>						
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)	%
	Tanah Laut Estate (TLTE)	3,112.77	1,785.83	77,424.57	15.30	77,424.57	100
	Kintapura Estate (KNTE)	1,443.53	1,330.89	62,271.65	16.51	62,271.65	100
	TOTAL	4,556.30	3,116.72	139,696.22	15.82	139,696.22	100
	<i>*Production data source from September 2019 – June 2022</i>						
1.7.3	FFB description from other source						
	Name of sources/Organization (Non Certified)	Type of Organization	Number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tonnes/year)		
	Tanah Laut Estate	Subsidiary of GAR	-	121.07	3,111.07		
	Kintapura Estate	Subsidiary of GAR	-	636.33	29,271.60		
	Victor Hutapea	Outgrower	-	-	11,240.66		
	CV Borneo Kharisma Utama	Outgrower	-	-	2,715.08		
	CV Borneo Sakti Atamaran	Out grower	-	-	12,312.30		
	CV Berkat Tani	Outgrower	-	-	9,011.51		
	Joya Anugrah Jaya	Outgrower	-	-	19,153.45		
	TOTAL				86,815.67		
	<i>*Production data source from September 2019 – June 2022</i>						
	<i>*all FFB are non certified</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (September 2019 – June 2022)		
	FFB Processed			135,275.63	139,696.22		
	CPO Production			31,457.22	28,834.26		
	Palm Kernel (PK) Production			8,175.36	7,497.99		
1.8.2	Product selling			Actual selling product for last year (September 2019 – June 2022) (MT)			
	Type of selling product						
	CSPO sold as RSPO certified product			20,892.61			
	CSPK sold as RSPO certified product			7,411.24			

	CSPO sold under other scheme	7,498.43						
	CSPK sold under other scheme							
	CSPO sold as conventional							
	CSPK sold as conventional							
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Tanah Laut Estate	3,112.77	1,785.83	30,000	16.80			
	Kintapura Estate	1,443.53	1,330.89	23,000	17.28			
	TOTAL	4,556.30	3,116.72	53,000	17.01			
	<i>*Projected FFB production for 12 months of certificate</i>							
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 (%)
	Tanah Laut Mill	30	53,000	11,000	20.75	2,700	5.1	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2008	-						
	ISO 14001: 2004	-						
	OHSAS 18001:2007	-						
	ISCC	-						
	Others (ISPO)	MUTU-ISPO/252, Valid until 03 February 2026						
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time Bound Plan						
	Pangkalan Panji Mill (PT Sawit Mas Sejahtera)	2013	Sawit Mas Estate	2013	Sumatera Selatan Province	Certified		
			Sawit Mas Estate (HGU on progress – 2,291 Ha)	2022		-		
	Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	Sumatera Selatan Province	Certified		
			Bumi Sawit Estate (HGU on progress – 773.39 Ha)	2022		-		
	Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	Sumatera Selatan Province	Certified		
			Muara Kandis Estate	2013		Certified		
			Muara Kandis Estate (HGU on progress – 418.49 Ha)	2022		-		

		Muara Tawas Estate (HGU on progress – 57.7 Ha)	2022		-
		Smallholder (KKPA Pandawa)	2024		-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Kalimantan Tengah Province	Certified
		Sungai Seruyan Estate	2013		Certified
		Terawan Estate	2013		Certified
		Tangar Estate	2013		Certified
		Bukit Tiga Estate	2013		Certified
Bukit Perak Mill (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung Province	Certified
		Bukit Permata Estate	2013		Certified
		Bukit Permai Estate (PT Agrolestari Subur Sejahtera)	2024		-
		Bukit Lestari estate (PT Agrolestari Hijau Sentosa)	2024		-
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Bangka Belitung Province	Certified
		Tanjung Rusa Estate	2013		Certified
		Tanjung Rusa Estate (HGU on process 48.81 Ha)	2022		-
		Tanjung Sawit Estate (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Sawit Plasma (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Rusa KKPA	2024		-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung Province	Certified
		Sungai Buaya Estate (HGU on process – 155.46 Ha)	2022		-
		Smallholder (KKPA Gedung Aji Lama)	2014		Certified
		Smallholder (KKPA Mesuji)	2014		Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung Province	Certified
		Sungai Merah Estate (HGU on process – 241.54 Ha)	2022		-
		Smallholder (KKPA Gedung Aji Baru)	2014		Certified
Kasuari Mill (PT Sinar Kencana Inti Perkasa)	2023	Cendrawasih Estate	2023	Papua Province	ST-1
		Nuri Estate	2023		ST-1

		Rajawali Estate	2023		ST-1
		Mambruk Estate (PT Sumber Indah Perkasa)	2023		ST-1
Pekawai Mill (PT Agrolestari Mandiri)	2022	Kayung Estate	2022	Kalimantan Barat Province	ST-1
		Pekawai Estate	2022		ST-1
		Sungai Kelik Estate	2022		ST-1
		Nanga Tayap Estate	2022		ST-1
		Smallholder (Kayung Plasma)	2023		ST-1
Kenanga Mill (PT Kencana Permai)	2014	Kencana Estate	2015	Kalimantan Barat Province	Certified
		Cendana Estate	2015		Certified
		Kenanga Estate (PT Cahaya Nusa Gemilang)	2023		-
		Delima Estate (PT Kencana Graha Permai)	2023		-
		Smallholder (Kencana Plasma)	2024		-
		Smallholder (Kenanga Plasma)	2024		-
Perdana Mill (PT Binasawit Pratama)	2025	Perdana Estate	2025	Kalimantan Tengah Province	ST-1
		Langgana Estate	2025		ST-1
		Semandau Estate	2025		ST-1
		Muara Dua Estate	2025		ST-1
Kuayan Mill (PT Agrokarya Lestari)	2025	Bukit Santuhai Estate	2025	Kalimantan Tengah Province	ST-1
		Tajur Beras Estate	2025		ST-1
		Seranau Estate	2025		ST-1
		Sungai Sambon Plasma	2025		-
		Sapiri Estate (PT Buana Adhitama)	2025		ST-1
		Sapiri Plasma	2025		-
		Bukit Dua Estate (PT Buana Adhitama)	2025		-
Belian Mill (PT Paramitra Internusa Pratama)	2022	Belian Estate	2022	Kalimantan Barat Province	ST-1
		Tengkawang Estate	2022		ST-1
		Muara Tawang Estate (PT Kartika Prima Cipta)	2022		ST-1

		Kapuas Hulu Estate (PT Persada Graha Mandiri)	2022		ST-1
		Sungai Beran Estate (PT Persada Graha Mandiri)	2022		ST-1
		Smallholder (Belian KKPA)	2024		-
		Smallholder (Muara Tawang KKPA)	2024		-
		Smallholders (Kapuas Hulu KKPA)	2024		-
Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa) Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2020	Sungai Kupang Estate	2020	Kalimantan Selatan Province	Certified
		Sungai Kupang KKPA	2024		-
	2023	Sungai Kikim Estate	2023	Sumatera Selatan Province	-
		Sungai Pangi Estate	2023		-
		Sungai Musi Estate	2023		-
		Sungai Saling Estate	2023		-
		Sungai Enim Estate (PT Bumi Sawit Permai)	2023		-
		Sungai Lematang Estate (PT Bumi Sawit Permai)	2023		-
		Sungai Bungur Estate (PT Prima Cipta Mandiri)	2023		-
		Sungai Lingsing Estate (PT Prima Cipta Mandiri)	2023		-
Tangar Mill (PT Mitrakarya Agroindo)	2025	Sulin Estate	2025	Kalimantan Tengah Province	-
		Sulin Plasma	2025		-
		Nahiyang Estate	2025		-
		Katayang Estate	2025		-
Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa)	2023	Sungai Magalau Estate	2023	Kalimantan Selatan Province	-
		Senakin Estate	2023		-
		Sungai Manunggul Estate (PT Mitra Nusa Permata)	2024		-
Jalemo Mill (PT Agro Lestari Sentosa)	2025	Jalemo Estate	2025	Kalimantan Tengah Province	-
		Kajui Estate (PT Agro Lestari Sentosa)	2025		-
		Manuhing Estate (PT Agro Lestari Sentosa)	2025		-
		Manuhing KKPA	2025		-
Sako Mill (PT Adi Tunggal Mahajaya)	2025	Mentaya Estate	2025	Kalimantan Tengah Province	ST-1
		Kuayan Estate	2025		ST-1
		Sako Plasma	2025		-

		Sungai Ayawan Estate	2025		-
		Sungai Nusa Estate	2025		-
Padang Halaban Mill (PT SMART Tbk)	2011	Padang Halaban Estate	2011	Sumatera Utara Province	Certified
		Pernantian Estate	2011		Certified
		Adipati Estate	2011		Certified
		Kanopan Ulu Estate	2011		Certified
Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	Kalimantan Selatan Province	Certified
		Batu Mulia Estate	2012		Certified
		Sungai Panci Estate	2012		Certified
		Sungai Panci KKPA	2012		Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	Kalimantan Selatan Province	Certified
		Kintapura Estate	2012		Certified
		Kintapura Estate (HGU on process - 636.33 Ha)	2023		-
Langga Payung Mill (PT Tapian Nadenggan)	2012	Langga Payung Estate	2012	Sumatera Utara Province	Certified
		Paya Baung Estate	2012		Certified
		Normark Estate	2012		Certified
Hanau Mill (PT Tapian Nadenggan)	2012	Hanau Estate	2012	Kalimantan Tengah Province	Certified
		Tasik Mas Estate	2012		Certified
		Tanjung Paring Estate	2012		Certified
		Langadang Estate	2012		Certified
		Medang Sari Estate (PT Satya Kisma Usaha)	2025		-
Semilar Mill (PT Tapian Nadenggan)	2013	Semilar Estate	2013	Kalimantan Tengah Province	Certified
		Sei Rindu Estate	2013		Certified
		Mandang Estate (PT Buana Arta Sejahtera)	2013		Certified
		Puri Estate (PT Buana Arta Sejahtera)	2013		Certified
		Sei Rindu Estate (203,89 Ha)	2023		-
Jak Luay Mill (PT Tapian Nadenggan)	2015	Pantun Mas Estate	2015	Kalimantan Timur Province	Certified
		Jak Luay Estate	2015		Certified
		Jak Luay KKPA	2023		-
		Long Buluh Estate	2015		Certified
		Long Buluh Estate (HGU on progress - 329.66 Ha)	2023		-
		Bukit Subur Estate	2015		Certified

		Bukit Subur Estate (HCV identification on process - 569.62 Ha)	2023		-
		Bukit Subur KKPA	2023		-
Leidong West Mill (PT MP Leidong West Indonesia)	2014	Leidong West Utara Estate	2014	Bangka Belitung Province	Certified
		Leidong West Selatan Estate	2014		Certified
		Bukit Intan Estate (PT Bumipermai Lestari)	2014		Certified
		Bukit Mas Estate (PT Bumipermai Lestari)	2014		Certified
Muara Wahau Mill (PT Kresna Duta Agroindo)	2014	Muara Wahau Estate	2014	Kalimantan Timur Province	Certified
		Gunung Kombeng	2014		Certified
Gunung Kombeng Mill (PT Kresna Duta Agroindo)	2024	Gunung Kombeng KKPA	2024	Kalimantan Timur Province	-
Rantau Panjang (PT Kresna Duta Agroindo)	2022	Rantau Panjang Estate	2023	Kalimantan Timur Province	-
		Rantau Panjang KKPA	2023		-
Jelatang Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi Province	Certified
Pelakar Mill (PT Kresna Duta Agroindo)	2020	Pelakar Estate	2020	Jambi Province	Certified
		Batang Merangin Estate	2020		Certified
		Tiga Serumpun KKPA	2024		-
Langling Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi Province	Certified
		Batang Gading Estate (PT Satya Kisma Usaha)	2023		-
		Batang Gading KKPA (PT Satya Kisma Usaha)	2024		-
Sungai Bengkal Mill (PT Satya Kisma Usaha)	2015	Sungai Bengkal Estate	2015	Jambi Province	Certified
		Sungai Bengkal Estate (RaCP process - 610.88 Ha)	2023		-
		Sungai Bengkal KKPA	2015		Certified
		Sungai Bengkal KKPA (RaCP process - 1,063.92 Ha)	2023		-
		Muara Kilis Estate	2015		Certified
		Muara Kilis Estate (RacP process - 1,460.54 Ha)	2023		-
		Kilis KKPA	2024		-
Bukit Kapur Mill (PT	2025	Bukit Kapur Estate	2025	Kalimantan Selatan	ST-1

SMART Tbk)		Sungai Cantung Estate	2025	Province	ST-1
Samsam Mill (PT Ivomas Tunggal)	2009	Samsam Estate	2009	Riau Province	Certified
		Samsam Estate (HGU on progress – 29.09 Ha)	2022		-
		Kandista Estate	2009		Certified
		Kandista Estate (HGU on progress – 158.46 Ha)	2022		-
		Palapa Estate	2009		Certified
Libo Mill (PT Ivomas Tunggal)	2009	Libo Estate	2009	Riau Province	Certified
		Nenggala Estate	2009		Certified
		Nenggala Estate (HGU on progress 419.9 Ha)	2022		-
		Sei Rokan Estate	2009		Certified
		Sei Rokan Estate (HGU on progress – 102.7 Ha)	2022		-
		Sungai Tapung Plasma	2009		Certified
Ujung Tanjung Mill (PT Ivomas Tunggal)	2009	Ujung Tanjung Estate	2009	Riau Province	Certified
		Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2023		-
		Kandis Sejahtera KKPA	2023		-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Riau Province	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2022		-
		Naga Sakti Estate	2010		Certified
		Naga Sakti Estate (HGU on process – 59.79 Ha)	2022		-
		Rama Bakti Estate	2010		Certified
Kijang Mill (PT Buana Wiralestari Mas)	2010	Kijang Estate	2010	Riau Province	Certified
		Kijang Estate (HGU on process – 56.07 Ha)	2022		-
		Kijang Kencana Plasma	2010		Certified
Ramarama Mill (PT Ramajaya Pramukti)	2010	Ramarama Estate	2010	Riau Province	Certified
		Ramarama Estate (HGU on process – 318.76 Ha)	2022		-
		Amartajaya Plasma	2010		Certified
		Smallholder (Ramarama KKPA)	2023		-
		Berkat Ridho KKPA	2023		-
		Produsen Rama Sawit KKPA	2023		-
Indrasakti Mill (PT	2011	Indralestari Estate	2011	Riau Province	Certified

Meganusa Inti Sawit)		Indrasakti Estate	2011		Certified
		Indragiri Plasma	2011		Certified
		Indrasakti Plasma	2011		Certified
		Mandian jaya KKPA	2022		Audited
Bumipalma Mill (PT Bumipalma Lestari Persada)	2012	Bumi Lestari Estate	2012	Riau Province	Certified
		Bumi Palma Estate	2012		Certified
		Bumi Sentosa Estate	2012		Certified
		Bumi Palma Estate (HGU on process – 39.21 Ha)	2022		-
		Kharisma Estate (PT Kharisma Riau Sentosa Prima)	2024		-
		Kharisma Plasma (PT Kharisma Riau Sentosa Prima)	2024		-
Sawita Mill (PT Sawitakarya Manunggul)	2022	Sawita Estate	2022	Kalimantan Selatan Province	ST-1
		Pamukan Estate	2022		ST-1
		Sawita KKPA	2024		ST-1
Kenari Mill (PT Bangun Nusa Mandiri)	2025	Gaharu Estate (PT Bangun Nusa Mandiri)	2025	Kalimantan Barat Province	-
		Kenari Estate (PT Bangun Nusa Mandiri)	2025		ST-1
		KerANJI Estate (PT Bangun Nusa Mandiri)	2025		ST-1
		Smallholder (Gaharu Plasma)	2025		-
		Smallholder (Kenari Plasma)	2025		-
Sungai Air Jernih Mill (PT Bahana Karya Semesta)	2023	Sungai Air Jernih Estate	2023	Jambi Province	-
		Sungai Mentawak Estate	2023		-
		Sungai Mentawak KKPA	2023		-
		Sungai Merak Estate	2023		-
		Sungai Badak Estate	2023		-
Sungai Perak Mill (PT Kruing Lestari Jaya)	2024	Sungai Perak Estate	2024	Kalimantan Timur Province	-
		Sungai Basung Estate	2024		-
		Sungai Pikan Estate	2024		-
		Sungai Pulos Estate	2024		-
		Sungai Pikan Plasma	2024		-
Sungai Kedang Mill (PT Harapan Rimba Raya)	2024	Sungai Kedang Estate	2024	Kalimantan Timur Province	-
		Sungai Tohan Estate	2024		-
		Kedang Pahu Estate	2024		-
		Sungai Pahu Estate (PT Rimba Rayatama Jaya)	2024		-
		Sungai Tohan Plasma	2024		-

	Sungai Pahu Plasma (PT Rimba Rayatama Jaya)	2024	
<p><i>TBP revised on 19 May 2022 and approved by RSPO on 14 June 2022</i></p> <p>There is revision of timebound plan on 19 May 2022 made by Head of Operations Sustainability. There are justification for mills and estates that postpone, with explanation:</p> <ul style="list-style-type: none"> • Pandawa KKPA supply base of Muara Kandis Mill is postponed to 2024 due to the SHM process. • Tanjung Rusa KKPA supply base of Tanjung Kembiri Mill is postponed to 2024 due to the SHM process. • Tanjung Sawit Estate dan Tanjung Sawit KKPA (PT Palmindo Biliton Berjaya) are postponed to 2024 due to still in process for HGU and land rights (SHM) • Kasuari Mill and supply bases are postponed to 2023 due to still in process of EIA (AMDAL) revision and permit for hazardous waste warehouse • Pekawai Mill and supply bases are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented • Kayung KKPA supply base of Pekawai Mill are postponed to 2024 due to still in process for land rights (SHM). • Kenanga Estate (PT Cahaya Nusa Gemilang) dan Delima Estate (PT Kencana Graha Permai) are postponed to 2024 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented. • Kencana KKPA and Kenanga KKPA supply base of Kenanga Mill are postponed to 2024 due to still in process for land rights (SHM). • Perdana Mill and supply bases are postponed to 2025 due to still in process for HGU • Kuayan Mill and supply bases are postponed to 2025 due to still in process for HGU • Belian Mill and supply bases are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented. • Belian KKPA, Muara Tawang KKPA and Kapuas Hulu KKPA supply base of Belian Mill are postponed to 2024 due to still in process for land rights (SHM). • Sungai Kupang KKPA supply base of Sungai Kupang Mill are postponed to 2024 due to still in process for land rights (SHM). • Sungai Kikim Mill and supply bases are postponed to 2022 due to still in process of EIA (AMDAL) revision. • Tangar Mill and supply bases are postponed to 2025 due to still in process for HGU. • Sungai Magalau Mill and supply bases and supply bases are postponed to 2023 due to still in process for HGU and RaCP (LUCA review). • Jalemo Mill and supply bases are postponed to 2023 due to still in process for HGU and RaCP (LUCA review). • Sako Mill and supply bases are postponed to 2025 due to still in process for HGU. • Medang Sati Estate (PT Saya Kisma Usaha) supply base of Hanau Mill are postponed to 2025 due to still in process for HGU. • Jak Luay KKPA and Bukit Subur KKPA supply base of Jak Luay Mill are postponed to 2023 due to still in process for land rights (SHM). • Gunung Kombeng KKPA supply base of Gunung Kombeng Mill are postponed to 2023 due to still in process for land rights (SHM). • Rantau Panjang KKPA supply base of Rantau Panjang Mill are postponed to 2023 due to still in process for land rights (SHM). • Tiga Serumpun KKPA supply base of Pelakar Mill are postponed to 2024 due to still in process for land rights (SHM). • Batang Gading Estate supply base of Langling Mill are postponed 2023 due to still in process for RaCP (LUCA review). • Batang Gading KKPA supply base of Langling Mill are postponed to 2024 due to still in process for land rights (SHM). • Kilis KKPA supply base of Sungai Bengkal Mill are postponed to 2024 due to still in process for land rights (SHM). • Bukit Kapur Mill and supply bases are postponed to 2025 due to still in process for HGU. • Rama-Rama KKPA are postponed to 2023 due to still in process for land rights (SHM). • Sawita Mill and supply bases are postponed to 2022 due to still in process for HGU. 			

- Sawita KKPA supply base of Sawita Mill are postponed to 2024 due to still in process for land rights (SHM).
- Kenari Mill and supply bases are postponed to 2025 due to the process for RaCP (LUCA review).
- Sungai Air Jernih Mill and supply bases are postponed to 2023 due to still in process for legality documents.

Then there are additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 plasma/KKPA) and have been included in the timebound plan to be certified in 2023, with the following details:

1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA.
2. PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA.
3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya).
4. PT Agrolestari Subur Sejahtera (previously the company name is PT Bumi Permai Surya Lestari): Bukit Permai Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified.
5. PT Agrolestari Hijau Sentosa (previously the company name is PT Bumi Bangka Lestari): Bukit Lestari Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified.
6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma Lestari Persada) which has been certified.
7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).

There are some companies that are not fully certified, due to some area still on process to get land title (HGU) and RaCP process, consist of:

- PT Sawit Mas Sejahtera (Sawit Mas Estate)
- PT Bumi Sawit Permai (Bumi Sawit Estate)
- PT Djuanda Sawit Lestari (Muara Kandis Estate & Muara Tawas Estate).
- PT Forestalestari Dwikarya (Tanjung Rusa Estate);
- PT Sumber Indah Perkasa (Sungai Merah Estate and Sungai Buaya Estate).
- PT SMART Tbk (Kinta Pura Estate)
- PT Tapian Nadenggan (Long Buluh Estate and Bukit Subur Estate)
- PT Ivomas Tunggal (Samsam Estate, Kandista Estate, Nenggala Estate, Sei Rokan Estate, Ujung Tanjung Estate);
- PT Buana Wiralestari Mas (Nagasakti Estate; Nagamas Estate and Kijang Estate);
- PT Rama Jaya Pramukti (Ramarama Estate);
- PT Satya Kisma Usaha (Sungai Bengkal Estate, Kilis Estate and Sungai Bengkal KKPA)
- PT Bumipalma Lestari Persada (Bumi Palma Estate)
- PT Tapian Nadenggan (Sei Rindu Estate)

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 1.3 Remote Audit	<p>ASA 1.3 Remote audit was carried by SGS Auditor, with team composition are:</p> <ol style="list-style-type: none"> 1. Zaenal Abidin (Team Leader), Has a degree in Forestry and CBE Auditor in PT SGS Indonesia, 25 years national experience in forestry sector in Indonesia. Has undergone the necessary ISO 14001, ISO 9001, RSPO and ISPO Lead Auditor course and involved in a number audits on oil palm plantations and forest certification. His specific qualification for RSPO audit is social and labour. 2. Rene Ugroseno, Has a Bachelor of Agriculture Science holder from Bogor Agricultural University of Indonesia. He has 7 years working experience in oil palm plantation sector in Indonesia. He has completed training on ISO 14001 and 9001 lead auditor, RSPO & ISPO Lead Auditor course. He has involved in a number of RSPO and ISPO audits in Indonesia. He was focus on Supply Chain for CPO Mill, Good Agriculture Practices, Legal, and Health & Safety. He is fluent in local language 3. Nanang Rusmana, Has a Bachelor Degree of Forestry from Bogor Agricultural University. He has 11 years working experiences in oil palm plantation and mining sector in Indonesia. He has completed training on ISO 9001, ISO 14001, SMK3, ISO 45001, RSPO P&C, RSPO SCCS and ISPO Lead Auditor Course. He has involved in a number of RSPO and ISPO audits in Indonesia.
ASA 1.3; ASA 1.4 4 & RC (Onsite Audit)	<ul style="list-style-type: none"> • Moh Arif Yusni (Lead Auditor). Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO LA Refresher Course, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social, TBP and Partial certification. • Yudhi Yuniarto Tallutondok (Auditor). Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation company in Indonesia. Training have been followed including Lead Auditor of ISO 9001:2015, Lead Auditor of ISO 14001:2015, ISPO Auditor Training, RSPO P&C Lead Auditor Training Course, RSPO SCC Lead Auditor Course, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness of OHS aspects, ISO 45001:2018, ISO 22000:2009, ISO 19011:2011, ISO 17021:2011, dan ISO 17065:2012. Has participated in audit activities for ISPO and RSPO scheme since 2017 for BMP, OHS, labour, social and legal aspects. In this audit activity performs the assessment of best management practices, OHS, worker welfare, social, legality and SCCS. • Radytio Puspanjana (Auditor). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. During the audit, he verified environment aspect, waste management, GHG and conservation aspect. • Ririn Wahyuni Sipayung (Auditor Trainee). Experience working for 6 years as a Sustainability Assistant in several private oil palm plantation companies in Indonesia. The trainings that have been attended include Refreshment New ISPO (Permentan 38 of 2020), ISO 14001, ISO 45001: 2018, ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, HCV Management in ISPO, In House Training in Best Management Practice, Environment, Employment, Social, and Transparency, Certification of <i>Calon Ahli Keselamatan dan Kesehatan Kerja (AK3U)</i> by the Indonesian Ministry of Manpower, Certification of ISPO Auditors by LPP and the ISPO Commission, Application of OSH in Oil Palm Plantations, Handling and Control of Plantation and Land Fires by Dinas Perkebunan West Kalimantan, Management Hazardous Waste by Dinas Lingkungan Hidup West Kalimantan, Traceability Supply Chain and Smallholder Engagement and others. Has participated in several audit activities and in this audit, activity verified the worker welfare and transparency aspects under the supervision of the Lead Auditor.

	Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 1.3 Remote Audit	Number of auditors: 3 auditors Number of days for ASA 3 Remote audit: 1 days Number of working days for ASA 3 Remote audit: 15 Working days
ASA 1.3; ASA 1.4 4 & RC (Onsite Audit)	Number of auditors: 3 auditor and 1 Trainee Auditor Number of days at site: 5 days Number of working days for at site: 15 Working days
2.2.2	Assessment Process
ASA 1.3 Remote Audit	<p>The assessment was conducted in accordance to SGS's RSPO P&C Remote Audit Guidance (Covid- 19) issued date 09 April 2020, GPP94B and other related certification procedures.</p> <ul style="list-style-type: none"> - An initial communication was made to client on 19 August 2020 together with submitting Audit Plan and request for relevant documents for a desk review prior remote audit date. - During initial communication, the ICT tools preference to be used for remote audit was explained and seeking confirmation that convenience for the client, including the method on how Auditor do remote audit (in this case is Skype for Business call / video). - On 31 August 2020, client was sending the required document via google drive. - On 31 August – 07 September 2020, Auditor Team conducted preliminary desk review of documents. - On 07 September 2020, Auditor team made contact to the client by phone call to check and confirm the readiness of client for remote audit such as internet connection, share documents & video or photo of facilities during the remote audit, access to palm trace transactions, and the use communication by phone call if necessary if the internet connection is not smooth. - On 08 September 2020, Auditor Team conducted remote audit via Skype for Business. <p>Opening Meeting An opening meeting was held through Skype for Business video conference and the scope of the assessment was explained (in this case is Microsoft Team conference video call, sharing screen document exchanges, etc) and schedules were determined and audit completion record (GS0310) was Completed.</p> <p>Remote Audit After the closing meeting, the remote audit was conducted through interview with client key staff, verifying documents and checking palm trace through share screen. The internet connection was fine with some little loss connection but it was manageable.</p>
ASA 1.3; ASA 1.4 4 & RC (Onsite Audit)	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Smart, Tbk – Tanah Laut Mill and its supply base to the requirements of:</p> <ol style="list-style-type: none"> 1. RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 2. RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>Additional Documents:</p> <ul style="list-style-type: none"> • RSPO Notice to CB on RSPO P&C On-site & Remote Audits, on 24th March 2020 • Contingency RSPO Audit Procedure (This procedure is applicable when force majeure (such as pandemics, natural disasters, civil unrest, etc.) preventing the audit team from conducting field verifications) 25 August 2020 • Contingency RSPO Audit Procedure for RSPO Principles & Criteria and Independent Smallholder Standard (Version 2) Approved by Assurance Standing Committee on 22 October 2021

The scope of certification of PT Smart Tbk consist of one mill (Tanah Laut Mill) and two (2) estate, namely Tanah Laut Estate and Kintapura Estate. Date of first certification of Tanah Laut Mill and supply base and at the time of initial certification, the CB that audited was SGS-Indonesia, but from the start of the Re-certification it changed to PT Mutuagung Lestari

The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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 directly observe the sufficiency of implementation on site.

Team of auditor started their trip from Jakarta to Banjarmasin and continued to site on 11 July 2022. Once arrived, team auditor conducted Opening Meetings in the Meeting Room of Region office of PT Smart Tbk. Opening meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies, communities, or previous landowners so that these activities are carried out by telephone. Furthermore, during field observation auditor only verification the activity and interview process carried separately by telephone. Document verification conducted separately through the electronic files.

Public Stakeholder Notification was made on Mutu Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also considered in the assessment

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix I.

Closing Meeting conducted in the region office of PT Smart Tbk on 16 July 2022. Closing meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel and unit of certification accepted the recommendation from auditor team regarding certification process.

Some opportunities for improvement of the results ASA 1.3; ASA 1.4 & RC delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2.1). All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of this assessment

	The assessment program please find Appendix 2
2.2.3	Locations of Assessment
ASA 1.3 Remote Audit	will be completed during the onsite audit
ASA 1.3; ASA 1.4 4 & RC (Onsite Audit)	<p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>1. Tanah Laut Mill</p> <ul style="list-style-type: none"> • Weigh bridges station. Observation and interview related FFB acceptance, SCC, and others. • Laboratory. Observation related work procedure, OHS and worker welfare • Grading station. Observations related to FFB quality, handling of FFB that did not pass the criteria, OHS and employment. • Engine room. Observations related best practices, OHS, and employment. • Boiler. Observations related to OHS, understanding of emergency response, and operator licenses • Oil storage. Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock. • Chemical material storage. Observation and Interview about storage condition, MSDS, OHS implementation, emergency facility, and material stock. • Workshop. Observation and Interview related to work procedure, OHS and workers welfare aspect. • Press Station. Observation and interviews related work procedure, safety aspect, worker welfare etc. • Schedule waste storage. Observation and Interview about storage condition, hazardous waste stock, emergency response facility, and waste management. • Mill Drainage. Observations mill effluent lines, sanitation mill and flow of leaching mill. • WWTP. Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies • Solid Waste. Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill. • WTP. Observations and interviews related to water management, recording of water use, health checks, PPE and waste management. • Empty bunch area. Field observations related to empty bunch management. • Reservoir. Field observations and interview related water source management, OHS, and environmental aspect. <p>2. Tanah Laut Estate</p> <ul style="list-style-type: none"> • Agrochemical storage. Observation and interview about worker welfare, hazardous waste management, OHS implementation, and understanding of work procedure • Fertilizer storage. Observation and interview about worker welfare, OHS implementation, and understanding of work procedure • Schedule waste storage. Observation and Interview about storage condition, hazardous waste stock, emergency response facility, and waste management. • Workshop. Observation and Interview related to work procedure, OHS and workers welfare aspect. • Oil storage. Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock • Workshop. Observation and interview about worker welfare, OHS implementation, and waste management • Firefighting storage. Observation about condition about the firefighting facilities and equipment. • Material storage. Observation and interview about worker welfare, OHS implementation, and understanding of work procedure • Housing. Observation and interview about domestic waste management, hazardous waste management, emergency facilities, and facilities provided for workers.

	<ul style="list-style-type: none"> • HGU stakes and land demarcation No. 21, No. 22 and No. 23. Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency. • Reclamation Area, Block R13. Observation the implementation of management in reclamation area for planting year 2021. • Mining area block E20. Observation the condition of the mining area management and reclamation for palm oil planted preparation. • HCV Habang River Riparian Area, Block D20. Observation the implementation of management in HCV of riparian area. • Land Application, Block C22. Observation for waste water management and nutrient cycle strategy. • Land fill Block D23. Observation related domestic waste management • Spraying. Observation related work procedure, OHS implementation, and etc. <p>3. Kintapura Estate</p> <ul style="list-style-type: none"> • Boundaries Poles No 44, 43, 42, 41, 1 and 02. Observation related legal boundaries and legal aspect • HCV Area (Salaman River Riparian). Observation related river riparian and HCV Area • HCV Area (Swamps Blok H08). Observation related HCV Area • Barn owl box. Observations related to biological control agents. • Harvesting. Observation related FFB quality, harvesting round, OHS, and employment. • Pesticides Application. Observation related pesticide application and OHS. • Beneficial plant maintenance. Observation related manual weeding procedure, OHS, and employment. • Hazardous waste temporary warehouse. Field observations related to the fulfillment of the attribute's health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse. • Fertilizer Warehouse. Observations relating to the implementation of storage hazardous material, Health safety and labor management. • Pesticide chemical material warehouse. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health. • Fire Fighting Equipment Storage. Simulation the function of fire extinguishers and team readiness. • Workshop. Observations and interviews with workers related to the management and implementation of health safety, and social worker. • Body shower of spraying team, mixing area and used sack rinse. Observation the conditions body shower room and PPE handling. • First Aid room. Observation and interview towards health facilities provided by company, infectious or medical waste management, housing health condition and manpower aspect. • Land fill Block H4. Observation related domestic waste management • Housing Complex division 1 & 2. Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities. • Daycare. Observation and interview with worker related labor aspect and OHS. • Sparepart and PPE warehouse. Observation minimum stock of PPE's. • Oil and grease. Observation related to management of oil and agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used. • Water pump room. Observation related to management of water management, waste and OHS. • Diesel Tank. Observation of OHS, environment aspect, emergency response and fire facilities. • Infrastructure storage. Observation related to management of civil management, waste and OHS.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 1.3;	Summary of stakeholder consultation process Consultation of stakeholders for PT Smart, Tbk was held by:

ASA 1.4 4 & RC (Onsite Audit)	<ul style="list-style-type: none"> • Public Notification on RSPO website on 02 June 2022 – 06 June 2022 • Public Notification on PT Mutuagung Lestari website (https://cutt.ly/JLJYWK8) on 02 June 2022 • Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 05 July 2022 • Public consultation meeting with government institution on 12 June 2022 • Public consultation meeting with community including previous land owner 12 June 2022 • Public consultation meeting with internal stakeholders and contractor 12 June 2022 <p>Numbers of input from stakeholders were clarified by PT Smart Tbk as part of this report</p>
2.3.2	Stakeholder contacted <i>Please find appendix 1</i>
2.4	Determining Next Assessment The next visit ASA 2.1 will be conducted eight (8) months to twelve (12) months after date of annual license

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has assessed Tanah Laut Mill- PT Smart Tbk, subsidiary of Golden Agri Resources Ltd, operation consisting of one (1) Mill and two (2) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Minor Compliance Indicators and five (5) 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.

MUTUAGUNG LESTARI found that Tanah Laut Mill- PT Smart Tbk, subsidiary of Golden Agri Resources Ltd complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia 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.
1.1.1	<p>The company has used procedure of Communication and Consultation (SOP/SMART/UMUM/ SADV/II/004) issued in 2014. It explained the hierarchy of responsible person for the provision of information to the relevant parties. SOP stated that every information request should be responded not later than four weeks since the date of information receiving. Each aspiration has been recorded in the form # F/SMART/UMUM/SADV/004/001.</p> <p>All information can be accessed by interested parties. Provision of information to be known by Estate Manager and approved by the Regional Controller (RC). If the information is confidential trade must go through the approval of Head Office. The company had of list the types of information that can be accessed by the public and recorder in form# F/SMART/UMUM/SADV/004/ 003. The contents such as worker information, land title, corporate legality, HCV and others refers to RSPO P&C standard.</p> <p>The environmental aspect, such as The receipt of reports on Air Pollution management, Water management Control, hazardous Pollution management and environmental management and monitoring reports (RKL-RPL) with electronic receipts 1646208623-1169. Reporting for scope PT SMART. The environmental management and monitoring reports have been sent to the Districts, Provinces and Ministries in an integrated manner online.</p> <p>In the document, the list of accessible information covers relevant legal, social, and environmental aspects related to sustainability. These documents include land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessment, and human rights policy. Based on interviews with government agency and Village Head of Bukit Mulya and Kintapura, they area already know the types of documents accessible to the public.</p>
1.1.2	Based on the results of document review and interviews with agencies, such as the Tanah Laut Regency Plantation

Service, the Environment Service, Land Office and Manpower Office, it is known that the information presented by the certification unit has been presented in an appropriate language and can be accessed by the agency.

The unit of certification has provided evidence that the information has been received in an appropriate form and language for the relevant stakeholders, such as reports on the implementation of environmental management RKL-RPL semester II of 2021 by the Environment Agency of Tanah Laut Regency on Februari 3, 2022.

1.1.3

Procedure of Consultation and Communication No. SOP-SMART-UMUM-SADP-I-004) dated July 1st, 2016. This procedure mentioned that all the information request will be responded by unit of certification not more than 3 weeks after the incoming letter. According to Regional/Production Controller Decree it was known that PIC on information dan communication was carried out by Manager Unit.

Personnel who are responsible for communication and consultation is manager and unit head and all information request has documented in a Book of Communication and Consultation.

The unit of certification records requests for information from stakeholders which are recorded in the communication and consultation logbook and also the book People's Aspirations and Responses. Based on those Logbook for Period 2021 review, it was known that there is no letter related to information request, most of the letter mentioning assistance, support or donation for some activities proposed by surrounding stakeholders. However, all proposal letter has responded by unit of certification less than 3 weeks. For example there is a letter from the Kintapura estate employee regarding a request for additional clean water for employee events on May 30, 2022, the company has responded to the letter by procuring clean water according to letter no.126/KNTE-DV01/V/2022 dated May 31, 2022.

1.1.4

The unit of certification has shown records regarding the consultation and communication procedure socialization to stakeholders. The socialization was conducted on March 15, 2022 to employees and stakeholders. The socialization was delivered by SPO Officer and approved by the Estate Manager.

Based on the results of interviews with community representatives and village leaders and local contractors, and other stakeholders, it is known that they understand the communication mechanism owned by the company. The village did not object to the existing complaint submission mechanism.

1.1.5

The company shows the SOP for Stakeholder Engagement No.SOP/SMART/SENS-CSR/SADV/II/001 which explains that the officer is responsible for updating and updating the stakeholder list.

Based on the results of the verification of PT SMART's stakeholder list document which was updated as of July 2022, there are still several stakeholders that have not been included in the list, for example BPJS, the tax office (government), local suppliers, hazardous waste management contractors, nearby companies, NGOs and schools. Furthermore, based on random checked with stakeholder list, for example National Land Agency and Environmental Agency of Tanah Laut Regency still relevant with contact person stated.

Based on the results of document verification and interviews, the company already has information about stakeholders that has not been included in the list, but is documented separately according to their respective PICs. Companies are encouraged to update regularly related to stakeholders, contact numbers and level of interest with the company in an integrated manner. **OFI**

Status: Comply

1.2

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

1.2.1

The Company is committed to ethical behavior in all transactions and business operations that are guided by the company's shared values, namely, integrity, positive attitude, commitment, continuous improvement, innovation, and

loyalty as well as in accordance with the principles of sustainable oil palm plantation management.

The policy is implemented by:

1. The company will continue to socialize and practice shared values to all employees
2. The company applies ethical standards of behavior in the management of all business practices, including the perspective and behavior of each other, stakeholders, the environment, and the wider community
3. The company recognizes, implements, and encourages Good Corporate Governance through transparent and open business practices
4. The company will impose sanctions on employees in accordance with applicable regulations for all acts of corruption, bribery, and fraud in the use of funds and resources

Based on this explanation, the unit of certification has a policy for ethical behavior.

1.2.2

The company has made a socialization schedule to monitor compliance and implementation of the policy by conducting regular socialization of the code of ethics to stakeholders.

For example, the company socializes the code of ethics to contractors on April 29, 2022 at the Village Office.

1. The company will continue to practice and disseminate shared values to all of our employees in carrying out all forms of business activities
2. The company is committed to ethical standards of behavior in the management of all business practices, which includes how we treat each other, our stakeholders, the environment, and the wider community
3. Etc.

Based on the work agreement documents with employees and/or third parties (for example: contractors), it is known that the points related to the code of ethics policy have been stated in the work agreement. The results of interviews with workers and representatives of contractors are also known that they already understand the code of ethics policies that apply in the certification unit for all operations and business transactions.

And the company has compiled a schedule to carry out the socialization of the code of ethics to contractors in 2022.

Based on the document review, the company monitors the implementation of the code of ethics by monitoring contractor inspections that are carried out regularly.

Based on this explanation, the certification unit already has a system to monitor compliance and implementation of these policies, as well as ethical business practices as a whole.

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

Certification unit shows several laws and/ or regulation pursuance in several aspect, for example as follows:

Best Management Practice

In terms of best management practices, it is known that estate 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 (IPM), biological control and only uses pesticides that are listed on the pesticide government website.

OHS Aspect

Based on the verification document

the results of the review of the Operator's List of Names, it is known that the certification unit already has workers who have received training in accordance with the type of work regulated in government regulations, which are summarized

as follows:

- a. The certification unit has 3 diesel motor operator class 1 who already has a license, for example the initials WN with a license validity period of up to December 23, 2024.
- b. The certification unit has 2 boiler operator who already has a license, for example the initials GR with a license validity period of up to August 16, 2026.
- c. The certification unit has a wheel loader operator who already have a license, for example the initials MF with license number P.12.340-OPK3-LT/PAA/VIII/2017 with a validity period of up to August 18, 2022.
- d. The certification unit has 4 electric technician who already have a license, for example the initials AD with license number 7189/TK3-LIST/VII/2020-P01 with a validity period of up to July 17, 2023.
- e. The certification unit has a grader operator who already have a license, for example the initials BS with license number 14.34851-OPK3-LT/PAA/V/2019 with a validity period of up to May 2024.
- f. The certification unit has a TLB operator who already has a license, for example the initials TN with a license validity period of up to June 2023.
- g. The certification unit has 2 tractor operator who already have a license, for example the initials WY with license number 11954-OPK3-LT/PAA/VII/2018 with a validity period of up to June 2023.

Environmental

- The Environment Impact Assessment has been endorsed based on Decree of *Badan Agribisnis Kementerian Pertanian RI* No. 14/ANDAL/RKL- RPL/BA/M/1998 date 30 April 1998. The scope of assessment estate, mill, and social aspect covering 12.005 ha area and 60 MT FFB/hours of Mill capacity.
- Permit for the Temporary Storage of Hazardous and Toxic Wastes from the Regional Government based on the Decree of the Head of the Investment Service and One Stop Services of Tanah Laut Regency No. 140/16-PLB3/DPM-PTSP/2019 dated 6 August 2019 and is valid for 5 years.
- Decree of the Regent number No.188.45/449-KUM/2016 concerning Permit for Utilization of Wastewater in Soil to PT SMART dated 18 April 2016, the permit is valid for 5 years, during audit conducted extend permit still in progress.

Land legality

In term of legal and permit regulation compliance, company are able to shown several documents, such as Location Permit, Plantation Business Permit and Land Tenure or Land Use Right (HGU). Compliance with the regulation on the licensing for plantation business, based on Ministry of Agriculture Regulation No. 98 year 2013 the company can presented Plantation Business Permit (IUP) of PT Smart Tbk is shows through Decree of Tanah Laut Regency 13 Tahun 2003 dated 30 January 2003 for area covering 11,700 Ha and No. 324 Tahun 2006 dated 4 September 2006 with mill capacity 30 Ton Tonnes FFB/hours

Compliance with labor regulations

The company has complied with regulations in labor aspects such as minimum implementation, registration of labor unions, national health and labor insurance (BPJS), no child and forced labor, etc. Based on interviews with stakeholders such as government agencies, it is known that the company has complied with related regulations, for example: no workers under 18 years old, its application to drinking jobs, and there are no negative issues related to.

2.1.2

To ensure the laws and legal compliance, the company has had a mechanism to assess compliance with the laws and regulations set in the SOP of Rules and Other Requirements (No. SOP/SPO/SMART/LH-03). Starting with inventorying and make a list of the rules applicable in regional, national, and international. The list updated semesterly by Assistant, Document Controller and assisted by the relevant department in accordance with the procedure. Those lists were include of regional, national, and ratified international regulations. The compliance of regulation conducted regularly, dated 31 January 2022. The company have shown list of updated regulation related to the field of employment, environment, HCV, OHS, and legality of land use, in example for employment aspect are:

- Government regulations No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs
- Government regulations No 36 of 2021 concerning Wages

2.1.3

Legal (HGU) boundaries are clearly demarcated and maintained based HGU Map issued by National Land Agency. Based on virtual field observation on HGU poles and land demarcation in all Estates, known that HGU poles sampled were available in the field, and other boundaries such as boundary drain, and road were maintained. There is no planting exceed the HGU boundary. Other than that, the company has had SOP of HGU Poles Installation and Maintenance (No. SOP/SMART/CERS-EHSD/SADV/I/004), set that the poles maintenance will be conducted quarterly.

The unit of certifications can present the result of monitoring boundaries poles, in example:

- Monitoring poles in TLTE in 2022. Carried out on January and April 2022 based on monitoring it was known there are 37 boundaries poles in TLTE, however from the total boundary's poles obtained information 5 poles are missing due to mining activities. Interview with managements was known since the area managed by mining company, the company cannot carry out activities in the area and the program for follow up mining poles can be carried out after the mining activity was ended
- Monitoring poles in KNTE in 2022. Carried out in March and June 2022 there are 44 monitoring poles, all poles are in good condition

Based on observation to eight (8) BPN Poles in Tanah Laut Estate dan Kintapura Estate, it was known that BPN poles were well maintained and easy to identified. Furthermore, coordinate marked by Auditor through application GPS-Map were match with coordinate settled by BPN.

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
List of contractors is presented in document "Daftar Kontraktor dan Pemasok TBS" 2022, which informs stakeholder category, name of PIC, relation, address and contact number. Currently, unit of certification has 12 contractors/ suppliers. Based on document verification show that the number of FFB supplier and contractor is in accordance with the list of stakeholders where the number of FFB supplier and contractor are 12 stakeholders which also includes hazardous waste transporting and machine maintenance contractors at the mill.

2.2.2
The company has contracted parties, namely 1 FFB Contractor, on behalf of Manan H Ali for the transportation of FFB in Bukit Mulia Village, Kintap District 70833

The company has also complied with the law in every cooperation document. For example, in the environmental and OHS points that the second party must comply with the laws and regulations related to employment, especially the wages and age of workers, and must comply with the requirements specified in the implementation of the safety and health management system.

2.2.3
The company already has partnerships with FFB contractors, for example a contractor with the initials AS with contract number 005/TBS/SMARTTbk/III/2020, explaining that there are prohibitions involving child labour, forced labor, and human trafficking. Based on the results of interviews with the contractor, that the company has also carried out socialization of the prohibition of child labor to the contractor.

Based on this conclusion, the unit of certification has prohibited practices involving child labour.

Status: Comply

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

2.3.1
The unit of certification can present list of FFB supplier that accepted by mill that divided with direct and indirect supplier , as follows:

1. Direct Supplier

The direct supplier of FFB that accepted in Tanah Laut Mill originally from its own estate under the scope of certifications and other estates under the subsidiary of GAR which been obtained RSPO Certificate, namely

- Non Certified Area Kintapura Estate
- Non Certified Area Tanah Laut Estate

2. indirect Suppliers

- CV Borneo Sakti Atamaran 13 farmers 481 (16 Ton / Ha)
- CV Berkat Tani (6 farmers) 146 (37 Ton / ha)
- CV Joya Anugerah Jaya (24 Farmers) 112 Ha (54 Ton/ Ha)

2.3.2

Based on explanation above (2.3.1) it was known there are three (3) indirect suppliers which delivered FFB to Tanah laut Mill. To identify the FFB legality, the company has been inventoried all FFB Supplier. During the audit process, evidence of legal compliance from each supplier can be shown, for example **CV Borneo Sakti Atamaran**

- Business Registration Number: 9120215282202 dated 24 December 2019
- Address: Jln Jeruk, Kom Bukit Sirkuit Damai Block D, No 177, Kel Sungai Ulin, Banjarbaru Utara Sub District, Banjarbaru City, Kalimantan Selatan
- Number of Supplier: 13 farmers
- Total Area: 481 Ha
- Detail location, Legal Document, geolocation for farmer, ie:
 - a. Farmer name: H. Rahimullah
 - b. Farm Area: 48 Ha
 - c. Planting Year: 2016
 - d. Ownership Document: Land register certificate / SKT
 - e. Address, Village of Sungai Cuka, District of Kintap, Tanah Laut Regency,
 - f. Coordinate: S 3° 40' 20.4"; E 115° 21' 36.3"

Status: Comply

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

3.1

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

3.1.1

Based on the verification of basic info documents and interviews with management representatives in the onsite audit, it is known that the certification unit has a long-term plan for the period 2021-2026, for certification. The document contains crop estimates, CPO production, cost projections, and infrastructure development with details are as follows

Descriptions		Projection					
		2021	2022	2023	2024	2025	2026
FFB Production							
• TLTE	MT	29,149	24,397	16,558	10,986	18,823	29,650
• KNTE	MT	23,802	27,954	26,949	26,672	19,918	13,746
CPO Production	MT	11,244	11,125	9,245	8,002	8,233	9,222
PK Production	MT	2,821	2,748	2,284	1,977	2,034	2,278
OER	%	21.23	21.25	21.25	21.25	21.25	21.25
KER	%	5.33	5.25	5.25	5.25	5.25	5.25
Mill Capacity	MT/ Hours	32.17	31.30	31.30	31.30	31.30	31.30

3.1.2

The certification unit has a long-term plan for replanting activities signed by each Unit Head for the period 2021 – 2027 with the following explanation:

Years	Tanah Laut Estate (Ha)	Kintapura Estate (Ha)
2022	508	-
2023	543	-

2024	508	-
2025	174	472
2026	-	449
2027	-	361
Total	1,733	1,282

Based on field observations in the operational area of Tanah Laut Estate, it is known that the company is carrying out replanting activities with a mechanical system

3.1.3

The certification unit routinely evaluates management plans through internal and external audits. The company in this case shows the results of operational audit for estate and mills which was carried out on December 2021. The objects being audited include:

- Production and plants.
- Estate and mill cash.
- Automotive engineering.
- Civil engineering.
- Personnel.
- Division administration.
- Palm oil mill.
- Evaluation report.

All the results of the audit have been carried out with corrective efforts complemented by preventive measures so that similar incidents do not happen again in the future.

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. The action plan for continues improvement is implemented base on consideration of the main social and environment impact for example as shows through several documents, as follows:

- a. Internal audit report of RSPO PnC for 2021 period.
- b. Independent Accountant Audit Report No. 00063/2.1090/AU.1/01/0155-1/1/III/2022 dated 17 March 2022, conducted by Auditor from Mirawati Sensi Idris. Auditor opinion stated that based on review, nothing has come to auditor attention that causes to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of PT SMART, Tbk. and its subsidiaries as of 31 December 2021, and their interim consolidated financial performance and cash flows for the six-month period then ended, in accordance with Indonesian Financial Accounting Standards.
- c. Monthly Estate and Mill Manager report which informed unit performance.
- d. The certification unit has a work accident prevention program that aims to reduce the level of work accidents through the Safety Performance Indicator (SPI) program with a target of zero fatality, medical aid at least 1 for mill and 0 for mill, LTI of at least 6 for estate and 3 for mill, and the number of days lost at least 11 days for estate and 0 days for mill.

The company has taken actions for continuous improvement in environmental aspects, for example:

- Has made efficient use of fossil fuels by using renewable fuels, namely shells and fiber) as boiler fuel.
- Conducting surface water quality testing and monitoring wells every 6 months.
- Conduct air quality and emission testing every 6 months.

3.2.2

Unit of certification shows RSPO metric template Version 2.1 during the time of audit. As checked properly, it was known that all data provided were match with actual situation. Based on document verification, for The RSPO metric template

known annual data 12-month periods use (January to December 2021) for schedule reporting annual data social and environmental, included supply chain records, demographic workers, production area, water usage, FFB productions, work accidents, pesticide using and etc. The annual report document using the RSPO metric template format that has been provided to the auditor team at the time of the assessment.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The certification unit already has operational procedures consisting of SOP's for Agronomy and Palm Oil processing. In the agronomy procedures, it is regulated including oil palm planting, fertilization, weed control, water management, harvesting, pest control, replanting, fire prevention on land, PPE standards, pesticide management, and soil and water conservation. In palm oil processing procedures, among others, regulate the acceptance of FFB, supply chain, boiling (sterilization), stripping, digestion, pressing, clarification, separation of seeds and fibers, core stations, stockpiling of oil and palm kernel, laboratory management, boilers, engine power, types of mill machinery, security, and work safety, shipping, PPE standards, management of spills and spills, Lock Out and Tag Out, investigation of work incidents and accidents, as well as granting work permits.

All SOP above were available in Bahasa. Master list of procedure for estate and mill were keeps by Head of Research and Development and Head of Engineering, respectively. Document control of SOP was conducted by General Manager of Administration and SOP Management Compliance. Based on SOP document review, it could be concluded that all SOP's were still relevant with current situation and covers all aspect of best management practices in the estates and mill.

This procedure is conveyed to workers in the form of training and installation of related procedures at certain stations/ locations, as well as installing processing work instructions at each Mill station and installing work instructions for hazardous waste management in chemical warehouses.

Based on field observations at the mill and estate during the audit, it is known if procedures have been implemented and workers can describe and demonstrate their work according to the procedures, referring to operational, safety and environmental best practices.

3.3.2

The certification unit has a system that ensures consistency in the implementation of its SOP's, such as a check or inspection of the quality of work (operational audit of estate and mill), RSPO internal audits that check whether procedures in the certification unit have been implemented by the certification unit and financial audits carried out by external parties to ensure the usage or fees used are in accordance with the rules set by the certification unit. Daily internal supervision is carried out by the supervisory level starting from the Foreman, Division Assistant, Assistant Head, to the Plantation Manager. Operational audits are conducted once a month. Operational audits evaluate the operational and administrative performance of plantations and mills. Meanwhile, the RSPO internal audit is conducted once a year to evaluate the implementation of sustainability procedures in plantations and mills. Public accountant financial audit is conducted once a year. Furthermore, management representatives (related Assistants, Managers and Bosses) regularly make inspectorate visits to control the implementation of procedures.

3.3.3

The following is an example of the implementation of the inspection of the implementation of procedures at the Tanah Laut Mill which is shown in the Risk Base Audit document for the inspection period 2021. In the document it is known that the Internal Auditor carried out inspections related to the follow-up to previous audits, productivity, throughput, inventory CPO and Palm Kernel, weighbridge condition, as well as a plan to repair any non-conformities. All the results of the audit have been carried out with corrective efforts complemented by preventive measures so that similar incidents do not happen again in the future. Based on field observations at Mill and Estates also show that workers have carried out work according to work procedures and safe work practices.

Temporary for the RSPO internal audit conducted on 27 June – 01 July 2022. All of RSPO indicators has been assessed and complied. Management review of RSPO implementation conducted on 25 July 2022. The management review

discussion has covered the input from internal audit result, correction and corrective action, and process Performa, follow up of previous management review, and recommendation for improvement.

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

The company already has environmental impact assessment documents in the form of AMDAL Documents approved by the Minister of Agriculture through Letter of Approval # 14/AMDAL/RKL- RPL/BA/IV/1988 dated 30 April 1998 concerning the Approval of ANDAL and RKL-RPL of PT SMART Corporation.

Preparation of AMDAL documents based on PP No. 51 of 1993 concerning Environmental Impact Analysis (AMDAL) and KepmenLH No. 39/MENKLH/8/1996 concerning types of businesses that must be accompanied by an Environmental Impact Analysis (AMDAL), in the regulation states that the type of plantation business that has an area of 11,700 Ha and above must be equipped with an AMDAL Document.

The scope of the study of AMDAL documents includes a Location Permit area of 11,700 Ha (Location Permit issued by the National Land Agency No. 460.3/12/KPT-OB dated 30 August 1994) and a plan for the construction of 1 mill with a capacity of 60 Tons of FFB/Hour.

AMDAL assessment has included consultation with relevant stakeholders to identify impacts and to develop any mitigation measures.

PT SMART Tbk. has conducted a survey and Social Impact Assessment (SIA) in 2010 by SMART Research Institute and recorded in Report SIA – Study of Social Impact Assessment in Palm Oil Plantation (*Laporan Studi Identifikasi Dampak Sosial Perkebunan Kelapa Sawit*) by SMART Research Institute Jakarta. Its covered villages around estate refer to Decision letter of BAPEDAL No.299/III/1996 about technical guide of social aspect within the AMDAL document preparation. Assessment conducted with several method including FGD, interview and survey.

The 2010 SIA assessment was carried out by involving affected parties through data screening using interviews and FGDs. Evidence of its implementation can be seen in the list of attendees at the SIA document.

The SIA document illustrates that participatory assessment is carried out through interviews and FGD methods for the community and their representatives, namely the village government, customary and community leaders, who freely express their opinions.

The High Conservation Value areas have been identified and assessed by the Biodiversity and Conservation Section of the Sustainability Division of the SMART group on Nov 2011 (TLTE and KNTE). The assessors are the RSPO-approved HCV assessor (Norman Faried M., Kusuma Widya R., and Bambang Setiaji). When compiling the HCV document, the ALS scheme has not been issued by the RSPO Secretariat and still uses the Approved RSPO HCV Assessor scheme by using the Value Area Identification Guide High Conservation in Indonesia, Consortium Revised HCV Toolkit Indonesia, July 2008. An explanation of the implementation of the management and monitoring plan related to HCV and GHG is explained in the SEIA management and monitoring report.

3.4.2

The Company shown evidence that the SEIA related documents has been arranged through participatory manner, involving affected stakeholders. For instance in SIA document attached minutes of meeting and questionnaire from Villages of Bukit Mulya village, Kintapura Kecil village, Sumber Jaya village, Salaman village and Kintapura village.

Based on interview with stakeholders (Labor Union, Gender Committee, Salaman Village and Kintapura Village), known that SEIA conducted in participatory manner. Those assessments have identified the positive and negative impacts for internal and external stakeholder, as well as biodiversity, caused by company's operational activities, among others in

aspects of livelihood, health, land tenure, employment, education, economy, social, cultural and religious, etc. Based on document review, and stakeholder consultation, known that the SEIA documents has covered all operational area and impacts of its activities.

3.4.3

PT SMART Tbk environmental management and monitoring activities are contained in the semi-annual environmental management and monitoring implementation reports that have been reported to the relevant agencies. For example, reports on the implementation and management of the environment for the period of semester 2 of 2021 have been reported to the government with evidence shown as follows, for example electronic receipts 1646208623-1169.

Based on the document of the Environmental Management and Monitoring Plan of PT. SMART Tbk, which has been prepared previously, there are 9 (nine) significant impacts that are managed and monitored, namely:

- Mill effluent monitoring for land application
- River quality monitoring (upstream and downstream of Habang River).
- Air ambient monitoring on TLML.
- Noise monitoring on TLML
- Odor monitoring
- Boiler air emission
- Generator air emission
- Soil quality monitoring
- Ground water
- Erosion monitoring
- Biodiversity and plant disease and pest monitoring
- Water Quality testing
- Hazardous waste
- Labor Absorption & Income Increase
- Public Health
- Land Fires

Based on the results of the verification of the environmental management and monitoring plan document for semester 2 of 2021, information was obtained that there is no negative impact on the environment arising from the company's operational activities.

The impact identified in SIA has been managed and monitored through SIA Management and Monitoring Plan. The plan describes monitoring indicator, monitoring method, PIC and frequency. The compiled based on the results of reviews of management plan on 8 September 2021, which conducted in a participatory manner. The SIA Management and Monitoring implementation on 2021 has been evaluated and updated, document namely "public consultation social livelihood assessment" on 18 to 19 October 2021.

The SIA Management and Monitoring implementation on 2021 has been evaluated and updated, document namely "public consultation social livelihood assessment" on 2021, involved nearest community included the Village Heads around the company (Bukit Mulia Village, Kintapura Kecil Village Head, Sumber Jaya head Village, Salaman head Village and Kintapura head village).

The results of the review of the Social Impact Management and Monitoring Plan Review Report document, there have been results of minutes with affected parties regarding issues / negative perceptions related to the things mentioned above. The review has involved workers from PT SMART Tbk and surrounding villages. Based on the results of the review, there are improvements to the management and monitoring plan prepared for the 2021 period.

Regarding the social management and monitoring plan owned by the company, the company has carried out a review that is carried out every two years and monitoring every year. During this covid pandemic, GAR has developed a Field Activity Guide for Reviewing/Monitoring Social Impacts during the Covid -19 Pandemic. In November 2021 the company carried out a review of impact management for the period 2019 - 2021 and the development of a social management plan for the period 2022 - 2023, in which the process was participatory by involving relevant stakeholders.

In relation to the social management and monitoring plan owned by the company, the company has conducted a review which is carried out every two years and monitoring once a year. During the COVID-19 pandemic, GAR has developed a Field Activity Guide for Reviewing/Monitoring Social Impacts during the Covid-19 Pandemic.

In July 2022 the company has reviewed the management of social impacts for the period 2019 - 2021 and developed a social management plan for the period 2022 - 2023, in which the process has been participatory by involving relevant stakeholders but is still limited to trade union officials, gender committees and Village Administrators (*Kades, Sekdes, BPD*). Based on the results of the review of the review document, companies are encouraged to carry out a more in-depth mapping of key stakeholders in the social impact monitoring process, for example for external stakeholders by paying attention to women, migrants, residents, youth leaders, contractors and for internal stakeholders by paying attention to the representation of workers involved. broader scope such as local workers, migrants, women, new workers including contract workers. **OFI**

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1, 3.5.2

The company has a recruitment-related system in place in the policy set on August 1, 2017 which explains:

1. Done without distinction of race, national caste, religion, disability, gender, sexual orientation, union membership, political affiliation, and age
2. Not withholding formal identity documents from prospective workers such as Identity Cards (KTP), passports, or Driving Permits (SIM)
3. Not accepting prospective workers/laborers who are under 18 (eighteen) years old
4. Does not charge any fees or security deposits to workers/ laborers in the recruitment process
5. Ensure that the recruitment process is carried out by people who have the ability to analyze and prevent forced labor or human trafficking
6. Ensure the legality of third parties who cooperate with the company in the recruitment process and follow recruitment procedures in accordance with applicable laws and regulations and are fully documented (personnel identity, recruitment fees, etc.)
7. The company ensures that all its partners comply with and implement all company policies.

From the document review, the company can show evidence related to the implementation of the procedure, including the prospective worker not under 18 years old, the company not holding the original ID card, original certificate, or other original documents owned by the prospective worker.

And for promotion, the company has also set an employee promotion assessment consisting of an assessment of work discipline, work quality, work quantity, cooperation, etc

Regarding the procedure for retirement, termination of employment and others, the company has regulated in the cooperation agreement document which is regulated by both parties and determined by the Manpower Agency.

Based on this explanation, the certification unit already has a system for managing workers in the company.

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 carried out a risk assessment to identify Occupational Health & Safety issues in all operations, which are documented in the PT SMART, Tbk Assessment for the 2022 period, which was approved by the Head of OHS Committee in January 2022. The document describes the type of work, potential hazards/ risks that will arise, effects and risk categories, as well as risk control. This assessment covers all hazards and risks in estate, such as herbicide application, fertilization, harvesting, slashing, landscaping, FFB loading, transportation, desilting, thinning & care, pest and disease control, warehouses and so on.

Based on field observations and interviews with workers in agrochemical warehouses, known that officers have understood the potential work risks and how to minimize these risks. The certification unit also shows the *ISBPR (Identifikasi Sumber Bahaya, Penilaian dan Pengendalian Resiko)* document for the Mill unit which describes the results of hazard identification and its control in FFB weighing operations, loading ramp stations, sterilizer station operations, thresher stations, press station operations, boiler station operations and so on.

The certification unit demonstrates its mitigation plans and procedures through its OHS Policy document which explains that the certification unit is committed to providing a healthy, safe and conducive work environment for employees, contractors and visitors in carrying out activities, projects and programs across estate, mill and offices.

In addition, the certification unit has also established procedures to mitigate OHS problems in all operations, including SOPs for First Aid in Accidents and SOPs for Personal Protective Equipment. In addition, the certification unit has also prepared OHS Committee programs, such as regular OHS Committee meetings, HIRAC evaluations, employee periodical MCU, FR/ SR work accident data, OHS Committee quarterly reporting and others.

3.6.2

Monitoring the effectiveness of the OHS plan in dealing with health & safety risks is carried out on a regular basis through monthly OHS Committee meetings that discuss OHS issues in the certification unit. The following are some recordings of activities monitoring the effectiveness of the OHS plan through monthly OHS Committee meetings:

1. Minutes of the Safety Meeting for the period April 2022, on April 25, 2022, with discussions covering the review of the OHS program, availability of employee PPE, training program in 2022, results of employee PPE inspection and inspection results of fire extinguishers, hydrants and first aid kits. The meeting was attended by 11 participants.
2. Minutes of the Safety Meeting for the period June 2022, on June 16, 2022, with discussions including the review of the OHS program, availability of employee PPE, training program in 2022, results of employee PPE inspection and inspection results of fire extinguishers, hydrants and first aid kits. The meeting was attended by 13 participants.

Based on interview with the Manpower Agency of Tanah Laut Regency, it is known that occupational accidents have been reported regularly in the OHS Guiding Committee quarterly report. There are no cases of fatality.

Based on interviews with management revealed that OHS inspections for mill machines are always carried out routinely based on each tool, further explained that the last OHS inspection was carried out in August 2021 for boiler machines. The certification unit always provides training related to mill machinery and equipment to each operator at all stations to maintain the competence of each operator or worker.

	Status: Comply	
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3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.

3.7.1

The company has a training program set for 2022, while the training program includes socialization for several policies owned by the company such as human rights policies, business ethics policies, policies on equal opportunities and treatment in employment opportunities, policies on freedom of association and understanding of human trafficking, etc Based on this explanation, the certification unit already has a training program prepared for 2022.

The certification unit shows a letter from OHS service company stating that the licenses for Estate and Mill employees are in the renewal stage with the following explanation:

1. 4 first aid officers (Tanah Laut Mill) who already have an OHS license with the initials BN with No. Ser.3611/PK3-P3K/VIII/2017 and is effective from July 2018 until June 2022.
2. Electrical OHS technicians (Tanah Laut Mill) who already have an OHS license with the initials SJ with No. 15915/TK3-LIST/VI/2017 and is effective from June 2017 to June 2020.
3. 1 overhead crane operator (Tanah Laut Mill) who already has an OHS license with the initials AR with No. P.10.1138-OPK3-OC/PAA/IX/2016 and is effective from September 2016 until September 2021.
4. 1 tractor operator (Tanah Laut Estate) who already has an OHS license with the initials TN with No. P.10.7656-OPK3-LT/PAA/IX/2016 and is effective from September 2016 until September 2021.
5. 2 first aid officers (Tanah Laut Mill) who already have an OHS license with the initials SW with No. 566/2202/Was-

NKT/2019 dated July 15, 2019 which is valid until July 15, 2022.

6. Lifting operators (Kintapura Estate) who already have an OHS license with the initials AS with No. 3936-OPK3-LT/PAA/IX/2016 and is effective from September 2016 until September 2021.
7. First aid officers (Kintapura Estate) who already have an OHS license, for example with the initials NN with No. 3605/PK3-P3K/VIII/2017 and is effective from June 2019 to June 2022.

The Certification unit has the opportunity to ensure the progress of the extension of the OHS license for all employees (OFI).

3.7.2

The company has a managed training record, for example, every policy that is socialized by the company documenting it with a list of attendance of everyone who attends, for example for the socialization of policies on business ethics, human rights and forest fire prevention, on 29 April 2022 at the village office attended by 3 village community representatives (Bukit Mulia Village Head, Sungai Cuka Village Head, Pasir Putih Village Head). Based on the document review, the company has documented training records for FFB contractors and suppliers in 2021 consisting of attendance lists and documentation of training implementation.

Based on this explanation, the company has recorded the training that is managed.

3.7.3

Training Program 2022 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2022 conducted on 24 – 25 May 2022. The training subjected to SOP of Supply Chain and Traceability of Palm products. Training attended by relevant personnel including Mill Manager, Office Assistant, Field Assistant, weighbridge clerk, production clerk and security.

Based on interviews with the workers involved in SCCS operations, such as security (for FFB receiving verification), weighbridge operator (for dividing the amount of certified and uncertified sourced), and Administration Head (for recording and monitoring the MB data), knowing that the workers understood the SCCS mechanism, and the MB record has conducted and monitored well. Furthermore, based on interview with field assistant, production clerk and other estate staff they also have an understanding related to RSPO including the implementation of the supply chain of certified products

Status: Comply

3.8 Supply Chain Requirements for Mills

3.8.1 and 3.8.2

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

3.8.3

Estimated certified product recorded in the last assessment report and certificate, as well as in the RSPO IT Platform. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

Product	Estimate Production	Actual Production Since previous audit (MT) September 2019 to June 2022
FFB	135,275.63	139,696.22
CSPO	31,457.22	28,834.26
CSPK	8,175.36	7,497.99

During covid pandemic, Tanah Laut Mill applied scenario 4 in accordance with RSPO Contingency Audit Procedures and there is no new license, since issued after 1.2 assessment. with there is no new license since the expired period, palm trace id of TLTM extended every three months since the license expired and the volume of certified products will be added according to the request of the certification unit. During period of 2021 and 2022 there are several additional RSPO

Product as follows:

Dated	Additional Volume (MT)			
	FFB Estate	FFB scheme or associated	CSPO	CSPK
20 April 2021			459.82	448.61
04 June 2021	6,879.60		2,856.50	719.20
06 Sept 2021	16,221.90		3,398.20	860.60
29 Nov 2021	5,381.20		1,165.20	288.80
24 Feb 2022	10,097.60		2,280.90	549.80
14 July 2022	9,921.80		1,993.50	536.80

3.8.4

Tanah Laut Mill has registered as RSPO member under GAR (No. 1-0096-11-000-00) and registered in palm trace with Member ID RSPO_PO1000001152 with supply chain model Mass Balance.

All transaction has been announced to RSPO IT Platform and confirmed shipped. During license it was known there is product sold as RSPO certified and non-certified/conventional as described in indicator 3.8.8 and 3.8.16. The company has been removed of certified stock for products sold as another scheme.

3.8.5

Written procedures to ensure the implementation of the applicable supply chain through mass balance model has been established and documented in the Procedures for RSPO Supply Chain Product – Mass Balance (PT. SMART Tbk-TLTM/SOP/24). These procedures have referred to the RSPO Supply Chain System and Standard in February 2020. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weighbridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

The dissemination of procedures has been conducted on 24 – 25 May 2022. The training subjected to SOP of Supply Chain and Traceability of Palm products. Training attended by relevant personnel including Mill Manager, Office Assistant, Field Assistant, weighbridge clerk, production clerk and security. Based on field observation, obtained information that key persons for SSCS implementation (such as weighbridge operators, security, and Head of Administration) understood the supply chain implementation. FFB from certified and uncertified sources were received and verified by the software program to classified and separate RSPO certified and uncertified source.

3.8.6

The company has documented procedure for internal audit (SOP/SMART/UMUM/SADVI/009) to determine whether the company:

- Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.
- Effectively implements and maintains the standard requirements within its organization.

Internal audit of RSPO SCCS conducted on 30 May – 03 June 2022. All of SCCS indicators has been assessed and complied. Management Review of RSPO SCCS implementation conducted on 04 July 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7

The Mill has maintain the record of Mass Balance data, that informed amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK), shown as follows :

September – December 2019			
Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Sep-19	6,126.93	2,206.81	8,333.74
Oct-19	6,552.18	2,199.21	8,751.39

Nov-19	4,621.90	1,147.58	5,769.48
Dec-19	5,433.12	2,198.03	7,631.15
Total	22,734.13	7,751.63	30,485.76
January – December 2020			
Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Jan-20	3,493.18	4,718.77	8,211.95
Feb-20	2,985.68	3,954.25	6,939.93
Mar-20	2,239.09	2,432.59	4,671.68
Apr-20	2,635.20	1,929.84	4,565.04
May-20	1,938.77	2,670.57	4,609.34
Jun-20	3,129.41	2,284.94	5,414.35
Jul-20	3,030.03	1,361.05	4,391.08
Aug-20	3,078.11	1,837.88	4,915.99
Sep-20	3,961.11	3,919.51	7,880.62
Oct-20	6,704.16	6,656.47	13,360.63
Nov-20	8,338.82	3,856.88	12,195.70
Dec-20	8,510.58	4,285.94	12,796.52
Total	50,044.14	39,908.69	89,952.83
January – December 2021			
Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Jan-21	5,879.03	4,802.07	10,681.10
Feb-21	5,047.35	4,857.41	9,904.76
Mar-21	6,289.13	3,317.16	9,606.29
Apr-21	4,831.19	3,268.56	8,099.75
May-21	4,221.57	3,284.31	7,505.88
Jun-21	5,053.75	4,554.13	9,607.88
Jul-21	4,538.24	3,033.01	7,571.25
Aug-21	3,628.92	1,774.02	5,402.94
Sep-21	3,031.07	1,053.83	4,084.90
Oct-21	2,938.22	877.14	3,815.36
Nov-21	4,054.03	883.93	4,937.96
Dec-21	3,438.78	1,165.62	4,604.40
Total	52,951.28	32,871.19	85,822.47
January – June 2022			
Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Jan-22	2,842.07	1,002.73	3,844.80
Feb-22	1,837.96	523.26	2,361.22
Mar-22	1,889.67	958.58	2,848.25
Apr-22	1,865.79	892.72	2,758.51
May-22	2,422.89	1,298.28	3,721.17
Jun-22	3,108.29	1,608.59	4,716.88
Total	13,966.67	6,284.16	20,250.83
Grand Total	139,696.22	86,815.67	226,511.89

Estimated certified product recorded in the last assessment report and certificate, as well as in the RSPO IT Platform. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

Product	Estimate Production	Actual Production Since previous audit (MT) September 2019 to June 2022	Estimate Production of 12 month (MT) further
FFB	135,275.63	139,696.22	53,000
CSPO	31,457.22	28,834.26	11,395

CSPK	8,175.36	7,497.99	2,756
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During covid pandemic, Tanah Laut Mill applied scenario 4 in accordance with RSPO Contingency Audit Procedures and there is no new license, since issued after 1.2 assessment. with there is no new license since the expired period, palm trace id of TLTM extended every three months since the license expired and the volume of certified products will be added according to the request of the certification unit. During period of 2021 and 2022 there are several additional RSPO Product as follows:

Dated	Additional Volume (MT)			
	FFB Estate	FFB scheme or associated	CSPO	CSPK
20 April 2021			459.82	448.61
04 June 2021	6,879.60		2,856.50	719.20
06 Sept 2021	16,221.90		3,398.20	860.60
29 Nov 2021	5,381.20		1,165.20	288.80
24 Feb 2022	10,097.60		2,280.90	549.80
14 July 2022	9,921.80		1,993.50	536.80

Related for handling non-conforming oil palm products, has been set in the SOP of Complaints and Grievance Handling (NoSOP/SMART/SIGS-CSR/SADV/II/003, dated on 1 July 2014 revised on 11 April 2017). This procedure is generally applied to all complaint's aspects, including complaints and non-conforming products from customers/buyers. During the audit, there is no written complaint from stakeholders related to nonconforming products.

3.8.8

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since September 2019 until June 2022 there are **20,892.61** MT CSPO and **7,411.24** CSPK sold as certified products and there is **7,498.43** MT CSPO sold under another scheme

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example:

1. CSPK: Shipping Announcement for CSPK volume 197.51 MT dated 29 April 2022, with transaction ID TR-8494db21-5387, on behalf buyer of PT Smart, Tbk Tarjun Refinery with buyer reference 4800062247, Supply chain Model RSPO MB, Certificate No : SGS-RSPO/PC17-00012 the unit can present:
 - Delivered Period Starting from 05 March 2022 until 27 April 2022 with transporter PT Sarana Lintas Bersama, with DO Number: 1052/KER/LK/22/02/0037 - 1052/CPO/LK/22/02/0061
 - Sales Contract Document No 1052/KER/1052/22/T002 dated 19 January 2022 with volume 200 MT CSPK MB
2. CSPO: Shipping Announcement for CSPO volume 1000.53 MT dated 12 April 2022, with transaction ID TR-305b6971-2134, on behalf buyer of PT Smart, Tbk Tarjun Refinery with buyer reference 4800062022, Supply chain Model RSPO MB, Certificate No: SGS-RSPO/PC17-00012 the unit can present:
 - Delivered Period Starting from 21 February 2022 until 10 May 2022 with transporter PT Sarana Lintas Bersama, with DO Number: 1052/CPO/LK/22/02/0079 - 1052/CPO/LK/22/02/0231
 - Sales Contract Document No 1052/CPO/1052/21/T022 dated 20 December 2021 with volume 1,000 MT CSPO MB

Furthermore, the unit of certification can present document related claim product such as delivery order and weighbridge slip that informed CSPO products that sold.

Since last onsite assessment it was known there were 7,498.430 MT CSPO Sold as other scheme. For CSPO sold as conventional during this period has been removed from certified stock. The unit of certification can present removing

allocated product from palm trace, based on documents and verification through RSPO IT Platform, as presented table below:

Stock Transaction ID	Date	Transaction Volume	License ID	Status
ST-TR-7dd15ae0-2cde	09-07-2020	698	CB94740(Active)	Remove From Certified Stock
ST-TR-5d8423cc-811d	18-05-2020	1,500.41	CB94740(Active)	Remove From Certified Stock
ST-TR-0655aa96-609a	13-05-2020	5,537.54	CB94740(Active)	Remove From Certified Stock
ST-TR-1bc10de5-09bc	03-09-2019	2,402.14	CB78293(Expired)	Remove From Certified Stock
ST-TR-85d41978-1297	20-08-2019	4,221,62	CB78293(Expired)	Remove From Certified Stock

3.8.9

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of certified products (CPO and PK) is outsourced to the third parties, as shows through several Work Agreement as follows:

1. Agreement with CPO Transporter of PT Sarana Lintas Bersama No. 001/SP/SMART/TLTM/2018-CPO dated 21 November 2018, valid thru 20 November 2022
2. Agreement with CPO Transporter of PT Sarana Lintas Bersama No. 002/SP/SMART/TLTM/2018-PK dated 21 November 2018, valid thru 20 November 2022

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, willingness to comply to the requirements of sustainable palm oil certifications process and willingness to being asked for a statement in the context of verifying the certification audit certification audit conducted by the CB. Other than that, the Mill has SOP of Contractor Control (No. SOP/SMART/UMUM/SADV/II/006 dated 1 July 2014) which explains that contractors working with the company must meet legality requirements. Based on interview with CPO Transporter (PT SLB) it was known they willing to interview about SCCS process in the term of CPO transportation, the transportations of RSPO certified products and etc.

One of the mechanisms to ensure that the products delivered only from TLTM Mill, in the vehicle is mounted on a seal that can only be opened at the buyer's location.

3.8.10 and 3.8.11

The Mill has the record of details of the contractors, covers the contractor's company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles. There is no new contractors and transporter in TLTM

3.8.12

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

The Mill balancing the certified products and dispatch on a three-monthly basis. Based on the Mass Balance record, the Mill only sells certified products from a positive stock in three monthly periods.

The summary of Mass Balance since previous onsite audit can be seen on the table below:

Mass Balance record of CPO

Period	CSPO production (MT)		Total	Cert CPO Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
opening stock	240.86	131.98	372.85				
Sep-19	1,258.36	454.48	1,712.84		905.27		905.27
Oct-19	1,339.49	450.66	1,790.15		1,484.22		1,484.22
Nov-19	891.61	228.11	1,119.71		1,288.75		1,288.75
Sub Total	3,730.32	1,265.23	4,995.55		3,678.24		3,678.24

opening stock	52.08					
Dec-19	1,078.02	417.25	1,495.27		975.48	975.48
Jan-20	690.23	949.44	1,639.68		573.83	573.83
Feb-20	586.57	769.38	1,355.95		770.32	770.32
Sub Total	2,406.90	2,136.08	4,542.98		2,319.63	2,319.63
opening stock	87.27					
Mar-20	430.57	469.26	899.83		400.32	400.32
Apr-20	490.99	351.90	842.89		508.15	508.15
May-20	501.88	515.48	1,017.36		443.93	443.93
Sub Total	1,510.70	1,336.64	2,847.34		1,352.40	1,352.40
opening stock	158.30					
Jun-20	578.72	419.76	998.48	500.62	148.16	648.78
Jul-20	542.20	244.50	786.70	593.71		593.71
Aug-20	581.94	344.99	926.93	344.41		344.41
Sub Total	1,861.16	1,009.25	2,870.41	1,438.74	148.16	1,586.90
opening stock	274.26					
Sep-20	728.02	715.86	1,443.89	882.93		882.93
Oct-20	1,297.67	1,296.11	2,593.78	1,167.74		1,167.74
Nov-20	1,700.99	799.85	2,500.84	1,771.47		1,771.47
Sub Total	4,000.94	2,811.82	6,812.76	3,822.14		3,822.14
opening stock	178.80					
Dec-20	1,813.44	874.49	2,687.93	1,817.44		1,817.44
Jan-21	1,191.17	981.93	2,173.10	1,164.83		1,164.83
Feb-21	1,087.96	1,046.95	2,134.91	832.08		832.08
Sub Total	4,271.37	2,903.37	7,174.74	3,814.35		3,814.35
opening stock	457.02					
Mar-21	1,358.96	698.71	2,057.67	1,606.05		1,606.05
Apr-21	1,064.64	698.59	1,763.22	1,014.05		1,014.05
May-21	878.06	693.19	1,571.25	842.49		842.49
Sub Total	3,758.67	2,090.49	5,849.16	3,462.59		3,462.59
opening stock	296.08					
Jun-21	1,083.07	972.83	2,055.90	1,226.06		1,226.06
Jul-21	978.48	634.68	1,613.16	986.67		986.67
Aug-21	731.37	359.76	1,091.13	319.39		319.39
Sub Total	3,089.00	1,967.27	5,056.28	2,532.12		2,532.12
opening stock	556.88					
Sep-21	580.14	199.91	780.06	212.47		212.47
Oct-21	636.49	192.13	828.62	1,367.73		1,367.73
Nov-21	884.47	191.35	1,075.83	815.37		815.37
Sub Total	2,657.99	583.39	3,241.38	2,395.57		2,395.57
opening stock	262.42					
Dec-21	768.95	258.99	1,027.95	954.57		954.57
Jan-22	605.34	220.31	825.65	278.24		278.24
Feb-22	381.31	121.49	502.80	261.41		261.41
Sub Total	2,018.02	600.79	2,618.82	1,494.22		1,494.22
opening stock	523.80					
Mar-22	414.97	202.47	617.44	348.56		348.56
Apr-22	373.29	179.67	552.96	397.94		397.94
May-22	474.71	256.31	731.02	163.17		163.17
Sub Total	1,786.78	638.45	2,425.22	909.67		909.67
opening stock	877.11					
Jun-22	589.32	302.65	891.98	1,023.21		1,023.21
Sub Total	1,466.43	302.65	1,769.08	1,023.21		1,023.21
Grand Total	28,834.26	17,645.43	46,479.68	20,892.61	7,498.43	28,391.04
Final Stock	443.22					

Mass Balance Record of PK

Period	CSPK production (MT)		Total	Cert PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
opening stock	10.49	58.25	68.74				
Sep-19	378.60	134.09	512.69	406.07			3,028.43
Oct-19	464.81	114.46	579.26	388.29			3,392.45
Nov-19	295.16	73.81	368.96	346.47			4,694.40
Sub Total	1,149.06	380.59	1,529.65	1,140.83			2,997.51
opening stock	8.23						
Dec-19	294.65	111.03	405.68	241.20			2,172.31
Jan-20	154.59	217.08	371.67	177.70			818.60
Feb-20	143.66	186.69	330.34	146.19			783.08
Sub Total	601.13	514.80	1,115.92	565.09			1,097.69
opening stock	36.04						
Mar-20	107.85	115.00	222.85	105.97			921.45
Apr-20	132.56	96.05	228.62	142.09			1,479.32
May-20	119.50	122.31	241.81	123.22			1,007.44
Sub Total	395.95	333.36	729.31	371.28			1,113.74
opening stock	24.67						
Jun-20	130.75	94.55	225.30	94.57			1,000.26
Jul-20	133.41	60.53	193.93	129.44			2,138.62
Aug-20	153.67	93.23	246.90	140.19			1,503.67
Sub Total	442.50	248.30	690.80	364.20			1,466.76
opening stock	78.30						
Sep-20	174.43	174.75	349.17	200.15			1,145.38
Oct-20	327.04	327.61	654.65	365.12			1,114.49
Nov-20	494.16	244.40	738.56	465.50			1,904.67
Sub Total	1,073.92	746.76	1,820.67	1,030.77			1,380.33
opening stock	43.15						
Dec-20	428.86	208.52	637.38	423.23			2,029.72
Jan-21	309.17	261.01	570.19	342.30			1,311.42
Feb-21	243.42	238.47	481.89	242.46			1,016.73
Sub Total	1,024.60	708.00	1,732.60	1,007.99			1,423.71
opening stock	16.61						
Mar-21	343.59	177.63	521.21	318.93			1,795.52
Apr-21	265.13	170.80	435.93	246.38			1,442.47
May-21	205.64	162.88	368.52	230.01			1,412.15
Sub Total	830.96	511.31	1,342.27	795.32			1,555.46
opening stock	35.64						
Jun-21	270.63	238.24	508.87	238.05			999.20
Jul-21	249.63	166.03	415.66	249.55			1,503.06
Aug-21	191.45	95.09	286.55	153.53			1,614.52
Sub Total	747.36	499.36	1,246.72	641.13			1,283.90
opening stock	106.23						
Sep-21	158.57	53.12	211.70	203.95			3,839.13
Oct-21	163.38	48.47	211.85	140.84			2,905.89
Nov-21	228.69	49.10	277.79	247.05			5,031.67
Sub Total	656.87	150.69	807.56	591.84			3,927.53
opening stock	65.03						
Dec-21	191.80	64.48	256.28	184.83			2,866.47
Jan-22	148.88	52.01	200.89	146.32			2,813.09
Feb-22	79.05	26.78	105.83	81.38			3,039.29
Sub Total	484.76	143.27	628.03	412.53			2,879.39
opening stock	72.23						

Mar-22	102.97	51.55	154.52	121.35		2,353.98
Apr-22	102.12	48.30	150.42	85.51		1,770.39
May-22	129.67	68.30	197.97	160.16		2,344.88
Sub Total	406.98	168.15	575.14	367.02		2,182.66
opening stock	39.96					
Jun-22	170.03	80.09	250.12	123.24		1,538.85
Sub Total	209.99	80.09	290.08	123.24		1,538.85
Grand Total		4,484.68	11,982.67	7,411.24		1,652.57
Final Stock	86.75					

Based on table above, can be summarized as table below:

a. Tonnage Product

Description	Volume (MT)
Certified FFB	139,696.22
CSPO Production	28,834.26
CSPK Production	7,497.99

b. Product Selling

Description	Volume (MT)
CSPO sold as RSPO certified product	20,892.61
CSPK sold as RSPO certified product	7,411.24
CSPO sold under another scheme	7,498.43
CSPK sold under another scheme	0
CSPO sold as conventional	0
CSPK sold as conventional	0

3.8.13 and 3.8.14

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production.

3.8.15

The Mill only applying RSPO SCC Module of Mass Balance.

3.8.16

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since September 2019 until June 2022 there are 20,892.61 MT CSPO and 7,411.24 CSPK sold as certified products and there is 7,498.43 MT sold under another scheme

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example:

1. CSPK: Shipping Announcement for CSPK volume 197.51MT dated 29 April 2022, with transaction ID TR-8494db21-5387, on behalf buyer of PT Smart, Tbk Tarjun Refinery with buyer reference 4800062247, Supply chain Model RSPO MB, Certificate No: SGS-RSPO/PC17-00012 the unit can present:
 - Delivered Period Starting from 05 March 2022 until 27 April 2022 with transporter PT Sarana Lintas Bersama, with DO Number: 1052/KER/LK/22/02/0037 - 1052/CPO/LK/22/02/0061
 - Sales Contract Document No 1052/KER/1052/22/T002 dated 19 January 2022 with volume 200 MT CSPK MB
2. CSPO: Shipping Announcement for CSPO volume 1000.53 MT dated 12 April 2022, with transaction ID TR-305b6971-2134, on behalf buyer of PT Smart, Tbk Tarjun Refinery with buyer reference 4800062022, Supply chain Model RSPO MB, Certificate No: SGS-RSPO/PC17-00012 the unit can present:

- Delivered Period Starting from 21 February 2022 until 10 May 2022 with transporter PT Sarana Lintas Bersama, with DO Number: 1052/CPO/LK/22/02/0079 - 1052/CPO/LK/22/02/0231
- Sales Contract Document No 1052/CPO/1052/21/T022 dated 20 December 2021 with volume 1,000 MT CSPO MB

Furthermore, the unit of certification can present document related claim product such as delivery order and weighbridge slip that informed CSPO products that sold.

since last onsite assessment it was known there were 7,498.430 MT CSPO Sold as other scheme. For CSPO sold as conventional during this period has been removed from certified stock. The unit of certification can present removing allocated product from palm trace, based on documents and verification through RSPO IT Platform, as presented table below:

Stock Transaction ID	Date	Transaction Volume	License ID	Status
ST-TR-7dd15ae0-2cde	09-07-2020	698	CB94740(Active)	Remove From Certified Stock
ST-TR-5d8423cc-811d	18-05-2020	1,500.41	CB94740(Active)	Remove From Certified Stock
ST-TR-0655aa96-609a	13-05-2020	5,537.54	CB94740(Active)	Remove From Certified Stock
ST-TR-1bc10de5-09bc	03-09-2019	2,402.14	CB78293(Expired)	Remove From Certified Stock
ST-TR-85d41978-1297	20-08-2019	4,221,62	CB78293(Expired)	Remove From Certified Stock

3.8.17

The company has made claim of RSPO certified product in the off product such as WB ticket, salescontract, and delivery order. The company also make communication regarding RSPO certification in the website company <https://www.goldenagri.com.sg/sustainability/certifications/RSPO/>Based on document review, all claims is accordance to RSPO Rules on Market Communication and Claims document.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

The certification unit has a commitment to respecting human rights and describe in Sinarmas Agri Business and Food Business and Human Rights Policy that was signed by the Head of Policy and Compliance Division on December 12, 2019. The policy explains that GAR is committed to respecting human rights in all lines of operations. In implementing human rights policies and conducting responsible business, GAR is committed to, among others:

- Respect workers' rights and dignity in accordance with legal provisions, provide fair treatment without discrimination and establish harmonious industrial relations.
- Respect and protect the rights of whistleblowers and human rights defenders.
- Perform recovery measures and resolve negative impacts if there are human rights violations through a transparent and legal process.

On that's policy also described about the protection of human rights and human rights defenders as well as whistle blower protection policy. 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 statements from plantation workers (harvesters, fertilizers, sprayers, and maintenance), factories (mill operators and warehouse workers) as well as contractors who state that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit.

4.1.2

During the past year, the certification unit did not have records related to the use of violence / mercenaries or paramilitaries in resolving conflicts / problems that existed between the certification unit and related stakeholders (surrounding communities, workers, or others).

This has been stated in GAR's social and environmental policy was published on September 8, 2015. Point 2.1.2 regarding

Achieving conflict resolution which is responsible for explaining that the Policy concerns Free, Prior and Informed Consent (FPIC) from indigenous peoples and local communities, complaint handling, conflict resolution, and respect for human rights. The company always maintains peace and order of plantation and mill operational activities by not using violence / paramilitary use in resolve existing conflicts / problems.

The results of interviews with the surrounding community (interview with Village Heads of Bukit Mulia and Kintapura also Community Elderly in Kintap Subdistrict) and company workers revealed that up to now if there was a conflict / problem with the company, the resolution action taken was deliberation without resorting to violence. Resolution of conflicts / problems using these deliberations has been quite effective and during the past year there have never been any conflicts / problems with the company.

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 and 4.2.4

The company already has a system for resolving disputes effectively with the following procedures:

1. Receipt and Recording of Complaints and Dissatisfaction
2. Response And Or Response To Complaints And Dissatisfaction
3. Complaints and Dissatisfaction Check
4. Formulation of High Level Complaints Handling Plan
5. Approval of the High Level Grievance Plan
6. Formulation of Medium Level Complaints Handling Plan
7. Approval of Medium Level Complaints and Discontent Handling Plan
8. Formulation of Low Level Management Plan
9. Approval of the Low Level Complaints and Dissatisfaction Plan
10. Handling of Low and Moderate Complaints and Dissatisfaction
11. Handling of High Level Complaints
12. Monitoring of Grievance Handling'
13. Recommendations for Handling Complaints
14. Approval of Complaint Handling Recommendations
15. Implementation of Complaint Handling Recommendations
16. Document Storage

And if the conflict wants to get legal and technical assistance from an independent party, it can refer to the procedures owned by the company in point 11 regarding High Level Complaint Handling

The company also has a GAR Policy SOP Grievance which explains that if a complaint arises during the RSPO complaint process, GAR will deal with the complaint in accordance with the RSPO process. From the description above, it can be concluded that the company has a system that regulates complaints and complaints to all parties.

4.2.2

The company already has a complaint handling procedure for those who cannot read and write which is explained, among others, if complaints and dissatisfaction are submitted verbally (the reporter cannot read and write) or by telephone to operational staff, then the recipient of the report helps write/record the complaints and dissatisfaction submitted using the form F/SMART/GIMS-SCMD/USDV/I/001-002

Based on this explanation, the company already has a system for the affected parties to understand, including those who cannot read and write.

4.2.3

The company already has a recorded document related to road condition complaints on April 20, 2022 from employees of division 2 of TLTE plantations and the company has responded to these complaints, for example by holding a meeting to discuss the complaints of company employees:

The discussion is that the progress of completion will be carried out starting April 22, 2022 and coordinate with the mine for heavy equipment assistance and will be attended by 10 company employees.

From the results of the discussion, an official report with the number 01/TLTE-INTL/IV/2022 was published, namely the company has carried out an intensive communication process with the mining company, so that an understanding has been reached between the two parties and then for this complaint case both parties agree and the case is closed.

From the results of the document review, the person in charge of handling the complaint will convey the progress of the complaint resolution process to the complainant.

Based on this explanation, the unit of certification has made every effort so that both parties obtain information related to the complaint case.

Status: Comply

4.3

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

The results of interviews with management, conveyed that the CSR program was prepared based on the participation of the surrounding community. The company shows examples of forum group discussion on 4 Januari 2021, involved nearest community included the Village Heads around the company such as Kintapura village, Kintapura kecil village, Sei Cuka village, Sumber Jaya village, Bukit Mulia village and Pasir Putih village.

From the results of meetings with the community, a CSR program was prepared in 2021. For the CSR program in 2021, the company arranged a CSR program in the fields of Economy, Environment, Education, and social culture. The company has also shown the CSR realization record to the communities. For example:

- Salary for SDN Bukit Mulia teachers January 3, 2022.
- Assistance for posyandu activities in Sumber Jaya village and Bukit Mulia village January 2022
- Heavy equipment assistance for road maintenance to nearest community June 2021.
- Etc.

Base on interview results with representative of nearest community, it was conveyed that the company had provided CSR assistance to the surrounding community in accordance with the identification needs.

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

Based on documents verifications total land title owned by PT SMART are 4,952.18 Ha as described below:

1. Tanah Laut Estate (TLTE)

- HGU (Land use tittle) No 22 dated 01 October 2003 for 3,448 Ha
- HGU (Land use tittle) No 38 dated 06 May 2015 for 54.65 Ha

2. Kinta Pura Estate (KNTE)

- HGU (Land use title) No 23 dated 20 January 2005 for 1,443.53 Ha

3. Tanah Laut Mill

- Building use title issued No 01 dated 17 October 2005 for 6.007 ha

Interview with managements obtained information from the total land permits (HGU and HGB) covering 4,952.18 Ha, there are some areas excluded from the scope of certifications covering 395.88 Ha its due to categorized Forest Converted Area 274.81 Ha and overlapped with other company (121.07 Ha). Based on that's explanations the scope of certifications is 4,556.30 Ha.

4.4.2

Based on documents verifications it was known if most of HGU issued before FPIC concept available, However, there is HGU issued on 06 May 2015 (HGU No 38). The areal has been planted before HGU issued and the compensation process in place. Based on the verification of HGU Decree, the HGU is sourced from State Land, included community lands that

had been compensated by the company. The entire compensation starting in three period (1998, 1999 and 2003). Also, there was no customary rights and/or traditional rights, informed in HGU Decree. It has been verified based on an interview with Village Heads of Bukit Mulia and Kintapura also Community Elderly in Kintap Subdistrict the company didn't develop new areas/land acquisition. However, based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as village head, Sectoral Police Head, Military Headquarters at the ward and Subdistrict head

4.4.3

The company has map of estates scale 1:40,000 (Kintapura Estate) and 1:70,000 (Tanah Laut Estate). These maps are recognized legal from National Land Agency and based on the HCV Assessment Report as well as Social Impact Assessment Report it was clear that there is no HCV 5 and HCV 6 which indicates that there are no customary use rights within the company area.

4.4.4, 4.4.5, 4.4.6

In land acquisition process during the period of 1998, 1999 and 2003, the company has no FPIC procedure yet, thus the FPIC process also still incompletely and not specifically, such as no participation mapping of landowner that entitled to compensation. However, based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as village head, Sectoral Police Head, Military Headquarters at the ward and Subdistrict head

However, if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior, and informed consent (No. SOP/SMART/SENS-CSR/SADV/II/003, dated 1 July 2014 revised on 08 Nov 2017), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated 01 July 2010). Those procedures have covered the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.

	Status: Comply	
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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.	
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4.5.1 to 4.5.8	Based on the verification of HGU Decree, the entire land compensation has been completed in 2003 Until this Assessment, the company didn't develop new areas/land acquisition.	
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	Status: Comply	
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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.	
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4.6.1, 4.6.2	if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior and informed consent (No. SOP/SMART/SENS-CSR/SADV/II/003, dated 1 July 2014), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated 01 July 2010). Those procedures have covered the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.	
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4.6.3, 4.6.4

Based on documents verifications it was known if most of HGU issued before FPIC concept available, However, there is HGU issued on 06 May 2015 (HGU No 38). Actually, the areal has been planted before HGU issued and the

compensation process in place. Based on the verification of HGU Decree, the HGU is sourced from State Land, included community lands that had been compensated by the company. The entire compensation starting in three period (1998, 1999 and 2003). Also, there was no customary rights and/or traditional rights, informed in HGU Decree. It has been verified based on an interview with Village Heads of Bukit Mulia and Kintapura also Community Elderly in Kintap Subdistrict the company didn't develop new areas/land acquisition.

based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives

Status: Comply

4.7

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

4.7.1, 4.7.2

In line with Criteria 4.4, 4.5 and 4.6, described that the entire compensation has been completed in 2003. In land acquisition process during the period of 1998; 1999 and 2003 the company has no FPIC procedure yet, thus the FPIC process also still incompletely and not specifically such as no participation mapping of landowner that entitled to compensation.

However, based on land acquisition documents, interviews with ex-landowners in the surrounding village can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as Village Heads and Sub-District Heads.

However, if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior and informed consent (No. SOP/SMART/SENS-CSR/SADV/003, dated 1 July 2014), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated 01 July 2010). Those procedures have covers the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.

4.7.3

In land acquisition process during the period of 1996 or 2004, there was no such written agreement that allows previous landowners to have opportunities of benefit from plantation development. However, the company has several policies, as well as SIA management and monitoring plan that has some purposes to improve livelihoods quality of surrounding communities, includes the previous landowner/ For instance the acceptance (buying) of communities FFB, acceptance of local workers and contractors if needed, economic development program, and any other CSR programs. Those things have been verified through document review, and interview with previous landowner.

Status: Comply

4.8

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

4.8.1; 4.8.2; 4.8.3 and 4.8.4

The Company has established the mechanism for conflict resolution and land dispute in the procedure No. SOP/SMART/SENS-CSR/SADV/002 dated July 2014. Based on interview with communities and field observations, there were no land disputes, and no land has been acquired through dispossession or forced abandonment of customary and user rights prior to the current operations.

Based on documents verifications as well as interview with managements and communities obtained information there are several land issues in PT SMART TBK and the resolution process, as follows:

1. Overlapping in HGU Area with other company

Based on document verifications as well as interviews with management it was known there are overlapping company operational area HGU with other company covering 121.07 Ha, where those areas managed by other company. This

issue has been resolved on 21 August 2017 based on Mutual Agreements (*Kesepakatan Bersama*) between PT Smart Tbk and PT Gawi Makmur Kalimantan which described both parties are respected with a lend-lease use system model where the validity period is until January 1, 2023, after which the area at the time of replanting will be returned to the respective owners. Currently, the area is excluded from the scope of certification.

2. Mining Area in PT Smart Tbk,

Based on documents verifications, field observations and interview with management it was known there are coal mining concession area in the HGU of PT Smart Tbk, during audit it was known the total mining concession area are 835.20 Ha. During audit the unit of certification can present Joint Agreement on Technical Guidelines for the Implementation of Coal Mine Reclamation between PT SMART Tbk represented by the Tanah Laut Estate Manager (TLTE) and representatives of PT Deli Pratama Coal (Project Manager) on 29 December 2020. The document describes the mechanism for the reclamation of land that has been used as a mining area so that oil palm can be planted. During audit, the unit of certification can present the realization of reclamations as described below:

Year	Planting Reclamation Area
2016	8.14
2017	35.87
2018	43.45
2019	67.87
2020	14.18
2021	44.76
Total	214.97

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

Based on the results of basic info data verification and FFB supplier contract period 2021 – 2022, TLTM gets a supply FFB form (supplier agent) not independent smallholder, consist of:

1. CV Borneo Sakti Atamaran
2. CV Berkat Tani
3. CV Joya Anugerah Jaya.

The company shown work agreement between CV Borneo Sakti Atamaran and PT SMART number 005/TBS/SMARTTbk/III/2020 date 1 January 2020, that was signed by both parties, In the contract, FFB is determined based on the monthly pricing of the Tanah Laut Province Plantation Agency and and consideration of Mill competitors' prices.

5.1.2

The pricing mechanism set in the contractual agreement, for instance the Plasma pricing mechanism set in agreement of FFB agent. For an explanation of the price of FFB to farmers, it is done by FFB agent via social networks and phone, every FFB payment.

5.1.3

Base on document verification on The agreement letter between the company and FFB agent has been known and signed by representatives of both parties and is known by the Regional Government. The results of interviews with FFB agent revealed that the price of FFB from partnership was in accordance with prices set by the Plantation Agency and FFB price around of the mill, in accordance with the agreement of both parties and there are no complaints regarding the payment of FFB. From the results of the interview, it was also conveyed that every payment as well as in FFB invoice payment for revenue sharing was always attached with a price list that issued by Plantation Agency.

5.1.4

Base on document verification on the agreement letter between the company and CV Borneo Sakti Catamaran Has been

known and signed by representatives of both parties and the owner of FFB agent is women.

5.1.5

The payments method was described within contractual agreements (SPK) that describe the unit price and warranty include the payment duration. An application for funds transfer was evident as proof that payment has been made in accordance with the agreement in the contract. Payments of FFB input are made based on sorting and weighing results and payments are made 7 working days after the invoice is received. Contracts, FFB production report and payments are available and verified. All documents are stored in file and print out copies.

5.1.6

Has been verification the FFB agent Payment January until June 2022 for example, for the recap of FFB yields for the period June 2022, it has been explained related to the amount of production and discounts and FFB prices which refer to the agreed FFB price determination. The payment document describes pricing and pricing periods, FFB amount, tax, reduction/cost, and total paid. The payment was conducted within a month.

5.1.7

Based on document review, it was known that the Mill has three units of weighbridge with each capacity of 40.000 kg / 10 kg. Weighbridge calibration was conducted annually by *Kepala Balai Standarisasi Metrologi Legal Regional III* of Kalimantan Selatan Province, as shown through Certificate of Calibration No. 254/PKTN.4.11/SKHP/12/2021 date 30 December 2021. Measuring instruments must be recalibrated no later than 30 November, 2022.

5.1.8

The company have independent out grower (CV Borneo Sakti Catamaran) that supply FFB to the Mill. Based on the results of interviews with representatives of CV Borneo Sakti Catamaran, the company has conducted socialization related to RSPO on 17 January 2022, socialization activities related to RSPO principles, code of ethics policies, complaints, waste management, OHS etc.

5.1.9

The complaint mechanism set in Complaint and Grievance Procedure (SOP/SMART/SIGS-CSR/SADV/II/003) which explain handling of complaint and grievance from internal and external stakeholder. The procedure is made involve the consideration from various parties. This procedure has been disseminated to stakeholder included FFB supplier and contractor on 17 January 2022. Based on the complaint recording document, during the period 2021 to 2022 there were no complaints from all FFB suppliers.

Status: Comply

**5.2
The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.**

5.2.1 - 5.2.5

Based on document verification of the FFB supplier list on 2021 until 2022, no individual small holders (scheme, independent and outgrowers) supply FFB to TLTM just FFB agent. Furthermore, based on the results of interviews with representatives of CV Borneo Sakti Catamaran, the company has conducted socialization related to RSPO on 17 January 2022, socialization activities related to RSPO principles, code of ethics policies, complaints, waste management, OHS etc.

As described in RSPO Interpretation Forum, the management unit is not subjected to support random local communities (independent smallholders) to obtain RSPO Certification when they don't have any business interest.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

**6.1
Any form of discrimination is prohibited.**

6.1.1

The company already has a non-discrimination and equal opportunity policy which is contained in the policy to protect workers/laborers from discrimination, including:

- a. Eliminating discriminatory practices in the work environment is very important for the realization of equality and opportunity and treatment in work and position. The principles of equal employment opportunity with non-discriminatory treatment, respecting the basic needs of everyone to improve themselves in line with their talents, hopes and dignity. Therefore, good and proper behavior in work relations must be implemented to create a harmonious, dynamic and fair work environment and to respond effectively to various forms of discrimination that are found.
- b. Discrimination prohibition policy is conveyed to all workers/laborers through various socialization media
- c. In carrying out the career development of workers/laborer's, the company provides training, both internally and externally without discrimination for all workers/laborers

Based on the results of interviews with stakeholders, for example contractors, that the company has implemented a non-discrimination policy socialization.

Based on this explanation, the unit of certification has a policy of non-discrimination and equality of opportunity.

6.1.2

The company has a non-discrimination policy which explains, among other things, that the company eliminating discriminatory practices in the work environment is very important for the realization of equality and opportunity and treatment in work and position. The principles of equal employment opportunity with non-discriminatory treatment, respecting the basic needs of everyone to improve themselves in line with their talents, hopes and dignity.

Therefore, good and proper behavior in work relations must be implemented to create a harmonious, dynamic and fair work environment and to respond effectively to various forms of discrimination that are found. and the company does not charge recruitment fees as stated in the company's recruitment procedure in Circular Letter number Ref. 035/HR-PSM3/VII/2015 regarding Manpower Acceptance which was set on July 1, 2015, which explains, among others, in the selection process to employee acceptance, unit leaders to ensure that there are no fees related to the acceptance. Based on this explanation, the unit of certification has met the indicator that there are no victims of discrimination.

In addition, from the results of employee interviews, for example harvest workers, the company does not differentiate employees based on race, ethnicity, religion and does not discriminate against employees

6.1.3

The company already has procedures related to work performance as stated in the policy number KHI-smart/009-00 which came into force on August 1, 2017, and in the procedure, it has been explained that work performance appraisal is a systematic measurement of the implementation of the work of workers/laborers in their positions and who conducts assessments. work performance of each employee is a company assistant and company management.

From the results of document observations, the company can show evidence of work performance appraisal documents in 2022 for appointments to permanent employees with the initials BG with the position of grading officer while the work performance assessment is based on discipline, work quantity, work quality, cooperation, work attitude and responsibility.

6.1.4

The company does not carry out pregnancy tests which are a discriminatory measure, the company carries out pregnancy tests on spraying officers to ensure that the officers are not pregnant in carrying out their work.

Based on the results of interviews with spraying workers, pregnancy tests are carried out every 4 months.

6.1.5

The company already has a gender committee consisting of:

Gender committee structure for 2022:

1. Estate Manager as Coach
2. Chief

3. Treasurer
4. Vice Chairman
5. Secretary
6. Members: 14 people
7. Companion: 12 people

The results of interviews with the Committee for the Protection of Women and Children revealed that policies related to gender and women's rights that have been set by the company become a reference for managers to carry out activities and socialize to workers. And the structure of the gender committee consists of male and female workers in company units.

Based on the results of interviews with workers, that workers are aware of the existence of a gender committee and the worker also understands the procedure for conveying gender-related issues to the gender committee. And the results of interviews with the chair of the gender committee that during the past year, there were no incidents or problems related to sexual harassment, domestic violence, child labor or human rights violations.

And the gender committee at the company also has a work program for 2022, including:

1. Social Sex Harassment is planned for February 2022
2. *Posyandu*, planned in January – December 2022 and has been realized from January – June 2022
3. Live pharmacy treatment, planned for January – June 2022 and has been realized
4. The cottage is clean, planned for January 2022 and has been implemented

Based on this explanation, the certification unit already has a gender committee and has a work program for 2022.

6.1.6

The employee with the initial SK is female with a maintenance job position and the employee with the initial SM is the male with the job title of harvester, based on the study of wage slips for the June 2022 period there is no difference or discrimination because the fixed wages and rice assistance provided by the company are the same. The details of the two pay slips include:

1. Basic wage
2. Rice assistance
3. BPJS allowance

Based on this explanation, the company does not discriminate against employee wages.

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 company already has a Collective Labor Agreement (PKB) as stated in the Decree of the Regent of Tanah Laut Number 053/DTKP/HIPK/X/2018 concerning the Collective Labor Agreement (PKB) between PT Smart Tbk and PT Smart Tbk Union Workers which was stipulated on October 17, 2018 and valid for 2 years or until October 2020.

And Collective Labor Agreements (PKB) which are drawn up using Indonesian which can be understood by workers. Based on the results of interviews with trade unions, company representatives and the Manpower Office, it appears that the CLA is still in the process of being extended.

The PKB also explains organizational recognition, remuneration system, sick day assistance, non-working days assistance, official travel provisions, overtime pay rates and so on.

Regarding wages, it is explained, among other things, that permanent workers are given wages in accordance with the status of class/rank whose value is determined by the entrepreneur with provisions not lower than government regulations.

From the results of the study of the employee list document for the May 2022 period, employees who work in the company consist of PKWT and PKWTT statuses, the two types of employee status have been regulated in each cooperation agreement signed by both parties, while the cooperation agreement consists of: employee name, type of work, job location, wages, rights and obligations of employees, arrangements related to holidays and leave, etc.

And the PKB has been socialized to workers, for example on January 28, 2019 in the form of a workshop and was attended by 40 people.

6.2.2

The company already has a work contract for employees, for example for Number SPK 001/TLTM-SPK/PKWT/02/2021, which explains, among other things:

- General terms
- Includes:
 - Reception area
 - Position
 - Type of work
 - Place of work
- Wages (Basic Salary and Rice Allowance)
- Term of agreement
- Scope of work
- Working time: 7 hours a day or 5 hours if the day falls on a selected working day as the shortest working day in one of 6 (six) working days or 40 hours per week
- End of employment agreement
- Social security
- Leave
- Work rules
- Employee housing
- Other terms

The company also has work agreement documentation for permanent employees, the work agreement document shown contains information including the name acting as a management representative and company address, employee information in the form of name and other personal information, employee position, employee work location, reporting, duties and responsibilities. work responsibilities, period of employment agreement, probationary period, salary and other benefits. The SPK document has been signed by representatives of management and workers.

From the results of the review of the employee list document for the period of May 2022, the company has compiled data on employees of permanent workers and contract employees, in addition to observing documents for examples of work agreements for contract employees are also in accordance with applicable labor regulations.

The company and trade unions have also established CLAs in accordance with applicable regulations, for example, setting wages, leave, employee overtime hours, etc. Based on this explanation, the certification unit already has a related work contract that regulates the details of wages and terms of employment.

6.2.3

The company already has labor regulations regulated by applicable law, including:

1. Wages

The company already has provisions regarding employment which are regulated by applicable law, including:

- a. The company provides wages to workers/labor, not lower than the minimum wage set by the government
- b. The company conducts a wage review at least once a year by considering the minimum wage set by the government, the work performance of the worker/labor and the company's ability
- c. The company pays the wages of the workers/laborers where the workers/laborers do not work on holidays set by the government or on leave in accordance with the applicable laws and regulations.

2. Overtime

Regarding overtime, it is stated in the agreed PKB, namely:

- a. Weekdays: for the first hour of overtime work is paid 1.5 times the hourly wage and for every subsequent hour of overtime work is paid 2 times the hourly wage.
- b. Weekly rest days/official holidays: for working time 6 working days/40 hours a week: the first 7 hours are paid 2 times an hour's wages, the 8th hour is paid 3 times an hour's wages, the 9th and 10th hours are paid 4 times an hour's wages.

3. Rest/Annual Leave

Regarding annual leave or rest, the CLA explains, among other things, that workers are entitled to annual rest after having worked for 12 (twelve) consecutive months at 1 (one) company (legal entity) in accordance with the applicable laws and regulations.

4. Maternity leave

Maternity leave is explained in the CLA, among others, that female workers will give birth for 1.5 (one and a half) months before and 1.5 (one and a half) months after giving birth to a child.

The company can also show evidence of implementation of the stipulated regulations, including:

- Data on overtime hours in June 2022 for employees with initials UT with payroll clerk positions
- Certificate of maternity leave for employees with initials LPS with the position of quoting starting from October 21, 2021 until January 18, 2022 which has been approved by the Estate Manager
- Certificate of annual leave for employees with initials MT with the position of harvester
- Etc

From the results of interviews with employees in the field, that the company gives leave permits to workers, if there is overtime the company also pays according to the calculation of overtime hours carried out by workers besides that the company has also set a harvest fine if workers harvest raw fruit.

Based on this explanation, the company has complied with applicable labor laws.

6.2.4

The company has provided housing facilities along with adequate sanitation facilities, from the documents shown it can be seen that the company already has a list of adequate facilities, for example for:

- Canteen 2 units
- ATM 1 unit
- Prayer room + Wudhu + 1 unit restroom
- Toilets 7 units
- Parking lot 2 units
- Suggestion box 2 units
- 11. Rice warehouse 1 unit
- Well drilled 1 unit
- Electricity 1 unit
- Water tank 20 tons 1 unit
- Water tank 1000 L 1 unit
- 1 unit volleyball court
- Mill Community General Activities House 1 unit
- G2 employee houses 89 units
- Badminton court 1 unit

From the results of interviews with the chairman of the union, the number of employee facilities and infrastructure that has been provided by the company is in accordance with the number of employees it has.

From the results of the field visit, it can also be concluded that the condition of the workers' facilities as a whole is in a condition that is suitable for use.

Based on these data, it can be concluded that the certification unit already has adequate facilities and equipment.

6.2.5

The company has made efforts to increase workers' access to proper, sufficient and affordable food, for example, from the list of facilities and facilities owned by the company, it has 2 canteen units. In addition, from the results of interviews with employees that workers' access to buying basic necessities is not too far from where they live on the plantation and the company also provides rice allowances to employees and their wives and children every month. Based on this explanation, the company has fulfilled this indicator.

6.2.6

The company already has a living wage document for all workers which is stated in the calculation of the Prevailing Wage for the 2021 Fiscal Year and is set in Jakarta on 04 July 2022.

By type of work:

1. Field work for non-contract PKWT
2. Field work PT 4A status
3. Field work PT 4B status
4. Field work and in the office PT 3 status
5. Work in the field and office PT 2 status
6. Work in the field and office PT1 status

The Decent Living Wage is given to all types of workers including:

1. Basic salary according to UMP
2. The allowance consists of Annual THR, Electricity (non-cash), House (non-cash), School (non-cash).
3. Facilities consist of School (non-cash), Polyclinic Facilities and Services (non-cash), Child Care Center (non-cash)

Based on this explanation, the unit of certification has provided a living wage for all workers.

6.2.7

Based on document verification of the Harvesting Employee List document show that there are still harvesting employees with contract status with the following details:

1. TLTE : 17 employees.
2. KNTE : 23 employees.

The certification unit shows evidence of communication with the South Kalimantan 1 RC Staff regarding the proposal for harvesting employees to propose the appointment of employees to become permanent worker (PT). In this case, the certification unit has the opportunity to ensure the progress of hiring harvest employees with contract status (OFI).

	Status: Comply	
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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 and 6.3.3

The Company's Management already has a Circular as stated in number 104/CEO3-SE/07/2010 dated: July 16, 2010 regarding Law no. 21 of 2000 concerning trade unions/labor unions, explaining among other things that the Company reaffirms that the company respects the provisions and rules that apply in Law No. 21 of 2000 concerning trade unions/labor unions, including the issue of freedom of association in workers' organizations. which is the basic right of workers/employees as regulated in the Law. and contained in the PKB article II point B, among other things, explains that employers recognize trade unions as workers' organizations that have the right and act on behalf of their members in the implementation of PKB. Workers recognize Sinar Mas Group as a business entity that acts on behalf of its members in

general employment matters.

In addition, the results of interviews with field workers for example harvesters, that the company has carried out socialization to support the formation of trade unions and give freedom to employees to join trade unions.

Based on this explanation, the company has recognized freedom of association.

6.3.2

The company has documented the minutes of the meeting between the certification unit and the labor union on 17 May 2022 at PT SKIP SPSE (*Lesehan* Blok D) regarding the discussion of the draft PKB, including:

1. Improvement of the draft as well as socialization to all PUK related to the 2022-2024 PKB collective work agreement
2. Schedule of PUK meetings/relationships for 2022-2023
3. Sending a negotiation letter

Based on this explanation, the certification unit has held an internal meeting with the union.

	Status: Comply	
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**6.4
Children are not employed or exploited.**

6.4.1
The Company already has the Company in possession of a Circular regarding the prohibition of child labor as stated in number SE 002/SE-HRDV/03/09 made by the HR Director, explaining, among other things, the implementation of the Act. No. 13 of 2003 concerning employment, article 68 concerning the prohibition of employing children, it is hereby conveyed that in the process of hiring employees, the minimum age limit is 18 years.

6.4.2
The Company already has the Company in possession of a Circular regarding the prohibition of child labor as stated in number SE 002/SE-HRDV/03/09 made by the HR Director, explaining, among other things, the implementation of the Act. No. 13 of 2003 concerning employment, article 68 concerning the prohibition of employing children, it is hereby conveyed that in the process of hiring employees, the minimum age limit is 18 years. From the results of the review of the employee list document for the period of June 2022, there were no employees who worked under the age of 18 years. Based on this explanation, the company already has a child protection policy.

6.4.3
The Company already has the Company in possession of a Circular regarding the prohibition of child labor as stated in number SE 002/SE-HRDV/03/09 made by the HR Director, explaining, among other things, the implementation of the Act. No. 13 of 2003 concerning employment, article 68 concerning the prohibition of employing children, it is hereby conveyed that in the process of hiring employees, the minimum age limit is 18 years. From the results of the review of the employee list document for the period of June 2022, there were no employees who worked under the age of 18 years. Based on this explanation, the company does not employ young people.

6.4.4
The company has disseminated a policy of no child labor and information on the negative impacts of child labor practices in April 2022 which explains the minimum age limit.

From the results of the field visits, it can be concluded that there are no child laborers in the company's operational areas. In addition, from the results of interviews with stakeholders for example FFB contractors, that the company has socialized the policy of no child labor in the company's operational area.

Based on this explanation, the company has carried out socialization of the no child labor policy.

	Status: Comply	
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**6.5
There is no harassment or abuse in the workplace, and reproductive rights are protected.**

6.5.1

The Company has a policy to prevent and catch up which is stated in the policy number KHI-smart/011-00 which explains, among other things, that the Company protects/laborers from acts of discrimination against workers in order to realize harmonious, dynamic and fair industrial relations for all workers/Labour without distinction.

The company has a policy regarding the prevention of sexual violence as stated in the one stipulated on January 10, 2011. The management unit also has a policy on preventing any form of sexual violence which was signed by top management on August 1, 2011. The summary of the policies includes:

- Sexual harassment is unwanted sexual acts, requests for sexual favors, and verbal behavior or physical activity that is sexually charged. Sexual harassment is illegal and cannot be tolerated.
- Sexual harassment is prohibited and sexual acts may be subject to disciplinary sanctions up to termination of employment.
- No one should retaliate against or discriminate against those who make sexual complaints.
- Anyone who retaliates may be subject to disciplinary sanctions up to termination of employment.

As a form of implementation, the company has a Gender Committee which aims to ensure the achievement and protection of gender for workers which consists of:

1. Estate manager as coach
2. Chief
3. Treasurer
4. Vice Chairman
5. Secretary
6. Members: 14 people
7. Companion: 12 people

Based on the gender committee interview, it is known that its members consist of male and female workers who come from various groups of workers, including office and field workers.

6.5.2

The company also has policies to protect the reproductive rights of workers, especially women, for example, such as maternity leave as stated in the PKB document, including:

- Female workers who are about to give birth are given a break for 1.5 (one and a half) months before and 1.5 (one and a half) months after giving birth to a child
- Female workers who experience miscarriage are entitled to a 1.5 (one and a half) month rest by attaching a doctor's certificate.
- The start date of maternity leave before giving birth is determined by the company doctor/appointed maternity midwife
- etc
- And the company has also socialized the PKB on January 27, 2020, which was attended by 72 people at the Tanah Laut Estate.

From the results of interviews with stakeholders for example FFB contractors, the company has also conducted socialization that the company protects the reproductive rights of all workers, especially workers.

6.5.3

The company already has a list of needs for young mothers made on May 17, 2022, for the period of 2022 for example for workers in the TLTE 2022 area to 142 female employees are:

- a. Pregnant 2 people
- b. Breastfeeding 8 people
- c. Not pregnant and breastfeeding 132 people

Based on the results of interviews with the chair of the gender committee, information was obtained that pregnant women or mothers who have just given birth need space for breastfeeding, special breaks to give breast milk to their children, periodic health checks for children and mothers. So through this, the company has set policies for young mothers, which are as follows:

- New mothers are given jobs that do not use chemicals.
- New mothers are provided with pre- and postnatal health check-ups at the same time as posyandu activities.
- New mothers are provided with posyandu facilities for routine health checks and monthly child development.
- Socialization related to sexual harassment, women's workers' rights, health and zero burning is routinely carried out according to the schedule set by the company.

Based on this explanation, the unit of certification has conducted an assessment of the needs of young mothers.

6.5.4

The company has a complaint mechanism set out in its Human Rights policy and runs a responsible business explaining, among other things, that the company respects and protects the rights of whistleblowers and human rights defenders.

In addition, the company also has a policy, which explains that the company guarantees the anonymity of the whistleblower and whistleblower. Information and data entered are recorded in the complaint and dissatisfaction recording form.

From the results of interviews with harvesting workers, that the company has carried out complaints and the workers understand how to submit complaints, if any, to the company.

Based on this explanation, the unit of certification has respected the protection of the identity of the complainant.

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

6.6.1

The company already has a recruitment mechanism which is stated in the KHI Policy document number smart/001-00 which explains:

1. Done without distinction of race, national caste, religion, disability, gender, sexual orientation, union membership, political affiliation, and age
2. Not withholding formal identity documents from prospective workers such as Identity Cards (KTP), passports, or Driving Permits (SIM)
3. Not accepting prospective workers/laborers who are under 18 (eighteen) years old
4. Does not charge any fees or security deposits to workers/ laborers in the recruitment process
5. Ensure that the recruitment process is carried out by people who have the ability to analyze and prevent forced labor or human trafficking
6. Ensure the legality of third parties who cooperate with the company in the recruitment process and follow recruitment procedures in accordance with applicable laws and regulations and are fully documented (personnel identity, recruitment fees, etc.)
7. The company ensures that all its partners comply with and implement all company policies

From the results of interviews with workers in the field, that during recruitment the company did not retain the original documents owned by workers, for example, KTP. Certificates, and other documents. In addition, workers are also not required to make payments during the recruitment process.

Based on this explanation, the company has complied with regulations related to employment.

6.6.2

The company has made a work agreement for temporary workers, for example for employees with the number SPK SPK/PKWT/02/2021, which explains:

1. General terms, Includes:
 - Reception area
 - Position
 - Type of work
 - Place of work
2. Wages (Basic Salary and Rice Assistance)

3. Term of agreement
4. Scope of work
5. Working time: 7 hours a day or 5 hours if the day falls on a selected working day as the shortest working day in one of 6 (six) working days or 40 hours per week
6. End of employment agreement
7. Social security
8. Leave
9. Work rules
10. Employee housing
11. Other terms

And for temporary work the company has reported to the *Dinas Ketenagakerjaan Pelahari* on: 07 March 2022 with document number No: 0001/TLTM-EXT/03/2022 as many as 13 workers with temporary worker status.

Based on this explanation, the company has labor procedures that are prepared and implemented

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 shows the latest OHS Committee endorsement for each unit as follows:

1. Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province No. 566/221/WAS-NKT/2021 dated 01 September 2021 regarding the ratification of the OHS Committee at PT SMART, Tbk – Tanah Laut Estate.
2. Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province No. 566/233/233/WAS-NKT/2020 dated 01 October 2020 regarding the ratification of the OHS Committee at PT SMART, Tbk – Kintapura Estate.
3. Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province No. 566/257/Disnakertrans dated April 24, 2018 regarding the ratification of the OHS Committee at PT SMART, Tbk – PKS Tanah Laut. The company showed a letter from PT SMART, Tbk to the Manpower and Transmigration Office of South Kalimantan Province with No. 02/TLTM-EXT/05/2022 dated May 14, 2022 regarding changes to the organizational structure of the OHS Committee. The letter was received on May 17, 2022. However, until the audit activity took place, there has been no approval of the latest OHS Committee.

The certification unit also shows the latest OHS Expert endorsement for each unit as follows:

1. Decree of the Minister of Manpower of the Republic of Indonesia No. 5/7644/AS.02.04/VII/2020 dated 27 August 2020 regarding the appointment of an OHS Expert on behalf of Fahmi Farhat which is valid for 3 years from the date of stipulation. OHS Expert Authorization Card with No. Reg. 40300/PK3/AJ/31/2020/P1 dated 27 August 2022 on behalf of Fahmi Farhat and valid until 27 August 2021.
2. Decree of the Minister of Manpower of the Republic of Indonesia No. KEP.19914/NAKER-BINWASK3/VI/2018 dated June 25, 2018 regarding the appointment of an OHS Expert on behalf of Ichvan Hermawan which is valid for 3 years from the date of stipulation. OHS Expert Authorization Card with No. Reg. 55927/PK3/AJ/31/2020/P0 dated June 25, 2018 on behalf of Ichvan Hermawan and valid until June 25, 2021. The company shows the receipt for the renewal of the OHS Expert certificate which was sent to the local Manpower Office on July 7, 2022. **OFI**
3. Decree of the Minister of Manpower of the Republic of Indonesia No. KEP.14379/NAKER-BINWASK3/VII/2018 dated 06 July 2018 regarding the appointment of an OHS Expert on behalf of Ferdiansyah Abdul Actora Hasibuan which is valid for 3 years from the date of stipulation. OHS Expert Authority Card with No. Reg. 23081/PK3/AJ/31/2018/P1 dated 06 July 2018 on behalf of Ferdiansyah Abdul Actora Hasibuan and valid until 06 July 2021. The company shows the OHS Expert certificate renewal receipt which was sent to the local Manpower Office on 7 July 2022.

The company has the opportunity to confirm the progress of the latest approval of the P2K3 Tanah Laut Mill structure and the extension of the OHS Expert license for the Tanah Laut Estate and Kintapura Estate. **OFI**

Certification unit can show regular meeting activities, including;

1. The OHS Committee Meeting on April 25, 2022 took place in the TLTM meeting room and was attended by 11 OHS Committee members. The agenda for the meeting included: a review of the OHS program, the availability of employee PPE, the 2022 training program, the results of the inspection of employee PPE and the results of the inspection of fire extinguishers, hydrants and first aid kits.
2. The OHS Committee meeting on 23 May 2022 took place in the TLTM meeting room and was attended by 10 OHS Committee management. The meeting agenda includes: reviewing the use of employee PPE, and reviewing work accidents.
3. The OHS Committee meeting on 23 June 2022 took place in the TLTM meeting room and was attended by 10 OHS Committee management. The meeting agenda includes: review of the OHS program, availability of employee PPE, training program for 2022, results of employee PPE inspections and inspection results of fire extinguishers, hydrants and first aid kits.

6.7.2

Based on document verification show that the certification unit has procedures for handling emergency response and first aid in work accidents, including the following:

1. SOP for Emergency Preparedness and Response with document number SOP/SMART/GENERAL/SADV//005. Rev 0.0 was passed on 01 July 2014 by the Head of Upstream. This SOP is intended as a guide in identifying. Prevent potential and overcome emergencies in estate, mill and other support units in Sinarmas Plantation areas and their subsidiaries.
2. SOP Design and Use of Hydrant with No. SOP/SMART/HESS-EHSD/SADV//014 dated 01 July 2014.
3. First aid SOP with No SOP/SMART/HESS-EHSD/SADV/1/011 dated 01 July 2014

Regarding the implementation of the procedure, based on the field observation, it was found that:

1. The simulation results of extinguishing fires using Hydrant No. 3 (twice) in the mill operational area are known that the Hydrant is in a condition that cannot be used optimally due to leaks in the nozzle and at the pillar connections. Meanwhile, based on the Monitoring Hydrant No. 3 which was carried out on June 20, 2022, it was found that all Hydrant components were in good condition and ready to be used.
2. Regarding the use of the first aid kit, it is known that:
 - a. Based on the field observations at Tanah Laut Estate found:
 - There is no Aquadest item in the first aid kit in the workshop area.
 - There is no Aquadest item in the first aid kit at Schedule Waste.
 - b. Based on the field observations at Kintapura Estate found:
 - There is no monitoring of the first aid kit at the loose poles.
 - There is no monitoring of the first aid kit in manual work.
 - There are no eye wash glasses in manual work.
 - There are no eye wash glasses in pesticide application work.
 - There is no plaster in pesticide application work.

The certification unit has not been able to show that the implementation of emergency response and First Aid in Accidents (P3K) in operational areas has been running thoroughly. This is become Non-Conformance number **2022.01** with minor category.

6.7.3

The certification unit already has SOP for Personal Protective Equipment. The SOP explains the PPE standards for each job starting from harvesting, spraying, fertilizing, heavy equipment operators, loading FFB, mechanics, welders, manual maintenance, field staff, civil engineering, foremen, warehouse officers, generator operators and solar tank activity.

It was further explained that the certification unit had disseminated PPE SOPs to employees, for example the OHS Socialization and Use of PPE on February 07, 2022 and was attended by 34 workers. The certification unit can show the documentation, attendance list and socialization materials.

In addition, the certification unit also showed samples of the PPE handover documents for 2022 through the PPE

Handover Minutes document on February 22, 2022 for safety boots. The certification unit also shows sample documents for employee PPE replacement through the Minutes of PPE Replacement document on June 23, 2022, for safety boot.

Based on field observations and interviews with estate, mill and contractor employees revealed that the certification unit had provided PPE to employees in accordance with the risk assessment that had been carried out previously. PPE can also be replaced if the PPE used is damaged.

Based on field observations in the material warehouse, it is known that the certification unit has provided a stock of PPE that will be used to replace the PPE of employees who are damaged at work. Further explained that the certification unit provides a stock of PPE as much as 10% of the number of employees in each.

6.7.4

The certification unit shows proof of payment of *BPJS Kesehatan* and *BPJS Ketenagakerjaan* for estate and mill for the period April – June 2022. From the results of document verification, it is known that all workers have been included in the *BPJS Kesehatan* and *BPJS Ketenagakerjaan* program, for example proof of payment of *BPJS Kesehatan* and *BPJS Ketenagakerjaan* for the period of June 2022 for 895 employees paid on June 17, 2022.

The certification unit also shows proof of payment for *BPJS Ketenagakerjaan* and *Kesehatan* for contract worker for the period of April - June 2022, for example: *BPJS Ketenagakerjaan* proof of payment (mill) for casual daily worker for the period June 2022 with a total of 40 employees paid on June 17, 2022

Based on field observations and interviews with estate, mill and contractor employees revealed that each employee had been included in the *BPJS Kesehatan* and *BPJS Ketenagakerjaan*, further explained that employees had used *BPJS Kesehatan* for treatment at public health services.

Based on interviews with estate and mill workers revealed that each worker already knows how to use *BPJS Kesehatan* which if for treatment outside the certification unit and does not carry a *BPJS Kesehatan* membership card, the employee only needs to submit his membership number. It was further explained that each employee already holds a *BPJS Kesehatan* card and knows their respective membership numbers.

6.7.5

The certification unit has recorded work accidents using Lost Time Accident (LTA), which is listed in the Work Accident Board document. These documents include explaining the level of work accidents such as death, serious injury (lost time > 3 days), minor injuries (lost time < 2 days), first aid (without lost time), total employees, total reportable accidents, total work accident cases (lost time > 3 days), total working hours, FR and SR as well as work accident statistics for the 2021 period per month.

Based on the verification of work accident documents for Kintapura Estate for the period January-May 2022 it was found that there were 1 cases of work accidents with 2 days missing. From the work accident data, it is known that the FR value is 6 and the SR value is 15. The certification unit can show claim data for each work accidents.

6.7.2	Status: NCR 2022.01 with minor category
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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

Based on document verification and interviews with management representatives, it is known that there has been no revision of the HPT Control SOP. The company is still using SOP/SMART/MCAR/III/TA-HPT. The procedure for setting up an early warning system is routine enumeration of potential pests and diseases, with emphasis on mechanical and biological control, such as planting beneficial plants (*Tumera subulata*, *Cassia cobanensis*, and *Antigonon leptopus*) to anticipate fire caterpillars. The certification unit also have a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn

owl box as a mechanism to control rat. The company monitoring barn owl box occupation at least once a month. The monitored parameter is the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl.

The certification unit has conducted regular pest and disease censuses. For example, for the results of the rat dan leaf eater caterpillar census, it is known that during the period April – June 2022, there were no rat and UPDKS attacks that exceeded the threshold. Based on field observations, both in Tanah Laut and Kintapura Estate, did not find any rats or UPDKS attacks.

7.1.2

The certification unit explained that biological control of leaf eater caterpillar uses beneficial plants such as *Turnera subulata*, *Casia cobanensis*, and *Antigonon leptosus*. Based on the field observations showed that the beneficial plants had been well cared for. The certification unit also develops owls as natural predators of rats. Based on the document verification known that in Kintap Estate there were 27 active owl cages.

Based on the above, it is known that the certification unit does not use invasive species in its operational area.

7.1.3

Based on interviews, document verification, and field observation also revealed that there was no pest control using fire. Pest and disease control in the company only uses biological and chemical means.

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

7.2.1 and 7.2.5

The certification unit has shown the SOP for the Safe Use of Pesticides. The purpose of the procedure is that workers handling pesticides are always aware of the magnitude of the danger of poisoning and the level of health risk due to their work activities, in addition to carrying out safe and appropriate operational performance related to the use of pesticides in accordance with the instructions for use. The contents of the procedure include the level of material hazard based on WHO class, level of poisoning based on LD50, statement of material hazard, color and hazard symbols and danger signs.

The certification unit has shown a document listing the pesticides used in the 2021-2022 period. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide. The examples of pesticides used are Garlon with the active ingredient Trycloparyl butoksi ethyl ester; LD50 (mg/kg) 5,000; RI registration number RI. 0103011984695 valid until 31 December 2025, WHO class III, pesticides targeting broad leaf weed and narrow leaf weed.

7.2.2

The certification unit shows a record of pesticide use for the period 2021-2022. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide. The document explains that the certification unit uses 11 types of pesticides, including: Garlon, Roll Up, Erkaforon, Dithane, Tiflo, Decis, Matador, Samite, Starane, Rolifos and Cymbush. For example, Garlon 670 EC with the active ingredient Triclopir, concentration 480 g/l, LD50(mg/kg) 1.581, registration number RI. 0103011984695 valid until April 16, 2023, WHO class III pesticide targeting woody weeds. The total use of the Garlon 670 EC for the January-June 2022 period is 281.09 liters.

7.2.3

Based on the leaf eater caterpillar census in TLTE in April 2022 with attacks below the threshold correlated with planting beneficial plants in the TLTE area as leaf eater caterpillar biological control using *Turnera subulata*, *Cassia cobanensis*, and *Antigonon leptosus*. This means that the use of pesticides controlling leaf eater caterpillar can be minimized according to the IPM plan.

Based on verification document of pesticide use for the period January 2020 to July 2022, it was found that the certification unit no longer used pesticides with the active ingredients of paraquat dichloride, brodifacum, coumatetralyl, and carbofuran. This shows that the certification unit has implemented a policy of limited pesticide use in accordance with the

circular described above.

Based on observations of plant pests and diseases, it is known that the results are directly proportional to the results of observations in the previous year where there is no use of chemicals to control pests and plant diseases.

7.2.4

Based on the verification document of pesticide use documents, and interviews with representatives' management, it is known that there is no preventive use of pesticides for the prevention of pests and diseases. The certification unit explained that pest and disease control should be based on census results.

7.2.6

Based on the document verification of pesticides list used by the certification unit, it is known that the certification unit does not use pesticides with the active ingredient paraquat. However, the certification unit still provides training to workers as a regular update on workers' knowledge. The training activity was carried out on April 30, 2022 located at Kintapura Estate. The training activities provided include environmental and occupational health and safety policies, MSDS of pesticides (Agrochemicals) used, prohibition of handling pesticides and their applications (pregnant and lactating women), not spraying in HCV areas and water bodies, how to handle emergency situations, handling pesticide packaging (waste, hazardous and toxic materials) and separation of organic, non-organic and hazardous and toxic materials waste. This activity was attended by 23 participants at Tanah Laut Estate and 38 participants at Kintapura Estate.

Based on field observations in the circle and path spray activities it is known that the materials used are glyphosate and methyl metsulfuron. Besides that, pesticide applicators had carried out work practices according to safe work procedures and practices by using appropriate PPE. Based on interviews with workers, it is known that pesticide application training is carried out for the foreman, and the foreman trains his workers in the field.

7.2.7

Based on field observations to the pesticide warehouse of the Kintapura Estate and Tanah Laut Estate, it is known that the pesticides have been stored neatly separately from other materials. The warehouse has been equipped with MSDS, emergency response facilities, adequate ventilation, and is locked because the area is limited.

7.2.8

The company already has SOP for storing pesticides number No.SOP/SMART/LEMS-EHSD/SADV/II/002, date 2 July 2014. The SOP describes the mechanism for storing pesticides in a special warehouse, including a place for mixing pesticides to be used in the field in a special isolated place so there is no potential for chemical exposure to outside the warehouse. Storage of used pesticide packaging is stored in a temporary storage area for hazardous and toxic waste materials and then sent to a licensed collector.

The company shows a letter from Ministry of Environment and Forestry (KLHK), Director General of Waste Management, hazardous and hazardous Waste, Directorate of Verification for Management of hazardous and Non- hazardous waste, dated January 12, 2021 No.S.11/VPLB3/PNLB3/PLB.3/01/2021 regarding clarification of PT SMART waste which explains the use of hazardous waste PPE contaminated with hazardous, used pesticide packaging, and used fertilizer sacks. Based on the letter, the hazardous waste management plan that is carried out is to wash it 3 times in a special place, the used washing water is managed by being accommodated in a special reservoir and reused for activities according to the characteristics of hazardous and waste recording and reporting to the Ministry of Environment and Forestry every 3 months. The company shows a special report on the use of Non- hazardous waste sent to the Ministry of Environment and Forestry for the first quarter of 2022 according to letter number 037/EL/SMART-KLHK/VI/2022, the report explains the data on the management of hazardous waste that is used, for example used data. fertilizer sacks and used pesticide packaging for activities according to the characteristics of hazardous waste and hazardous toxicity.

Based on field visits and interview with pesticide warehouse operator and the temporary storage area for hazardous and toxic waste in the estate and rinse room, it was found that the pesticide storage area was well managed, oil traps were available, adequate and isolated airways so there was no potential for pesticide exposure to leave the warehouse. Before being stored in a temporary storage place for hazardous and toxic waste or reused the used pesticide packaging in the

form of jerry cans is rinse first, before ready to use.

The company already has a rinse room to rinse used pesticide container and used fertilizer sack, after to rinse it is storage on specially storage. all hazardous waste be managed and recorded on report hazardous waste reuse, and reported to government.

Based on field observations in the housing area of Kintapura and Tanah Laut Estate showed that there was no reuse of pesticide containers. It was further explained that the pesticide containers was only reused for spraying activities in the field.

7.2.9

Based on the interviews with management representatives and local community, it is known that the certification unit does not apply pesticides by air.

7.2.10

The company has carried out specific annual medical supervision for pesticide operators, for example at the TLTE Estate, the company's clinic conducted a medical examination for 32 company employees (spray, fertilizer and warehouse) which was carried out on June 15, 2022. And the results of the examination showed that all employees qualified to work. Based on this explanation, the company has carried out annual medical supervision for pesticide operators.

7.2.11

From a review of documents on the employee list for the period of June 2022, and from the results of interviews with pesticide handlers, it can be seen that there are no pregnant or lactating women who do work related to pesticides. From this explanation, it can be seen that work in the company is not carried out by people who are not yet 18 years old, pregnant and lactating women.

	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 shown evidences that the waste has been identified based on toxicity and hazardous characteristics, and then managed in accordance with waste management procedure and government regulation. The waste identification and management plan stipulated in document of Waste Source Identification and Management. Has been identified the source of waste and pollution from Mill and Estates. For example, engine room produce emission from generator, sterilizer station produces solid waste and scattered loose fruit, chemical storage produce solid waste, such as ex chemical container, etc.

POME

The waste treatment process in the mill with the WWTP pond system. Before being used on plantation land, all wastewater is treated first in the WWTP pond until it reaches the permissible quality standards for wastewater utilization with the provisions of pH 6-9 and BOD ≤ 5000 mg / l. TLTM has a permit for mill waste management, disposal or land application in accordance with stipulated requirements.

Solid Waste (Fiber, Shell and EFB)

The company utilizes fiber and shells as boiler fuel, while EFB is applied to plantation land as fertilizer for oil palm plants.

Hazardous and Toxic

The company also has a permit for the Temporary Storage of Hazardous and Toxic Waste by the Regional Government based on the Decree of the Head of the Investment Service and One Stop Services of Tanah Laut Regency No. 140/16-PLB3/DPM-PTSP/2019 dated 6 August 2019 and is valid for 5 years.

Base on field visit on hazardous waste storage and housing complex employee is known waste type are properly disposed of based on toxicity and hazardous characteristics.

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 effort 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 its 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 reduce 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 Sinar Bintang Albar.

Based on an interview with the manager related to the disposal of domestic waste, by separating organic and inorganic waste. Afterward, fiber and shell are managed by renewable energy usage for boiler and palm oil mill effluent (POME), managed by the effluent pond and land applications as a nutrient cycle.

7.3.3

The company does not carry out open burning for waste disposal. Based on field observation known waste separation is separated based on the type of wet and dry waste, garbage transportation is carried out routinely, waste separation organic and inorganic are adjusted to the appropriate tub then put into the final waste disposal and closed periodically. Based on the results of field visits, both on land and in housing, there was no indication of open burning of hazardous and toxic waste or domestic waste.

	Status: Comply	
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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

The certification unit has fertilization procedures SOP (SOP/SMART/MCAR/IX/TA-PPK) which was approved on 2020. The procedure regulates, among others, the main principles in the application or sowing of fertilizers, important factors in the effectiveness and efficiency of fertilization, fertilizer technical guidelines, fertilizer preparation, fertilization work organization, fertilization mechanically with Fertilizer Spreader, and the application of liquid waste/ POME.

The procedure also establishes many strategies for maintaining and increasing long-term soil fertility, by combining efficient and measurable organic fertilization, taking into account the age of oil palm and soil nutrients by taking leaf and soil samples.

The certification unit shown the program and the realization of anorganic and organic fertilization application for period January until June 2022. Based on document review and interview with the staff, the realization of fertilization in Tanah Laut Estate and Kintapura Estate is in accordance to the program.

7.4.2

The unit of certification has documented data on LSU and SSU for Tanah Laut and Kintapura Estate. LSU and SSU are conducted annually based on LSU Procedure No. IK/SMART/MCAR/IX/TA-PPK/05-LSU, and SSU Procedure No. IK/SMART/MCAR/IX/TA-PPK/06-SSU. LSU and SSU are carried out by SMARTRI which has been registered with KAN as a testing laboratory. The test parameters for LSU are N, P, K, Mg, Ca, B, Cu, and Zn. For SSU the test parameters are more or less the same as LSU, with the addition of organic C content.

7.4.3

Based on the document review, it is known that as a nutrient recycling strategy, the certification unit utilizes EFB, and POME. The certification unit shows a record for example EFB application in an area of 199, 14 Ha of the targeted 211.70 Ha and land application in an area of 71.50 Ha from the targeted 150.15 Ha.

7.4.4

The certification unit has recorded inorganic and organic fertilizing well during 2022 and recorded it in the fertilization month report. Fertilization records have been shown in the 2022 fertilizer progress document, which includes fertilization programs and realization. For the period of 2022 the certification unit used fertilizer Urea, MOP, TSP, RP, HGFB, Kieserite, and Dolomite. For example Urea used January until June 2022 is 247,600 Kg for Kintapura Estate and 86.87 Kg for Tanah Laut Estate.

Status: Comply

7.5

Practices minimize and control erosion and degradation of soils.

7.5.1

The certification unit shows the maps contained in the following documents:

- a. Soil Map Unit (Semi Detail Survey) TLTE scale 1:50,000
- b. Soil Map Unit (Semi Detail Survey) KNTE 1:50,000

Based on the document, it is known that the types of soil in the certification unit area include: *typic hapludults*, *aquic hapludults*, dan *typic endoaquults*. Slope class between 0 - 40%.

Based on the explanation above, it is concluded that the certification unit already has maps that identify marginal land, including land with steep slopes.

7.5.2

Based on the results of the study of the soil type map document, it is known that the land slope class is between 0 – 40%, in addition, based on field observations in the replanting area for the year 2022, it is known that there is no extensive replanting activity in the area with steep slopes.

7.5.3

Based on the verification of the area statement documents and interviews with management representatives, it is known that the certification unit did not carry out any new plantings.

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

The certification unit shows the maps contained in the following documents:

- a. Soil Map Unit (Semi Detail Survey) TLTE scale 1:50,000
- b. Soil Map Unit (Semi Detail Survey) KNTE 1:50,000

Based on the document, it is known that the types of soil in the certification unit area include: *typic hapludults*, *aquic hapludults*, dan *typic endoaquults*. Slope class between 0 - 40%.

Based on the explanation above, it is concluded that the certification unit already has maps that identify marginal land, including land with steep slopes.

7.6.2 and 7.5.3

Based on the verification of the area statement documents and interviews with management representatives, it is known that the certification unit did not carry out any new plantings.

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, 7.7.3, 7.7.4, 7.7.5, 7.7.6, and 7.7.7

Based on the field observations, interviews, and document verification during the onsite audit, it was found that there was no new development/ planting. Oil palm was planted between 1995 – 2005 which means that the age of the oil palm is still 17-27 years old. Based on the results of the review of the annual management meeting document, it is known that the cropping cycle is set at ±28 years but there is a possibility of replanting if there are obstacles to achieving production, pests and diseases and other factors. According to the TLTE and KNTE soil maps sourced from the Semi Detailed Soil Survey, there is no peat area in the certification unit area.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The water source management and monitoring plans has been set in the SOP of Water Source Management and Monitoring (No. SOP/SMART/BCOS-EHSD/SADV/II/004) and in the semesterly Environmental Management and Monitoring Plan (RKL/RPL) and HCV Management & Monitoring report.

The company can show the results of the 2nd semester of 2021 River testing by the Environmental Laboratory with accreditation refers to the parameters based on PP No. 22 of 2021 and there are no test results that exceed the quality standard. the rivers that were tested were the Habang river on downstream and upstream. Based on the test results, it can be seen that the Company's operational activities do not increase the pollution load on river water.

In relation to the management plan and protection of riparian to avoid negative impacts, it is stated in:

- PT SMART's 2011 HCV identification and management plan in the recommendation section explains that the company needs to create a buffer zone area on the riparian with a distance of 100 meters to the right and left of large rivers and 50 meters to the left for small rivers. Do not apply chemicals and fertilizers along riparian.
- Work instruction document No. IK/SMART/BCOS-EHSD/SADV/004/001 explains the technical aspects of making a spray boundary sign for HCV areas including riparian that inform "PESTICIDE SPRAY BOUNDARY". The marking of an X cross as a chemical spray limit in the HCV area is red on oil palm trees in accordance with the determination of the buffer zone distance. In the work instruction, the result standard states that the HCV area must have a spray limit spray limit sign and a cross mark on oil palm trees with red paint with a certain size with a size adjusted to the outer boundary of the HCV area where chemicals are not allowed to be used. The condition of spray boundary signs and cross marks every 3 months by ensuring the condition of the HCV area writing, the paint does not fade and the position of the signposts must stand upright and the cross marks must be clearly visible. Clean the spray limit signs and crosses manually (no chemicals are used).

As the implementation of these procedures during the audit process, evidence of implementation of the plan can be shown, including:

- The 2022 HCV management plan describes the riparian management program, the maintenance of HCV boundary markers is carried out every three months, which has been realized in March 2022.
- The Kintapura estate HCV boundary sign maintenance form for the period 17 March 2022 explains that the boundary marking has been maintained in the riparian area, both spray boundary signs and red cross marks on trees.

However, based on the results of field visits in the Salaman River block G7, evidence was obtained of the application of chemical pesticides in the form of wiping Lalang on the Salaman riparian where there was also no red cross on the oil palm tree. Furthermore, the results of the verification in the foreman's activity book (BKM) No. BKM 1927828 division I on 17 May 2022 explained that wiping activities (pesticide application) had been carried out in block G7 covering an area of 24.14 ha for roll up materials.

The company has not been able to show evidence that the implementation of the water resource management plan has been carried out in accordance with the management plan and SOP it has, in order to avoid negative impacts on other users in the water catchment area. This is become Non-Conformance number **2022.02** with minor category.

7.8.2

Based on field visit during audit, for examples on HCV Habang River Riparian Area, Block D20 Tanah Laut estate the

auditor acquired information that company effort to maintain the water source, provide water source information boards, determine water test locations and conduct testing every 6 months, conduct socialization to workers and the community regarding water source management.

7.8.3

POME quality testing document review shown for January 2021 to June 2022 all of POME testing parameters are compliant to the standards quality (for examples BOD on June 2022 are 1,367 mg/l with threshold 5000 mg/l and pH 7,00 with threshold 6-9), and all of POME management and monitoring has been reported to related institutions for regular basis per 3 months. The POME quality testing still accordance minister environmental number 28 year 2003.

Decree of the Regent number No.188.45/449-KUM/2016 concerning Permit for Utilization of POME in Soil to PT SMART dated 18 April 2016, the permit is valid for 5 years, during audit conducted extend permit still in progress.

7.8.4

Mill water use has been monitored and recorded in document of Recapitulation of Water Usage and Distribution. The record has been covered the FFB process, detail of water usage for process and non process, total water usage, and water usage per ton of FFB. For instance the total water usage in 2021 was 73492 m3, mill freshwater usage per Palm Oil produced tonne (M3/MT) is 3.98.

Based on the results of the verification of the surface water utilization permit document Number: 503/13/SIPA/DS-DPMPTSP/VI2020 dated 10 June 2020 valid until 16 June 2023, the permit does not explain the maximum allowable surface water use capacity, but based on the results of the budget document verification the use of processing water in 2021, is still appropriate, namely 4.00 per Palm Oil produced tonne (M3/MT).

7.8.1	Status: Non-Conformance number 2022.02 with minor category.
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7.9

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

The 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 2021 POM has produces 1,023,711 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 10.06 kwh / ton CPO. Result Direct fossil fuel used is 0.10 kWh/ ton CPO.

	Status: Comply
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7.10

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

7.10.1

The company has identified source of pollution and air emission sources, including gaseous, particles and shoot emissions and effluent covering emissions and pollution sources from estate and mill operations. The emission source identified from estate and mill operation among others are land use change, vehicle operation, machine operation, fertilizer and pesticide application, use of AC/refrigerator, waste piling and electricity consumption.

Identification of significant GHG gas emission source is identified and the mitigation plan has been developed by the company covering mill and estate. The significant GHG emission among others are land use change, POME, use of fertilizer and pesticide, use of fossil fuel for operation and transport. The mitigation plan among others are correct dosage use for fertilizer and application as recommended, reduce reuse and recycle action, electric use limitation, transport and engine maintenance, periodic air quality test.

Fossil fuel reducing on Tanah Laut POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods January 2021 to June 2022 shown that all of waste water testing parameters is compliant to the standards quality.

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator. Summary of net GHG emissions from

PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

The calculation of GHG and its monitoring has conducted by EHS department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for Tanah Laut POM and its supply base are listed as follows

Emissions per product	tCO2e/tProduct
CPO	1.11
PK	1.11

Production	t/yr
FFB processed	91,876.28
CPO produced	17694
PK produced	4441

Extraction	%
OER	19.26
KER	4.83

Land use	Ha
Planted area on mineral	3,177.92
Planted on peat	0
Total area planted	3,177.92
Conservation Area (Forested)	0
Conservation Area (Non-Forested)	337.46
FFB Production per hectare	20.16

Summary of field emission and Sinks

Description	Own crop	Group		3rd	Total
Emissions Sources	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB	tCO2e
Land conversion	23293.70	6.81	0	0	23293.70
CO2 emissions from fertilizer	1398.67	0.41	0	0	1398.67
NO2 emissions from peat	0	0	0	0	0
NO2 from Fertilizer	1109.26	0.32	0	0	1109.26
Fuel consumption	489.81	0.14	0	0	489.81
Peat oxidation	0	0	0	0	0
Sinks					
Crop sequestration	-23984.30	-7.02	0	0	-23984.30
Sequestration in	0	0	0	0	0
Conservation area					
Total	2307.15	0.67	0	0	3361.33

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	18009.31	0.20
Fuel consumption	840.56	0.01
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	18849.86	0.21

Palm Oil Mill Effluent (POME) Treatment

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion

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

The auditor team has verified the GHG palm that has been carried out by the company. Based on the verification results, it is known that the GHG palm input data is in accordance with the actual conditions. This is evidenced by the results of verification of the amount of FFB production from TLTE and KNPE plantations, the amount of production from third parties, the amount of production from Group Plantations, planted area of TLTE and KNPE and the distribution of planting years and the area of HCV. which is in accordance with actual conditions.

7.10.2 & 7.10.3

The company has identified pollutions and emissions sources of Tanah Laut POM for the period 2022, such as CO2 (boiler, generator, transportation), CH4 (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2022, such as emissions (CO2, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester I & II the year 2021, the mitigation still effective to reduce the GHG emission, such as pollution testing, reduce fuel consumption and reduce chemical for WTP. Fossil fuel reduction on Tanah Laut POM have been implemented by fiber/shell usage for the boiler.

	Status: Comply	
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**7.11
Fire is not used for preparing land and is prevented in the managed area.**

7.11.1

The certification unit has a policy of land clearing by not burning land (zero burning) which is contained in the SOP for Fire Management in Plantation Land. Based of field observations and document verification revealed that there was no new planting activity in the certification unit but certification unit is currently carrying out replanting activities in the Tanah Laut Estate, further explained that the certification unit uses a mechanical system and does not do it by burning.

7.11.2

The certification unit has procedure for preventing and controlling land and/ or estate fires and has formed a fire emergency response team for estate and mill. To ensure that human resources are able to prevent and handle fires and other emergencies, the certification unit conducts trainings and socializations related to handling fire/ emergency situations in the operational environment. For example, the certification unit conducted a simulation of an emergency and fire on 10 February 2022 with the participants of the emergency response team and representatives of the surrounding community. The purpose of this activity is to test and evaluate the ability of the fire emergency response team in tackling land fires; train and evaluate the readiness of medical staff in handling collusion; train and improve cooperation between fire emergency response teams, calculate quick responses, ensure emergency response infrastructure is ready for use.

7.11.3

The Certification Unit periodically conducts socialization and joint training to increase public understanding and awareness. Especially for people who are directly adjacent to the certification unit. Based on the results of interviews with representatives from Bukit Mulya Village, it was stated that the certification unit had conducted socialization and facilitated joint fire management training.

	Status: Comply	
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**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

There are no new plantings activity since November 2005. Tanah Laut and Kintapura Estates were developed in 1995 to 2005 and During audit, the unit of certification can present the realization of reclamations start 2016 until 2021 is 214.97 Ha.

7.12.2

The High Conservation Value areas have been identified and assessed by the Biodiversity and Conservation Section of the Sustainability Division of the SMART group on Nov 2011 (TLTE and KNTE). The assessors are the RSPO-approved HCV assessor (Norman Faried M., Kusuma Widya R., and Bambang Setiaji). When compiling the HCV document, the ALS scheme has not been issued by the RSPO Secretariat and still uses the Approved RSPO HCV Assessor scheme by using the Value Area Identification Guide High Conservation in Indonesia, Consortium Revised HCV Toolkit Indonesia, July 2008. The process of preparing the HCV Identification Report has been through a public consultation process on October 5, 2011 which was attended by 35 participants who were representatives of the surrounding Village Heads, Trade Unions, community leaders, etc. Peer Review by Ir. Nyoto Santoso, MS.

The HCV Identification Report is equipped with a 1: 25,000 HCV Map showing the locations of HCV areas in the PT SMART Tbk Working Area.

Scope of HCV Identification Study was carried out on all work areas of PT SMART Tbk consisting of Tanah Laut Estate and Kintapura Estate including areas that are still in Kadastral status (Division III, Kintapura Estate).

Based on HCV assessment document showed that in the plantation area of TLTE and KNTE were identified several areas of HCV.

Tanah Laut Estate: 119.51 Ha as HCV areas consist of:

- HCV 1.1 Areas that Contain or Provide Biodiversity Support Function to Protection or Conservation Areas. There were local protected areas such as rivers and its riparian zone with area 119.51 Ha.
- HCV 1.2 Critically endangered species. There were identified the protected species such as *Bucheros rhinoceros*, *Octinaetus malayensis*, *Tordirhampus chloris*, *Nasalis larvatus* and *Felis bengalensis*.
- HCV 4.1 Areas or Ecosystems Important for the Provision of Water and Prevention of Floods for Downstream communities. There were identified a Riparian area with area 119.51 Ha.

Kintapura Estate: 217.95 Ha as HCV area consist of:

- HCV 1.3 Areas that Contain Habitat for Viable Populations of Endangered, Restricted Range or Protected Species. There was Proboscis habitat in Riparian zone (Salaman River) with area 21.79 Ha.
- HCV 1.1 and 4.1 Salaman River and its riparian zone with area 191.8 ha
- HCV 4.1 and 4.3 Areas that Function as Natural Barriers to the Spread of Forest or Ground Fire freshwater swamp as a catchment area of 4.36 ha.

7.12.3

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

7.12.4

The company already has a 2021 HCV management and monitoring plan which is stated in the 2021 HCV Management Plan document for PT SMART Tbk, namely:

- Monitoring and maintenance of HCV attributes
- Install/rehabilitate HCV attributes
- Socialization of HCV to Employees and Contractors
- Socialization of HCV to the Community
- Routine patrols
- Monitoring of protected species
- Planting erosion-repelling crops

- Monitoring and maintenance of erosion prevention plants

The company can show the master plan of the 5-year HCV management plan for the period 2019-2024 which has been developed together with stakeholders, namely on February 14, 2019 in Bukit Mulia village, Sumber Jaya village, Salaman village dan Kintapura village.

The company can demonstrate the implementation of the HCV management and monitoring plan for the period 2021, for example:

- Socialization of the protection of HCV and protected animals to the people of Kintapura village on May 3, 2021, which was attended by 19 participants.
- Socialization of the protection of HCV and protected animals to the people of Bukit Mulia on December 13, 2021, which was attended by 15 participants.
- Reports on HCV patrols conducted on 19 July 2021, 23 August 2021, 20 September 2021, 25 October 2021, 22 November 2021 and 14 December 2021. Based on the patrols carried out, the condition of the HCV is safe and under control and there are warning boards that have been damaged and need to be replaced.
- Monitoring reports on animal/plant species for the period January until December 2021. Based on the results of the monitoring, it is known that there are types of *Biawak*, *cekakak belukar*, *macan akar*, *phyton* and *elang tikus*.

7.12.5

Results of the verification documents, field visits and interviews via telephone with villagers (Bukit Mulya Village and Kintapura Village) obtained information that there are no areas of HCV-related and affect the local community.

7.12.6

In terms of providing education to workers related to the protection of HCV and the existence of protected animals and plants, the company has provided socialization to employees, for example:

- Socialization on the protection of HCV and protected animals to TLTE & KNPE employees which was held on July 19, 2021, which was attended by 32 Harvesters.
- Socialization of the protection of HCV and protected animals to the people of Kintapura village on May 3, 2021, which was attended by 19 participants.
- Socialization of the protection of HCV and protected animals to the people of Bukit Mulia on December 13, 2021, which was attended by 15 participants.

The company have established HCV management plan, and implemented it well. Regularly patrols record shown company has been monitored illegal hunting, and other illegal activities. All of records for daily patrols on each estate are available and verified by auditors.

For example, RTE patrols summary results on 2021 for conservation area on Habang River Riparian Area, Block D20 Tanah Laut Estate such as of *Biawak*, *cekakak belukar*, *macan akar*, *phyton* and *elang tikus*.

The socialization provided explained that all employees, staff and non-staff are prohibited from catching, injuring, maintaining and trading protected animals. If a protected animal is found in or around the estate, it must be immediately reported to the BKSDA for further handling. If there is a violation related to catching and injuring protected animals, the company will provide strict sanctions with criminal provisions.

7.12.7

The HCV management activities that taken by the management unit for period 2021 are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian. The company has also submitted a report related to the biodiversity database and monitoring & management HCV of PT SMART Tbk to the Natural Resources Conservation Center of Kalimantan Selatan Province.

The company conducted a management review related to the management of the HCV area on January 2021. The company has evaluated the results of management of river boundaries and HCV areas in 2021, among others, as input

in the preparation of a management plan for the management and monitoring of HCV in 2022.

The company conducted a management review related to the management of the HCV area on 2021. The company has evaluated the results of management of river boundaries and HCV areas in 2022, among others, as input in the preparation of a management plan for the management and monitoring of HCV in 2022.

7.12.8

Based on document review and interviews with management, it was found that there were no new land clearing activities after November 2005. Tanah Laut and Kintapura Estates were developed in 1995 to 2005 and During audit, the unit of certification can present the realization of reclamations start 2016 until 2021 is 214.97 Ha.

Status: Comply

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 1.3; ASA 1.4 & RC (Onsite Audit)	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	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 1.3; ASA 1.4 & RC (Onsite Audit)	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
ASA 1.3; ASA 1.4 & RC (Onsite Audit)	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA 1.3; ASA 1.4 & RC (Onsite Audit)	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

Golden Agri-Resources, Ltd Time Bound Plan (TBP) is explained in table 1.5. Golden Agri-Resources run forty nine (49) mills and one hundred and eighty (180) estates (own and smallholders) in Indonesia and has achieved RSPO certified for thirty-one (31) mills and supply base in Indonesia. Golden Agri-Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri-Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri-Resources, Ltd on 24 May 2022 made by Head of Operations Sustainability.

MUTU has verified partial certification for uncertified unit's subsidiary of Golden Agri-Resources, Ltd based on their Time Bound Plan. There are eighteen (18) uncertified management unit of GAR. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company Group/Holding Statement: The company has carried out a Compliance Audit / Internal Compliance Verification (ICV) to see compliance with RSPO standards and also the Set up System in the Company's units to be certified.</p> <p>There are Compliance Audit (ICV) reports for each company including:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul – Sawita Mill: Pre Audit 2015, Compliance Audit 24 - 31 May 2021 2. PT Smart Tbk – Bukit Kapur Mill: Pre Audit 2015, Compliance Audit 15 November 2021 3. PT Sinar Kencana Inti Perkasa – Kasuari Mill: Pre Audit 2015, Compliance Audit 11 October 2021 4. PT Agrolestari Mandiri – Pekawai Mill: Pre Audit 2015, Compliance Audit 01 March 2021 5. PT Binasawit Abadi Pratama – Perdana Mill: 14 June 2021 6. PT Agrokarya Prima Lestari – Kuayan Mill: Pre Audit 2014, Compliance Audit 13 September 2021 7. PT Mitrakarya Agroindo – Tangar Mill: Pre Audit 2015, Compliance Audit 27 September 2021 8. PT Paramita Internusa Pratama – Belian Mill: Pre Audit 2015, Compliance Audit 28 June 2021 9. PT Kresna Duta Agroindo – Rantau Panjang Mill: Compliance Audit 01 November 2021

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>10. PT Kresna Duta Agroindo – Gunung Kombeng Mill: Compliance Audit 15 February 2021</p> <p>11. PT Sawit Mas Sejahtera – Sungai Kikim Mill: <i>Setup System</i>. Compliance Audit 20 September 2021</p> <p>12. Sinar Kencana Inti Perkasa – Sungai Magalau Mill: Compliance Audit 25 October 2021.</p> <p>13. PT Bahana Karya Semesta – Sungai Air Jernih Mill: Compliance Audit 6 December 2021</p> <p>14. PT Bangun Nusa Mandiri – Kenari Mill: Compliance Audit 4 October 2021.</p> <p>15. PT Agrolestari Sentosa – Jalemo Mill: Compliance Audit 11 October 2021</p> <p>16. PT Adi Tunggal Mahajaya – Sako Mill: Compliance Audit 8 November 2021.</p> <p>17. Uncertified Area Sei Rindu Estate on 19 November 2021</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul (Sawita Mill and supply base) compliance audit on 24 - 31 May 2021. 2. PT SMART (Bukit Kapur Mill and supply base) compliance audit on 15 November 2021. 3. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) compliance audit on 11 October 2021. 4. PT Agrolestari Mandiri (Pekawai Mill and supply base) compliance audit on 01 March 2021. 5. PT Binasawit Abadi Pratama (Perdana Mill and supply base) compliance audit on 14 June 2021. 6. PT Agrokarya Prima Lestari (Kuayan Mill and supply base) compliance audit on 13 September 2021. 7. PT Mitra Karya Agroindo (Tangar Mill and supply base) compliance audit on 27 September 2021. 8. PT Paramitra Internusa Pratama (Belian Mill and supply base) compliance audit on 28 June 2021. 9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) compliance audit on 01 November 2021. 10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) compliance audit on 15 February 2021. 11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base) compliance audit on 20 September 2021. 12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) compliance audit on 25 October 2021. 13. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base) compliance audit on 6 December 2021. 14. PT Bangun Nusa Mandiri (Kenari Mill and supply base) compliance audit on 4 October 2021. 15. PT Agro Lestari Sentosa (Jalemo Mill and supply base) compliance audit on 11 October 2021. 16. PT Adi Tunggal Mahajaya (Sako Mill and supply base) compliance audit on 8 November 2021.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Then there will be additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 estate plasma/KKPA). Internal audit activities have not yet been carried out, but prior to the acquisition of these units, GAR has carried out a due diligence or internal assessment so that it can be decided to be acquired by GAR and the internal audit plan to be carried out on these units can be shown, with details as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit plan on 17 May 2022. 2. PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit plan on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit plan on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit plan on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit plan on 28 March 2022. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari) that has been certified with an internal audit plan on 8 August 2022. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit plan on 7 November 2022. <p><i>Notes:</i> Verification of the realization of the internal audit carried out on the newly acquired units will be carried out at the nearest RSPO surveillance audit activity with the internal audit schedule that has been set.</p>
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.12	<p>Company Group/Holding Statement: Several companies under GAR were planted above November 2005, while the HCV assessment process was conducted in the period 2010 – 2013.</p> <p>GAR and its subsidiaries carried out a Remediation and Compensation (RaCP) procedure beginning with Disclosure and Zero Liability reporting to the RSPO via email on 29 August 2014.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>From 25 companies, 7 of them are certified units, the remaining 18 companies are uncertified units. The following is an update on the RaCP progress as of 11 January 2022 for uncertified units:</p> <p>a) 4 companies have received Concept Note approval from RSPO dated 27 July 2020, namely:</p> <ol style="list-style-type: none"> 1. PT Kencana Graha Permai (Delima Estate) – Kalimantan Barat 2. PT Agrolestari Sentosa – Kalimantan Tengah 3. PT Sumber Indah Perkasa – Papua 4. PT Kresna Duta Agroindo – Kalimantan Timur <p>The company submitted a new Concept Note in collaboration with a third party (PT Lestari Capital). Concept Note Batch 1 includes companies:</p> <ol style="list-style-type: none"> 1. PT Kencana Graha Permai (Delima Estate) – Kalimantan Barat 2. PT Sumber Indah Perkasa – Papua 3. PT Kresna Duta Agroindo – Kalimantan Timur <p>The latest progress on the revised Concept Note was submitted on 14 January 2022 and is currently still being reviewed by the RSPO Compensation Panel.</p> <p>The company also made the Concept Note Project Batu Menangis for PT Agrolestari Sentosa – Kalimantan Tengah, was submitted on 16 December 2021 to RSPO Compensation Panel.</p> <p>b) The LUCA (Land Use Change Analysis) report which is still in the RSPO review process:</p> <ol style="list-style-type: none"> 1. PT Kartika Prima Cipta – Kalimantan Barat 2. PT Agrolestari Mandiri – Kalimantan Barat <p>c) The LUCA (Land Use Change Analysis) report is in the process of being revised and will be sent to the RSPO:</p> <ol style="list-style-type: none"> 1. PT Cahaya Nusa Gemilang – Kalimantan Barat 2. PT Paramitra Internusa Pratama – Kalimantan Barat 3. PT Bangun Nusa Mandiri – Kalimantan Barat 4. PT Persada Graha Mandiri – Kalimantan Barat 5. PT Satya Kisma Usaha (Medan Sari Estate) – Kalimantan Tengah 6. PT Binasawit Abadi Pratama – Kalimantan Tengah 7. PT Aditunggal Mahajaya – Kalimantan Tengah 8. PT Mitrakarya Agroindo – Kalimantan Tengah 9. PT Agrokarya Primalestari – Kalimantan Tengah 10. PT Buana Adhitama – Kalimantan Tengah 11. PT Sinar Kencana Inti Perkasa – Kalimantan Selatan 12. PT Sawita Karya Manunggul – Kalimantan Selatan <p>d) The LUCA (Land Use Change Analysis) report has been approved is PT Satya Kisma Usaha (Batang Gading Estate) – Jambi.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>The LUCA report proposed to be hold/postponed until the Integrated HCV HCS Report obtains Satisfactory status from the HCVRN, is PT Sawit Mas Sejahtera – Sumatera Selatan (2 reports).</p> <p>HCV assessments for 17 reports was conducted in the period of 2010 to 2018 by external (consultant) and internal parties. The HCV assessment is carried out by a team assessor with a Team Leader who has been approved by the RSPO. The reference for the HCV assessment using the HCV Toolkit 2008. The peer review is carried out by an independent consultant who has also been approved by the RSPO.</p> <p>Assessment of PT Sawit Mas Sejahtera – Sumatera Selatan has used Integrated HCV-HCS with the consultants who have been licensed in HCVN and HCSA</p> <p>The company continues to follow up on the RaCP process, so that the RSPO timebound for uncertified units can be realized immediately.</p> <p>In the 2021 period, several companies were acquired by GAR according to the notarial deed of amendment dated 04 August 2021, including:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya 2. PT Harapan Rimba Raya 3. PT Rimbaraya Tamajaya 4. PT Agrolestari Subur Sejahtera 5. PT Agrolestari Hijau Sentosa 6. PT Kharisma Riau Sentosa Prima 7. PT Mitranusa Permata <p>The company is still collecting information and documentation regarding the fulfillment of RaCP obligations for the newly acquired company. The timeline that has been prepared for the fulfillment of this RaCP is:</p> <ul style="list-style-type: none"> • Submission of Disclosure and LUCA on semester 1 of 2022 • Submission of Concept Notes on Semester 2 of 2022 • Approval RaCP Proposal on Semester 1 of 2023 <p>For the RaCP process, smallholders scheme will be adjusted to the 2023 timebound along with the new acquisition company.</p> <p>Auditor Verification: Based on auditor verification, not all uncertified unit conduct new clearing after Nov 2005, but for uncertified unit with land clearing after Nov 2005 has follow RaCP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> 1. PT Kencana Graha Permai - Kalimantan Barat (Delima Estate) concept note get approval from RSPO on 27 July

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel.</p> <ol style="list-style-type: none"> 2. PT Agrolestari Sentosa – Kalimantan Tengah (Jalemo Estate, Manuhing Estate, Kajui Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted the Concept Note Project Batu Menangis on 14 January 2022 and is currently still being reviewed by the RSPO Compensation Panel. 3. PT Sumber Indah Perkasa – Papua (Mambruk Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel. 4. PT Kresna Duta Agroindo – Kalimantan Timur (Gunung Kombeng Mill, Rantau Panjang Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel 5. PT Kartika Prima Cipta – Kalimantan Barat (Muara Tawang Estate), the LUCA report which is still in the RSPO review process. 6. PT Agrolestari Mandiri – Kalimantan Barat (Pekawai Mill and supply bases), the LUCA report which is still in the RSPO review process. 7. PT Cahaya Nusa Gemilang – Kalimantan Barat (Kenanga Estate), LUCA report is in the process of being revised and will be sent to the RSPO. 8. PT Paramitra Internusa Pratama – Kalimantan Barat (Belian Mill, Belian Estate and Tengawang Estate), LUCA report is in the process of being revised and will be sent to the RSPO. 9. PT Bangun Nusa Mandiri – Kalimantan Barat (Kenari Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO. 10. PT Persada Graha Mandiri – Kalimantan Barat (Kapuas Hulu Estate and Sungai Beran Estate), LUCA report is in the process of being revised and will be sent to the RSPO. 11. PT Satya Kisma Usaha – Kalimantan Tengah (Medan Sari Estate), LUCA report is in the process of being revised and will be sent to the RSPO. 12. PT Binasawit Abadi Pratama – Kalimantan Tengah (Perdana Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO. 13. PT Aditunggal Mahajaya – Kalimantan Tengah (Sungai Ayawan Estate), LUCA report is in the process of being revised and will be sent to the RSPO. 14. PT Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>15. PT Agrokarya Primalestari – Kalimantan Tengah (Kuayan Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>16. PT Buana Adhitama – Kalimantan Tengah (Sairi Estate and Bukit Dua Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>17. PT Sinar Kencana Inti Perkasa – Kalimantan Selatan (Sungai Magalau Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>18. PT Sawita Karya Manunggal – Kalimantan Selatan (Sawita Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>19. PT Satya Kisma Usaha – Jambi (Batang Gading Estate), the LUCA report has been approved in 12 November 2021.</p> <p>20. PT Sawit Mas Sejahtera – Sumatera Selatan, the LUCA report proposed to be hold/postponed until the Integrated HCV HCS Report obtains Satisfactory status from the HCVRN.</p> <p>21. The companies were acquired by GAR on 2021 are PT Kruing Lestari Jaya (Sungai Perak Mill and supply bases), PT Harapan Rimba Raya (Sungai Kedang Mill and supply bases), PT Rimbaraya Tamajaya (Sungai Pahu Estate), PT Agrolestari Subur Sejahtera (Bukit Permai Estate), PT Agrolestari Hijau Sentosa (Bukit Lestari Estate), PT Kharisma Riau Sentosa Prima (Kharisma Estate), PT Mitranusa Permata (Sungai Manunggal Estate). The company is still collecting information and documentation regarding the fulfillment of RaCP obligations.</p> <p>22. The uncertified area of Sei Rindu Estate covering 203.89 Ha located in the Location Permits of PT Tapan Nadenggan with planting period on 2006</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: GAR and its subsidiaries planted after January 2010. There are companies that had conducted the RSPO New Planting Procedure (NPP) and have gone through a 30-day public consultation process in April 2014. These companies include:</p> <ol style="list-style-type: none"> 1. PT Satya Kisma Usaha – Jambi 2. PT Kresna Duta Agroindo – Kalimantan Timur 3. PT Mitra Karya Agroindo – Kalimantan Tengah 4. PT Binasawit Abadipratama – Kalimantan Tengah 5. PT Aditunggal Mahajaya – Kalimantan Tengah 6. PT Agrolestari Sentosa – Kalimantan Tengah 7. PT Agrokarya Primalestari – Kalimantan Tengah 8. PT Buana Adhitama – Kalimantan Tengah 9. PT Agrolestari Mandiri – Kalimantan Barat 10. PT Paramitra Internusa Persada – Kalimantan Barat 11. PT Persada Graha Mandiri – Kalimantan Barat 12. PT Bangun Nusa Mandiri – Kalimantan Barat 13. PT Kartika Prima Cipta – Kalimantan Barat 14. PT Kencana Graha Permai – Kalimantan Barat 15. PT Cahaya Nusagemilang – Kalimantan Barat

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Auditor Verification: Based on auditor verification, not all uncertified unit conduct new clearing after January 2010 but for all uncertified unit with land clearing after January 2010 has follow NPP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base): there is no new land clearing after January 2010 2. PT Agrolestari Mandiri (Pekawai Mill and supply base): NPP on 26 April 2014 3. PT Binasawit Abadi Pratama (Perdana Mill and supply base): NPP on 8 July 2014 4. PT Agrokarya Prima Lestari (Kuayan Mill and supply base): NPP on 26 April 2014 and PT Buana Adhitama (supply base) conduct NPP on 4 June 2014. 5. PT Mitra Karya Agroindo (Tangar Mill and supply base): NPP on 26 April 2014 6. PT Paramitra Internusa Pratama (Belian Mill and supply base): NPP on 3 June 2014, PT Kartika Prima Cipta (supply base) conduct NPP on 8 July 2014 and PT Persada Graha Mandiri (Supply base) conduct NPP on 6 June 2014. 7. PT Sawit Mas Sejahtera (Sungai Kikim and supply base): there is new planting after January 2010 in Sungai Kikim Estate and Sungai Saling Estate, the company not conduct NPP. This is become subject of sanction. For PT Buana Sawit Mas (supply base) conduct NPP on 8 July 2014. 8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): there is no new land clearing after January 2010. 9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): NPP on 26 April 2014 10. PT Adi Tunggal Mahajaya (Sako Mill) (under construction): NPP on 25 April 2014, PT Agrokarya Prima Lestari (supply base) conduct NPP on 26 April 2014 and PT Mitra Karya Agroindo (supply base) conduct NPP on 26 April 2014. 11. PT SMART (Bukit Kapur Mill and supply base): there is no new land clearing after January 2010. 12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014. 13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): NPP on 8 July 2014. 14. PT Sawitakarya Manunggul (Sawita Mill and supply base): there is new land clearing after January 2010 in Sawita KKPA and company not conduct NPP. This is become subject of sanction. 15. The uncertified area of Sei Rindu Estate covering 203.89 Ha located in the Location Permits of PT Tapan Nadenggan with planting period on 2006

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p>Company Group/Holding Statement: No land conflicts. The company has a land conflict resolution mechanism in accordance with the RSPO criteria 4.2, 4.6, 4.7 and 4.8. This procedure is contained in the SOP for handling social conflicts with the registration number SOP/SMART/SCRD/NSDV/II/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/II/001 revision 2 dates April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/GIMS-SCMD/USDV/II/001 revision 2 dated 11 April 2017, handling complaints appropriately and quickly. GAR has initiated to become a member of the RSPO DSF as a “Grower” category.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <ol style="list-style-type: none"> 1. Complaint dated July 11, 2021 to PT SMART Tbk (West Kalimantan Region) regarding the alleged purchase/supply of fresh fruit bunches (FFB) and crude palm oil (CPO) from PT Kapuasindo Palm Industri (PT KPI), a subsidiary of the Kencana Group (not members of the RSPO), who have committed a series of violations against workers and indigenous peoples in the district. Last Status RSPO Complaints Panel has issued a decision letter regarding the complaint on 17 January 2022 in which it was decided to terminate the entire complaint. The decision letter has been submitted to both parties, and time is given if anyone wishes to appeal until April 11, 2022. (RSPO Complaint Panel Decision is attached). 2. Complaint on 2 March 2020 to GAR (Central Kalimantan Region) from Forest Peoples Program & Elk Hills Research regarding alleged land legality and bribery cases. On the part of GAR itself, GIS-2 analysis for land clearance alerts after November 2014 from discussions with RSPO GIS manager on 21 May 2021 has agreed on the sampling method. GAR's clarification report was sent on September 8, 2021. As for the legal review on anti-bribery policies & practices, the company rejected the ToR for Legal Review on March 26, 2021. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 15, 2021, the RSPO is waiting for the results of a review from the consultant. 3. Complaint on 19 October 2018 to GAR (Kapuas Hulu Region, West Kalimantan) from the Forest Peoples Program (FPP) & Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding legality. On 26 August 2021, the RSPO

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Complaint Panel decided to proceed with further investigations. The investigation carried out will be fully funded by the RSPO, and carried out by PROFUNDO Parties. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 6, 2021, the RSPO is waiting for the results of a review from the consultant.</p> <p>4. Complaint on 13 October 2014 to PT Kartika Prima Cipta (West Kalimantan) from Forest Peoples Program (FPP) & Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding the FPIC process and 6 other issues. RSPO with the approval of GAR and FPP divides the conflict resolution verification process into 5 phases (phase 1 related to NPP, maximum land holding and new land development, phase 2 related to legality, phase 3 related to smallholders, phase 4 related to FPIC and phase 5 related to HCV), where GAR has responded to phase 5 on 26 August 2021. The information submitted has responded to all stages and GAR is currently waiting for a decision from the RSPO Complaint Panel. The latest status as of 15 December 2021, the RSPO Complaint Panel has reached a decision for phase 2 and is awaiting discussion of phases 3 and 4.</p> <p>5. The results of the Compliance Audit conducted for the 2021 period in the uncertified unit that there was no land conflict and the unit had disseminated the SOP for Handling Complaints and Dissatisfaction, Human Rights Policy and SOP for Handling Social Conflicts both internally and externally, in general the FPIC process has been carried out according to procedures, so that there are no land or social conflicts.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is no land conflicts in the following uncertified management unit:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul (Sawita Mill and supply base) 2. PT SMART (Bukit Kapur Mill and supply base) 3. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) 4. PT Agrolestari Mandiri (Pekawai Mill and supply base) 5. PT Binasawit Abadi Pratama (Perdana Mill and supply base) 6. PT Agrokarya Prima Lestari (Kuayan Mill and supply base) 7. PT Mitra Karya Agroindo (Tangar Mill and supply base). 8. PT Paramitra Internusa Pratama (Belian Mill and supply base) 9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base). 10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base). 11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base) 12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>13. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base)</p> <p>14. PT Bangun Nusa Mandiri (Kenari Mill and supply base)</p> <p>15. PT Agro Lestari Sentosa (Jalemo Mill and supply base)</p> <p>16. PT Adi Tunggal Mahajaya (Sako Mill and supply base)</p> <p>17. PT Kruing Lestari Jaya (Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA)</p> <p>18. PT Harapan Rimba Raya (Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA).</p> <p>19. PT Rimbaraya Tamajaya (Sungai Pahu Estate and Sungai Pahu KKPA), which will be supply base for Sungai Kedang Mill.</p> <p>20. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill that has been certified</p> <p>21. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill that has been certified</p> <p>22. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill that has been certified</p> <p>23. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</p> <p>Based on the auditor's search through news from the internet, no information on land conflicts was found in the above uncertified management unit. However, on the RSPO website (Complaint Panel) there is information about complaints from various stakeholders against GAR and this has been explained by the company regarding the progress of the settlement as described above.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 4.2	<p>Company Group/Holding Statement:</p> <p>The company has a procedure for handling employee complaints before becoming into conflicts. The procedure is SOP/SMART/SCRD/NSDV/II/002 revision 1 dated 18 May 2016.</p> <p>Procedures related to employee complaints are regulated in the internal flow of form because employees are included in the category of internal stakeholders. The media of complaint used is an official letter submitted through the worker union or put in the suggestion box provided in strategic locations.</p> <p>During 2021, there were no new complaints regarding employment through the RSPO website, as for the progress of previous complaints, they have closed status.</p> <p>Auditor Verification:</p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		There is no list of employee and stakeholder complaint and grievance.
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Subsidiaries of GAR which still on going to process HGU consist of:</p> <ol style="list-style-type: none"> 1. PT Djuandasawit Lestari (Muara Kandis Estate & Muara Tawas Estate) 2. PT Sawit Mas Sejahtera (Sawit Mas Estate) 3. PT Bumi Sawit Permai (Bumi Sawit Estate) 4. PT Forestralestari Dwikarya (Tanjung Rusa Estate) 5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate) 6. PT Ivo Mas Tunggal (Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate, Nenggala Estate) 7. PT Buana Wiralestari Mas (Kijang Estate, Nagamas Estate, Nagasakti Estate) 8. PT Ramajaya Pramukti (Ramarama Estate) 9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate) 10. PT Agrokarya Prima Lestari (Muara Tawang Estate, Kuayan Estate, Bukit Sentuhai Estate, Tajur Beras Estate, Seranau Estate) 11. PT Buana Adhitama (Sapiri Estate) 12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate) 13. PT Mitra Karya Agroindo (Sungai Nusa Estate) 14. PT Aditunggal Mahajaya (Sungai Ayawan Estate) 15. PT Satya Kisma Usaha (Medang Sari Estate) 16. PT Buana Adhitama (Bukit Dua Estate) 17. PT Agrolestari Sentosa (Jalemo Estate) 18. PT Binasawit Abadipratama (Perdana Mill) 19. PT Agrokarya Prima Lestari (Kuayan Mill) 20. PT Mitrakarya Agroindo (Tangar Mill) 21. PT Agrolestari Sentosa (Jalemo Mill) 22. PT Adi Tunggal Mahajaya (Sako Mill) 23. PT Smart Tbk. (Sungai Cantung Estate, Bukit Kapur Estate, Bukit Kapur Mill) 24. PT Bangun Nusa Mandiri (Gaharu Estate, Kenari Estate, Kenari Plasma, Gahari Plasma, Kenari Plasma) 25. PT Tapan Nadenggan (Sei Rindu Estate) <p>Beside that, there are some unit still on process the land certificate (SHM) consist of:</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ol style="list-style-type: none"> 1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma) 2. PT Ramajaya Pramukti (Ramarama Plasma) 3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma) 4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma) 5. PT Djundasawit Lestari (Pandawa Plasma) 6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma) 7. PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma) 8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma) 9. PT Sawitakarya Manunggul (Sawita Plasma) 10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma) 11. PT Kresna Duta Agroindo (Rantau Panjang Plasma) 12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma) 13. PT Paramitra Internusa Pratama (Belian Plasma) 14. PT Paramitra Internusa Pratama (Muara Tawang KKPA) 15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA) 16. PT Mitrakarya Agroindo (Sulin Plasma) 17. PT Agrokarya Prima Lestari (Sapiri Plasma) 18. PT Adi Tunggal Mahajaya (Sako Plasma) 19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma) 20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma) <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate) 2. PT Sumber Indah Perkasa (Mambruk Estate) 3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate) 4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate) <p>In the 2021 period, several companies were acquired by GAR according to the notarial deed of amendment dated August 4, 2021, including:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya 2. PT Harapan Rimba Raya 3. PT Rimbaraya Tamajaya 4. PT Agrolestari Subur Sejahtera 5. PT Agrolestari Hijau Sentosa 6. PT Kharisma Riau Sentosa Prima 7. PT Mitranusa Permata

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>The company is still collecting information and documentation related to compliance with legal documents such as HGU, Environmental Documents and SHM (for plasma).</p> <p>Auditor Verification: Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance. Supply base for Kasuari Mill are PT Sinar Kencana Inti Perkasa and PT Sumber Indah Perkasa. The legal non compliance which still on process is EIA revision in PT Sumber Indah Perkasa and Hazardous waste permit in PT Sinar Kencana Inti Perkasa. - PT Binasawit Abadi Pratama (Perdana Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Agrokarya Prima Lestari (Kuayan Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. Supply base for Kuayan Mill are PT Agrokarya Prima Lestari and PT Buana Adhitama. - PT Mitrakarya Agroindo (Tangar Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. - PT Sawit Mas Sejahtera (Sungai Kikim Mill and supply base), there is a legal non-compliance. Supply base for Sungai Kikim Mill are PT Sawit Mas Sejahtera and PT Bumi Sawit Permai. The legal non compliance which still on process is EIA revision. - PT Agrolestari Sentosa (Jalemo Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Adi Tunggal Mahajaya (Sako Mill and supply base), there is a legal non-compliance. Supply base for Sako Mill are PT Adi Tunggal Mahajaya, PT Mitra Karya Agroindo and PT Agrokarya Prima Lestari. The legal non compliance which still on process is Land Use Title (HGU). - PT SMART Tbk (Bukit Kapur Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base, doesn't have land use title (SHM), the SHM is still on process. Supply base for Gunung Kombeng Mill is communities plantation. - PT Bangun Nusa Mandiri (Kenari Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Djuanda Sawit Lestari: there is an area is still in process for HGU in Muara Wahau Estate (574.58 Ha) - PT Satya Kisma Usaha – Kalimantan Tengah: there is an area is still in process for HGU in Medang Sari Estate (24,41 Ha) - PT Sawit Mas Sejahtera: there is an area is still in process for HGU in Sawit Mas Sejahtera Estate (2,291 Ha)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> - PT Bumi Sawit Mas: there is an area is still in process for HGU in Bumi Sawit Mas Estate (773 Ha) - PT Sumber Indah Perkasa: there is an area is still in process for HGU in Sungai Buaya Estate (155.46 Ha) and Sungai Merah Estate (241.54 Ha) - PT Ivomas Tunggal: there is an area still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha) - PT Buana Wiralestari Mas: there is area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha) - PT Ramajaya Pramukti: there is an area still in process for HGU Rama Rama Estate (318.76 Ha) - PT Bumipalma LestariPersada: there is an area still in process for HGU Bumi Palma Estate (39.21 Ha) - PT Tapan Nadenggan (Sei Rindu Estate: there is an area still in process for HGU covering 203.89 Ha, the area located in production forest while the latest updated, the company has been principle permits based on decree from ministry of environment and forestry No S.566/Menlhk/Setjen/PLA.2/8/2019 dated 19 August 2019 regarding principal permits exchange of Forest areas for palm oil plantation on behalf of PT Tapan Nadenggan, consist of limited production forest areas (<i>Hutan Produksi Terbatas/HPT</i>) covering ± 8.191 Ha - <p>Then there will be additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 estate plasma/KKPA). Internal audit activities have not yet been carried out, but prior to the acquisition of these units, GAR has carried out a due diligence or internal assessment so that it can be decided to be acquired by GAR, with details as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA. 2. PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya). 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma LestariPersada) which has been certified.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</p> <p>The acquisition company already has legality in the form of HGU, but other legalities such as environmental documents and other permits are being collected and will be completed when an internal audit of the acquisition units is carried out.</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate) 2. PT Sumber Indah Perkasa (Mambruk Estate) 3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate) 4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate) <p>There are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> 1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma) 2. PT Ramajaya Pramukti (Ramarama Plasma) 3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma) 4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma) 5. PT Djundasawit Lestari (Pandawa Plasma) 6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma) 7. PT Palmindo Bilton Berjaya (Tanjung Sawit Plasma) 8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma) 9. PT Sawitakarya Manunggul (Sawita Plasma) 10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma) 11. PT Kresna Duta Agroindo (Rantau Panjang Plasma) 12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma) 13. PT Paramitra Internusa Pratama (Belian Plasma) 14. PT Paramitra Internusa Pratama (Muara Tawang KKPA) 15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA) 16. PT Mitrakarya Agroindo (Sulin Plasma) 17. PT Agrokarya Prima Lestari (Sapiri Plasma) 18. PT Adi Tunggal Mahajaya (Sako Plasma) 19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma) 20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		Based on auditor verification, there is still progress in obtaining legality documents for the uncertified units so that GAR has included the certification plan for the uncertified units in the timebound plan.

3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA 1.2

NCR No.	: M01	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.		
<p>Evidence observed (filled by auditor): Based on field visits, interviews and document reviews, Some Risk on company activities have not been identified in Identification Risk Assessment (ISBPR) Document and consistently implemented for example:</p> <ul style="list-style-type: none"> • Found in Tanah Laut Estate some Harvesters works with not using face shield and safety boots as required in company procedure No. SOP No. SOP / SMART / HESS- EHSD / SADV / I / 010. • Land preparation activities on ex-mining have not been identified in ISBPR documentsuch as Staking, oil palm planting, and LCC planting. • The risk of lightning has not been documented in ISBPR. • Risk of fertilizer warehouses that adjacent to general housing in Tanah Laut Estate and Kintapura estate has not been identified in ISBPR. • Risk for harvester works near from domestic waste pits has not been identified in ISBPR document. • Domestic waste transportation activities have not been identified at ISBPR Document. • Risk of smoke from boiler chimneys and dust in grading areas is not identified in ISBPR. • Damaged hydrant hose facility still stored in a hydrant box in the Tanah Laut Mill loading ramp area. • Some grading workers in loading ramp area works with not using safety boots asrequired in procedure SOP No. SOP / SMART / HESS-EHSD / SADV / I / 010. <p>Other considerations for auditor to raise this Non-Conformity due to similar issues were founded as observation during surveillance 1 assessment in 2018 and main assessment in 2017.</p> <p>Non-Conformance Description (filled by auditor): Some Risk on company activities have not been identified in Identification Risk Assessment (ISBPR) Document and consistently implemented.</p> <p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> • The company already has a PPE Management SOP (SOP / SMART / HESS-EPM / SADV / I / 010) in point 2.2.11 discussed about the inspection of indiscipline use of PPEwhich is done at least once a month using the patrol method. In point 2.2.1.3 it discusses the imposition of sanctions if from the inspection results found that workers who do not use PPE ranging from reprimand to layoffs, the implementation has not been implemented with strict sanctions so that in the field still found harvesters do not use eye shield (Face shield) and do not use shoes boot. • Hazard Identification and Risk Assessment (ISBPR) does not cover all types of risks that exist in the mill or estate because of the lack of ISBPR discussion at the P2K3 meeting. This is because OHS Expert understanding is lacking and needs to be refreshed related to ISBPR. • Monitoring of Hydrant equipment has been carried out every month but still found a broken Hydrant Hose in the hydrant loading ramp box as much as 1 of 2 standby hydrant hoses. At the time of monitoring in July 2019 the hydrant hose had begun to be less good but was still declared feasible by OHS Expert, and to anticipate adding 1 ready-made hydrant hose in the hydrant box. The following month it turned out that the hydrant condition had gotten worse and it was worth doing the replacement. During the RSPO audit conductedby the SGS auditor, the auditor had seen that there were 2 hydrant hoses available in the hydrant box. • The consistency of PPE lending to visitors is not yet optimal due to the lack of understanding of Security resulting in Grading Witnesses (not participating in grading to only monitor the suitability of results) who are estate 			

<p>employees not wearing safety shoes and also estate employees who when the process goes into the mill to monitor the quality of EFB coming out to the EBA (Empty Bunch Area).</p>	
<p>Correction (filled by organization audited): Imposing sanctions for harvesters who do not use eye shield (Face shield) and do not use boots. Re-identifying jobs that have not yet been identified as hazardous risks include:</p> <ul style="list-style-type: none"> • Land preparation activities in ex-mining land such as planting stakes, planting hole planting, and LCC planting. • Risk of being struck by lightning • Risks of fertilizer warehouse adjacent to housing in Tanah Laut Estate • Risk of harvest hazard near domestic waste pits • Domestic waste transportation activities. • Danger of smoke from boiler chimneys and dust in grading areas Ensure that the standby hose is in good condition and ready for use. 	
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> • At the P2K3 monthly meeting a discussion on the results of the inspection and follow-up on the results of the inspection including the strict sanctions. • Refresh training regarding the use of PPE to security guards • Conduct a Review of Hazard Identification & Risk Assessment (ISBPR) regularly every 1 year, if there is a change / addition of work and when there is an Accident or Occupational Disease. • OHS Expert relearns about the feasibility of hydrant hose standards, so knowing if there is something that is not feasible 	
<p>Assessor Evaluation and Conclusion (filled by auditor): <u>Close-out Corrective Action Request was verified on 28 November 2019</u> Company has done efforts to improve the implementation of Identification Risk Assessment (ISBPR) Document consistently, the objective evidence has been verified and deemed sufficient to close the non conformity.</p>	
Verified by	: SGS Auditor

NCR No.	: m01	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	: 4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.		
<p>Evidence observed (filled by auditor): Based on the review of annual recapitulation documents Frequency Rate and Severity Rate and records of medical treatment in first aid kit were found that:</p> <ul style="list-style-type: none"> • The Calculation of work accident statistics using Frequency Rate (FR) and Severity Rate (SR) method not calculate all work accident incidents. E.g, there were three work accident in 2019 at Kintapura Estate (Category of minor accidents and severe accidents) however the Frequency Rate (FR) calculation only counted one work accident event (with the category of severe accidents). The same thing happened in Tanah Laut Estate, there were four occupational accidents (in the category of minor accidents) but there was no calculation of the Frequency Rate. • Furthermore, the company already has SOP for Accident and Disease Management No. SOP / SMART / HESS-EHSD / SADV / I / 005 to calculate Frequency Rate. However, the calculation of the Frequency Rate is not in accordance with the Statistics of Occupational Injuries (ILO, October 1998) because the FR calculation does not 			

<p>include all categories of work accidents that result in injury both of which result in loss of working days and those that do not.</p> <p>Non-Conformance Description (filled by auditor): Inconsistency of work accidents statistic calculation by company.</p>	
<p>Root Cause Analysis (filled by organization audited): In the SOP for Accident and Disease Management Occupational Diseases No.SOP / SMART / HESS-EHSD / SADV / I / 005 point 1.4.2 discussed the definition of accidents consisting of accident categories, namely:</p> <ol style="list-style-type: none"> Minor accidents, are accidents that cause days to be gone less than 2 days, or the victim can work again after the incident. Moderate accident, is an accident that causes more than 2 days lost and requires medical treatment in a clinic or hospital, but does not cause permanent disability. Serious accident, is an accident that causes more than 2 days of lost days and causes permanent disability or death. <p>However, in the appendix to the SOP for Accident and Disease Management Occupational Disease in the Monthly SR / FR Calculation Form No. F / SMART / HESS-EHSD / SADV / 005/004 column C, for work accidents recorded are the number of accidents that cause missing days \geq 2 days lost. So that the actual recording of an accident is a work accident that is \geq 2 days lost.</p>	
<p>Correction (filled by organization audited): Include minor work accidents (missing less than 2 days, or the victim can work again after the incident) into the SR / FR from August 2019 to the last month. Evidence to be completed: SR / FR records of TLTM, TLTE and KNTE units from August to September 2019 which have recorded minor work accidents</p>	
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> The process of revising SOP for Accident and Disease Management as a result of Work No. SOP / SMART / HESS-EHSD / SADV / I / 005 by the OHS Department is revising the monthly SR SR calculation form by including recording minor work accidents. Evidence to be completed: Form for Amendment and Proposal Form for revising SOP on Accident and Disease Management Occupational No.SOP / SMART / HESS-EHSD / SADV / I / 005 which revised the monthly SR FR calculation form by including recording minor work accidents 	
<p>Assessor Evaluation and Conclusion (filled by auditor): The effectivity of corrective action will be checked in next visit by auditors.</p>	
Verified by	: SGS Auditor

NCR No.	: m02	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	: 5.1.2 Environment management plan document to prevent negative impacts, its implementation report and revision (if the identification of impact requires changes in current company's practices) shall be available. The company's management		

	shall appoint the responsible person(s) for the implementation of the document.
<p>Evidence observed (filled by auditor): The company already has a management plant document (RKL & RPL) included in the AMDAL that has been approved by the government no. 14 / AMDAL / RKL-RPL / BA / IV / 28 dated 30 April 1998.</p> <p>The company has submitted a revised RKL & RPL to DLH based on letter No.017 / TLTM/ EXT / 02/2017 regarding the proposed amendment to the RKL-RPL improvement plan, especially related to changes in regulations that apply primarily to the management and monitoring of forest and / or land fires, Based on the 4 July 2019 re-consultation, there was no response from DLH because there was a change in government structure.</p> <p>PT Smart issued an internal letter dated August 29, 2019, regarding directives in the process of drafting letters and reviewing the RKL / RPL matrix and target submission to DHL Tanah Laut on September 30, 2019.</p> <p>Based on field visits to the location of the planting of oil palm plantations in 2016 & 2018 diareal ex-mining which has been planted around 32 ha and also field observations are known mining activities have an impact on the estate environment such as air quality, dust, flora and fauna and others</p> <p>Based on interviews with DLH, the Tanah Laut Estate requested an Amdal, RKL & RPL document, based on interviews with company staff at the Mill, that the Mill had not used Kintap river water for the WTP process, but instead used reservoir water from rainwater due to poor river water quality.</p> <p>Based on the review of RKL & RPL documents, it is known that PT. SMART does not yet have RKL & RPL documents that contain management and monitoring related to activities in the area of oil palm plantations in ex-mining locations, replanting activities planned to start in 2020 and also changes in current conditions that need to be monitored for example on monitoring aquatic biota, monitoring conditions rivers, watering roads in residential areas, etc.</p> <p>Related to this, PT. SMART needs to revise the Amdal, RKL & RPL documents as stipulated in PP 27 of 2012, concerning environmental permits, especially in articles 50 and 51.</p> <p>Non-Conformance Description (filled by auditor): Not all relevant negative impacts caused by mining activities in company area has been covered in environment management and monitoring plan (RKL-RPL).</p>	
<p>Root Cause Analysis (filled by organization audited): The ineffectiveness of the RKL and RPL review activities that have not been conducted so far</p>	
<p>Correction (filled by organization audited): Coordinate with DLH regarding changes in environmental management carried out by PT SMART Tbk</p>	
<p>Corrective Action (filled by organization audited): Conduct periodic reviews of RKL and RPL matrices that are owned</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): The effectivity of corrective action will be checked in next visit by auditors</p>	
Verified by	: SGS Auditor

NCR No.	: m03	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: 29 November 2019

NC Grade	: Minor	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	5.2.4 Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.		
Evidence observed (filled by auditor): Based on the visit to HGU stakes at Kintapura Estate are known that some area is adjacent to the Salaman creek, but at that location there is no management and monitoring of the creek border area that is included in the Company's HGU.			
Non-Conformance Description (filled by auditor): The company HCV management and monitoring plan does not cover the all HCV area which bordering with company's HGU			
Root Cause Analysis (filled by organization audited): At present management and monitoring are only carried out in HCV areas within the company's HGU. The Salaman Tributary is located outside the company's HGU but in some parts of the border area (50 meters) it enters the Company's HGU (overlap).			
Correction (filled by organization audited): Management is carried out on the Salaman River border that enters the company's HGU (stake K43-K47) by: <ol style="list-style-type: none"> 1. Planting erosion resistant plants (vetiver grass or reeds). 2. Installation of the "x" at the outermost point (50 meters) as the "Spray Limit". 3. Installation of "Spray Limit" Amaran. 			
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Coordinate with the EBMD Department during annual ManMon activities 2. Routine monitoring (Quarterly) results of planting erosion resistant plants. 3. Routine monitoring (Quarterly) Warning "Spray Limits" & "x" Signs. 			
Assessor Evaluation and Conclusion (filled by auditor): The effectivity of corrective action will be checked in next visit by auditors			
Verified by	: SGS Auditor		

NCR No.	: m04	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where such public facilities are unavailable or inaccessible.		
Evidence observed (filled by auditor): Inadequately evidence that workers facilities have been monitored and maintained properly.			
Non-Conformance Description (filled by auditor): Inadequately evidence that workers facilities have been monitored and maintained properly.			

<ul style="list-style-type: none"> The company has identified the conditions of employee housing for Estate and Mill, plan on repair and maintenance are available and will commence in the January until December 2019, however during field visits the evidence of those plan realization was not found, and several employees' homes looks needs repairs and maintenance During a field visit at Tanah Laut Mill, there were 3 (three) toilets at the process area in not properly condition, there were other toilets inside of the workshop room that could be used by workers, however some workers who works until night complained that the toilet could not be accessed because it was locked. 	
<p>Root Cause Analysis (filled by organization audited): Implementation of housing facility repairs is carried out according to the priority scale on houses with severe damage to minimal damage. There are 7 toilets in TLTM with details:</p> <ol style="list-style-type: none"> Office Toilets Toilet R. Manager Toilet R. Management Public Toilets 1 Public Toilets 2 Public Toilets 3 Toilet Workshop <p>Public toilets 1,2 & 3 are in a damaged condition when an audit is conducted, however toilet workshops are still available nearby as alternative toilets arrive public toilet repair is done.</p>	
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> Continue the progress of the home improvement programmed. Perform public toilet repairs 	
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> Conduct an inventory and monitoring of housing based on housing standards adjusted to the year of manufacture of the housing. Regular monitoring of public facilities in the mill including the condition of the toilet by the person in charge of the work location. 	
<p>Assessor Evaluation and Conclusion (filled by auditor): The effectivity of corrective action will be checked in next visit by auditors</p>	
Verified by	: SGS Auditor

NCR No.	: m05	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	6.9.3 A specific grievance mechanism which respects anonymity of complainants whererequested, and as long as they are supported with adequate information, shall bedocumented, implemented, and communicated to all workforce.		
<p>Evidence observed (filled by auditor): Based on interviews with workers at Tanah Laut Estate, Kintapura Estate and Tanah Laut Mill, it was known that some workers not understand sufficiently related complaints procedural in accordance procedures (SOP No.PPNM / SOP / 21) which specified complaints can be through recorded in complaint book, Whistle Blowing System and through the suggestion box. Currently workers complaints submitted directly to the Foreman and or assistant only.</p>			

Furthermore, in 2018 and 2019 there is a lack of evidence of a record of socialization activities which carried out to all workers related to the mechanism for grievance, including the submission of complaints anonymously to workers. During the audit there are 2 (two) complaints from some workers to the auditors as follows:

- Some Harvesters not understand sufficiently the 'basis' that they have achieved per days.
- Insufficient of toilets for workers at process area in Tanah Laut Mill since 3 (three) toilet broken.

The complaint has been submitted by the worker to the company but there is no record of the complaint in the complaint book.

Based on clarification from the company that the 'basis' information achieved by the harvester is communicated to the harvester every day in the 'morning circle' activity. And for mill workers can use the toilet in the workshop and the company already has a program to repair 3 (three) broken toilets.

Note:

The company made an argument at the closing meeting that the complaints mechanism socialization had been carried out regularly to workers every day at 'lingkaran pagi' activities.

Non-Conformance Description (filled by auditor):

Insufficient evidence that the grievance mechanism has been effectively communicated / disseminated to all workers and implemented in accordance with procedure.

Root Cause Analysis (filled by organization audited):

- o Sources of complaints and dissatisfaction in the company can come from personal or group and can be in the form of oral or written expressions. Every written complaint in the form of letters from personal, organization and suggestion box documented based on the form in the SOP on Complaints and Dissatisfaction Handling (SOP / SMART / GIMS-SCMD / USDV / 001) and also any verbal expressions submitted as complaints and dissatisfaction are also carried out recording based on SOP for Complaints and Dissatisfaction Handling "Oral Complaint and Dissatisfaction Report Form" SOP / SMART / GIMS-SCMD / USDV / 001/002. All sources of complaints and dissatisfaction have been identified & accommodated in the Company SOP.
- o Until the audit process took place, complaints regarding harvesting premiums had never been entered into the company's complaint documents either verbally or in writing. There is also no question from the union at the company regarding the harvester premium because it is felt that it is sufficiently understood by the employees & there are no employees who question the union regarding the harvester premium.
- o Socialization of harvesters daily basis achievements has been delivered to the harvesters at every morning apple.
- o Naturally, every harvester should understand the achievement of their respective bases.
- o Socialization on Complaints Handling & Dissatisfaction in Tanah Laut Mill was carried out during the GAR Social & Environmental Policy Training (KSLG). But the lack of effective socialization so that it is not well captured by employees.

Correction (filled by organization audited):

- Re-socialization to relevant harvesters regarding harvesting premium calculation.
- Improving the recording of complaints that go to the Mill & Action complaints continue to improve public toilets.
- Company temporary handling of damaged public toilets with the availability of a Toilet Workshop near the location of public toilets.

Corrective Action (filled by organization audited):

- Consistency in delivering daily basis achievements to harvesters at morning apple & implementing a two-way communication system so that future expectations can improve employee understanding.
- Monitoring of complaints & dissatisfaction every month by the regional level so that the control of complaints in & progress can be further improved

Assessor Evaluation and Conclusion (filled by auditor):

The effectivity of corrective action will be checked in next visit by auditors

Verified by	:	SGS Auditor
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NCR No.	:	m06	Issued by	:	SGS Auditor
Date Issued	:	29 August 2019	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	28 November 2019
Standard Ref. & Requirement	:	6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.			
<p>Evidence observed (filled by auditor): Based on document review and interviews with Kintapura villagers, the company has not consistently contributed to local development in Kintapura village, which is Kintapura is one of the affected villages based on the Social Impact Assessment.</p> <p>Non-Conformance Description (filled by auditor): The company has not consistently contributed to local development in some villages.</p> <p>Root Cause Analysis (filled by organization audited): The company has already carried out assistance in Kintapura Village in 2017, but in 2018 until now the company's CSR program has focused more on Salaman Village and Bukit Mulia Village.</p> <p>Correction (filled by organization audited): Coordinate with Kintapura Village regarding the next CSR program that can be scheduled.</p> <p>Corrective Action (filled by organization audited): Monitoring CSR Plans & Realization regularly every month</p> <p>Assessor Evaluation and Conclusion (filled by auditor): The effectivity of corrective action will be checked in next visit by auditors</p>					
Verified by	:	SGS Auditor			

NCR No.	:	M02	Issued by	:	SGS Auditor
Date Issued	:	30 August 2019	Time Limit	:	29 November 2019
NC Grade	:	Major	Date of Closing	:	28 November 2019
Standard Ref. & Requirement	:	7.2.1 Soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation shall be available and taken into account in plans and operations.			
<p>Evidence observed (filled by auditor): During surveillance audit 2 map of soil types and the results of soil fertility analysis (SSU) ex mining planting area location were not available.</p> <p>Note : The company made an argument at the closing meeting that the planting areal on ex mining as regular replanting process, not as New Planting and not applicable for principle 7 requirements, and company will communicate to the RSPO to clarify this matters soon.</p>					

<p>Non-Conformance Description (filled by auditor): Insufficient evidence of soil type map and soil fertility analysis (SSU) on ex mining planting area.</p>	
<p>Root Cause Analysis (filled by organization audited): The company understands that planting activities in the reclamation area (ex-mining) are replanting activities so there is no need to fulfill principle 7 or NPP. This is based on prior to the mining area operating (2013), the area is legally owned by PT SMART Tbk Tanah Laut Estate unit and has been cultivated as an oil palm plantation since 1995. In September 2012 the company obtained the first RSPO certification for the entire concession area.</p>	
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> • The company asked RSPO this question on 11 September 2019. • RSPO through Wan MuktaDir answered the email on September 12, 2019 and stated as follows: "Based on the scenario that is explained in this email, as long as the area is within the certified area of the unit of certification and had previously planted with oil palm is considered as replanting, Principles 7 still applies accordingly but this is not considered as new development. " • The company coordinates with the PMNP division to provide Semi Detailed land maps. Based on the semi detailed map of PT SMART Tbk – Tanah Laut Estate Unit (Attached) the type of land for the mining area cannot be identified. This is based on the results of the National Seminar on the Indonesian Soil Science Association (HITI) XI in Malang in 2015 stating "There is no classification system can accommodate the properties of mining land used in mapping and management ". • Soil fertility analysis (SSU) is available in the SMARTRI Division, and reclamation areas have been carried out in 2016 (attached) <p>Evidence to be completed:</p> <ol style="list-style-type: none"> 1. Evidence of an email with RSPO on September 11, 2019. 2. Records of 2016 soil fertility analysis 3. Semi-detailed map of PT SMART Tbk - Tanah Laut Estate unit 	
<p>Corrective Action (filled by organization audited): The company will coordinate in advance with the RSPO, relating to matters that have not been explained in detail in the RSPO PnC or other requirements.</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Close-out Corrective Action Request was verified on 28 November 2019 Company has provide adequately soil type map and soil fertility analysis (SSU) one mining planting area, the objective evidence has been verified and deemed sufficient to close the non conformity.</p>	
Verified by	: SGS Auditor

NCR No.	: m07	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	: 7.2.2 Topographic information adequate to guide the planning of drainage and irrigationsystems, roads and other infrastructure shall be available.		
<p>Evidence observed (filled by auditor): During the surveillance audit 2 a topographic map for ex mining planting area was not available.</p> <p>Note: The company made an argument at the closing meeting that the planting areal on ex mining as regular replanting</p>			

process, not as New Planting and not applicable for principle 7 requirements, and company will communicate to the RSPO to clarify this matters soon.

Non-Conformance Description (filled by auditor):

Insufficient evidence of land topographic maps available for ex mining planting area.

Root Cause Analysis (filled by organization audited):

The company understands that planting activities in the reclamation area (ex-mining) are replanting activities so there is no need to fulfill principle 7 or NPP. This is based on prior to the mining area operating (2013), the area is legally owned by PT SMART Tbk Tanah Laut Estate unit and has been cultivated as an oil palm plantation since 1995. In September 2012 the company obtained the first RSPO certification for the entire concession area.

Correction (filled by organization audited):

- The company asked RSPO this question on 11 September 2019.
- RSPO through Wan MuktaDir answered the email on September 12, 2019 and stated as follows: "Based on the scenario that is explained in this email, as long as the area is within the certified area of the unit of certification and had previously planted with oil palm is considered as replanting, Principles 7 still applies accordingly but this is not considered as new development. "
- The company coordinates with the PMNP division to provide Semi Detailed land maps. Based on a semi detailed map of PT SMART Tbk – Tanah Laut Estate Unit (Attached) slope / topography in the ex coal mining reclamation area of 21 - 40% or 12 - 22°.

Corrective Action (filled by organization audited):

The company will coordinate in advance with the RSPO, regarding matters that have not been explained in detail in the RSPO PnC or other requirements.

Assessor Evaluation and Conclusion (filled by auditor):

The effectivity of corrective action will be checked in next visit by auditors

Verified by : **SGS Auditor**

NCR No.	M03	Issued by	SGS Auditor
Date Issued	30 August 2019	Time Limit	29 November 2019
NC Grade	Major	Date of Closing	28 November 2019
Standard Ref. & Requirement	7.3.2 Reports of comprehensive HCV assessment, which involves stakeholder consultation and includes record of land-use change since November 2005, shall be available. This HCV assessment shall be conducted prior to any conversion or new planting.		
Evidence observed (filled by auditor):			
During the surveillance audit 2, land-use change analysis (LUCA) document for ex mining planting area was not available.			
Note			
The company made an argument at the closing meeting that the planting areal on ex mining as regular replanting process, not as New Planting and not applicable for principle 7 requirements, and company will communicate to the RSPO to clarify this matters soon			
Non-Conformance Description (filled by auditor):			
Insufficient evidence that land-use change analysis (LUCA) documents available for ex mining planting area.			

<p>Root Cause Analysis (filled by organization audited):</p> <p>The company understands that planting activities in the reclamation area (ex-mining) are replanting activities so there is no need to fulfill principle 7 or NPP. This is based on prior to the mining area operating (2013), the area is legally owned by PT SMART Tbk Tanah Laut Estate unit and has been cultivated as an oil palm plantation since 1995. In September 2012 the company obtained the first RSPO certification for the entire concession area.</p>	
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> 1. The company asked RSPO this question on 11 September 2019. 2. RSPO through Wan MuktaDir answered the email on September 12, 2019 and stated as follows: "Based on the scenario that is explained in this email, as long as the area is within the certified area of the unit of certification and had previously planted with oil palm it is considered as replanting, Principles 7 still applies accordingly but this is not considered as new development." 3. The company coordinates with the PMNP division to provide land use change (LUC) land maps. Based on the LUC map of PT SMART Tbk – Tanah Laut Estate Unit (Attached) in the ex-coal mining reclamation area has land cover in the form of oil palm for the landsat image period of 2005, 2008 and 2010. The period is based on the LUCA Analysis procedure in the Remediation and Compensation procedure (RaCP) November 2016. <p>Evidence tob completed:</p> <ol style="list-style-type: none"> 1. Evidence of an email with RSPO on September 11, 2019. 2. LUC Map of PT SMART Tbk - Tanah Laut Estate Unit 	
<p>Corrective Action (filled by organization audited):</p> <p>The company will coordinate in advance with the RSPO, regarding matters that have not been explained in detail in the RSPO PnC or other requirements.</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Close-out Corrective Action Request was verified on 28 November 2019 Company has provided adequately land-use change analysis (LUCA) documents for ex mining planting area, the objective evidence has been verified and deemed sufficient to close the non conformity.</p>	
Verified by	: SGS Auditor

NCR No.	: M04	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	<p>5.3.1 RSPO SC The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements</p>		
<p>Evidence observed (filled by auditor):</p> <p>The company has the No. Supply Chain procedure SOP / SMART / CERS-EHSD / SADVI / 001 Rev 0 on 2 Jul 2014 and SOP No. PT SMART TBK-TLTM / SOP24 on March 23, 2018 regarding RSPO Model Mass Balance Supply chain products. However, the procedure has not yet included information regarding the RSPO SCC standard rev 14 Jun 2017 as follows:</p> <ul style="list-style-type: none"> - The mechanism for recording FFB on blocks that are RSPO certified and Non RSPO Certified. - Not clearly specified the minimal information in FFB delivery documents as requested in indicator 5.4.1, for example mill address and estate address, etc. 			

<p>Non-Conformance Description (filled by auditor): Insufficient evidence on supply chain procedures has covered all the requirements at the RSPO SCC standard rev 14 Jun 2017.</p>	
<p>Root Cause Analysis (filled by organization audited): The company has inventory the nucleus estate with non-certified blocks, the inventory is intended as a mill and plantation guide to treat it (shipping and shipping documents) as non-certified fruit but not yet written in the SOP The different interpretations of the auditee in fulfilling the clauses related to purchasing and goods in (SCCS) where the auditee considers FFB as a raw material product so it does not refer to clause 5.4.1 but only refers to clause E.4. In the SPB used so far the identity information listed is, among others 1. Product volume certified 2. Unique No. 3. The name of the sending estate 4. Name of the intended mill And that is enough to fulfill the clause.</p>	
<p>Correction (filled by organization audited): Add the mechanism for separating certified and non certified core estates as well as the inclusion of no certification information, supply chain model, and supplier address in SPB in RSPO Product Supply Chain Procedure Mass Balance SOP No. PT SMART TBK-TLTM / SOP / 24 Evidence to be completed: Revision of SOP No. PT SMART TBK-TLTM / SOP / 24 Supply Chain RSPO Model Mass Balance Products</p>	
<p>Corrective Action (filled by organization audited): Disseminating staff about RSPO Product Supply Chain Procedure Mass Balance Model SOP No. PT SMART TBK-TLTM / SOP / 24 which has been revised.</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Close-out Corrective Action Request was verified on 28 November 2019 Company has revised Supply Chain procedure SOP / SMART / CERS-EHSD / SADVI / 001 with adding the requirements at the RSPO SCC standard rev 14 Jun 2017, the objective evidence has been verified and deemed sufficient to close the non conformity.</p>	
Verified by	: SGS Auditor

NCR No.	: M05	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	<p>5.3.2 RSPO SC. The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) effectively implements and maintains the standard requirements within its organization. Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization must be able to maintain the internal audit records and reports</p>		

<p>Evidence observed (filled by auditor): Based on review of Internal Audit Report which conducted on 13-17 May 2019 was founded that the requirements of RSPO Rules Communications and Claims documents not completely audited by company. And during surveillance 2 audit was founded that the use of the RSPO Logo was not in accordance with the provisions of the RSPO Rules Communications and Claims.</p>	
<p>Non-Conformance Description (filled by auditor): Insufficient evidence that the annual internal audit has been carried out with including the requirements of the RSPO Rules Communications and Claims document version January 2019.</p>	
<p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> - Regarding the discovery of the use of the RSPO logo in the clothing of company staff, due to the absence of a written confirmation from management regarding the prohibitions and rules for the inclusion of the use of the RSPO logo. - In the internal audit activity, the unit has been checked to ensure that the unit meets the RSPO Rules of Communication and Claims, but the report has not detailed the fulfillment of each clause 	
<p>Correction (filled by organization audited): Create circulars from regional controllers that prohibit the use of the RSPO logo in company attributes such as warning signs, posters, booklets, clothing and in any form Ensure that the internal audit checklist contains RSPO Rules for Communication and Claim points, one of which ensures that no RSPO logo is used on the Amaran Signboard, Poster, Booklet, Clothing and in any other form. Evidence to be completed:</p> <ol style="list-style-type: none"> 1. Circular from Regional Controller No. 003 / SE-RCKS1 / XIII / 2019 concerning the prohibition of using the RSPO logo on company attributes 2. INTA report checklist 	
<p>Corrective Action (filled by organization audited): Management circular socialization related to the prohibition of using the RSPO Logo on Signposts, Posters, Booklets, Clothing and in any other form. Distribution of internal audit report checklists to the internal auditor team Evidence to be completed: Email 22 October 2019 to the internal audit team regarding the distribution of the latest internal audit checklist</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Close-out Corrective Action Request was verified on 28 November 2019 Company has provided adequately internal audit report which was conducted with covering the requirements of the RSPO Rules Communications and Claims document version January 2019, the objective evidence has been verified and deemed sufficient to close the non conformity</p>	
Verified by	: SGS Auditor

NCR No.	: M06	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	<p>5.4.1 RSPO SC. The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> • The name and address of the buyer; 		

	<ul style="list-style-type: none"> • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); <ul style="list-style-type: none"> • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number • Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).
<p>Evidence observed (filled by auditor): Based on the review of the FFB receipt document (SPB and Weigh Tickets) there is information that were not included as follows :</p> <ul style="list-style-type: none"> • Supply Chain Models • Supply chain certificate number. 	
<p>Non-Conformance Description (filled by auditor): Not all RSPO Supply Chain information as per indicator requirements are available on the FFB delivery document (SPB and Weigh Ticket).</p>	
<p>Root Cause Analysis (filled by organization audited): The different interpretations of the auditee in fulfilling the clauses related to purchasing and goods in (SCCS) where the auditee considers FFB as a raw material product so it does not refer to clause 5.4.1 but only refers to clause E.4. In the SPB used so far the identity information listed is, among others</p> <ol style="list-style-type: none"> 1. Product volume certified 2. Unique No. 3. The name of the sending estate 4. Name of the intended mill <p>And that is enough to fulfill the clause.</p>	
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> a. Communicating via email with RSPO to confirm the inclusion of information on certificate number, supply chain model, and address of supplier pensions in SPB. Proof of improvement: Evidence of auditee communication with RSPO on 18 September 2019 b. Include certificate no information, supply chain model, and address of the supplier's pens in the SPB. Evidence to be completed: <ol style="list-style-type: none"> 1. Weigh tickets for the fruit entering from Kintapura Estate No A013152 013436 dated October 4, 2019 which includes certificate number, supply chain model and address of the sending farm. 2. Weigh tickets for fruit from the Tanah Laut Estate No. A013198 013455 dated October 5, 2019, which lists the certificate number, supply chain model and address of the sending farm. 	
<p>Corrective Action (filled by organization audited): Add information mechanism for certifying no certification information, supply chain model, and address of supplementary plantation to SPB in RSPO Product Supply Chain Procedure Model Mass Balance SOP No. PT SMART TBK-TLTM / SOP / 24</p> <p>Evidence to be completed:</p>	

SOP Revision No. PT SMART TBK-TLTM / SOP / 24 Supply Chain RSPO Model Mass Balance Products	
Assessor Evaluation and Conclusion (filled by auditor): Close-out Corrective Action Request was verified on 28 November 2019 Company has revised the FFB delivery document (SPB and Weigh Ticket) with adding the information related Supply Chain Models & Supply chain certificate number, the objective evidence has been verified and deemed sufficient to close the non conformity.	
Verified by	: SGS Auditor

NCR No.	: M07	Issued by	: SGS Auditor
Date Issued	: 30 August 2018	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	5.13.2 RSPO SC. The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 		
Evidence observed (filled by auditor): Manajemen has been carried by company on 18 June 2019, however the input of management review has not covered several requirements from indicator as follows : <ul style="list-style-type: none"> • Customer feedback. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 			
Non-Conformance Description (filled by auditor): Insufficient evidence that management review input has covered all the requirement of this indicator.			
Root Cause Analysis (filled by organization audited): Management reviews have been conducted once a year, but in the notelunsi there has not been an explicit discussion on matters related to customer feedback, follow-up of previous management reviews, changes in management systems & improvement recommendations			
Correction (filled by organization audited): Management review will be conducted again on Monday / 02 September 2019 by completing the discussion agenda according to the SOP Management Review Form F / SMART / GENERAL / SADV / 010/001 which discusses (customer feedback, follow-up actions from the results of previous management reviews, changes related to management systems, recommendations for improvement) Evidence to be completed: 1. Records of management review (attendance list, minutes and photos) conducted on Monday 2 September 2019			
Corrective Action (filled by organization audited): The Chairperson of the Management Review meeting ensures that each agenda complies with the Management Review SOP			

Assessor Evaluation and Conclusion (filled by auditor):

Close-out Corrective Action Request was verified on 28 November 2019

Company has conducted the management review with adding all the requirements of indicator as input, the objective evidence has been verified and deemed sufficient to close the non conformity.

Verified by : SGS Auditor

NCR No.	: M08	Issued by	: SGS Auditor
Date Issued	: 30 Agustus 2019	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	<p>4.5.3 P&C Certification System (Major)</p> <p>A time-bound plan for certifying all its management units and/or entities, including the units where the organization has management control and no or minor shareholding, is submitted to the Lead Auditor during the initial certification audit. The time-bound plan should contain a current list of all estates and mills;</p> <p>a) 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 threeyear timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.</p> <p>b) Progress towards this plan shall be verified and reported on in subsequent Annual Surveillance audits by the Lead Auditor. Where the lead auditor conducting the surveillance audit is different from the previous audits conducted by other CB which has first accepted the time-bound plan, the Lead auditor shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness.</p> <p>(c) Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);</p>		
Evidence observed	<p>(filled by auditor):</p> <p>During Surveillance 2 assessment, it was known that the company's time-bound plan documents as per July 07th, 2019 had not included uncertified area of 1,394 Ha (consisting of 758.34 Ha in Tanah Laut Estate and 636.33 Ha in Kintapura Estate), the company followed up on this by carrying out revised time-bound plan on 28 August 2019, however this change has not yet received approval from the RSPO Secretariat.</p>		
Non-Conformance Description	<p>(filled by auditor):</p> <p>Insufficient evidence that changes of company Time-Bound Plan document have been reported to the RSPO Secretariat.</p>		

Root Cause Analysis (filled by organization audited): GAR time bound plan as of July 7, 2019 has not been reported to RSPO because it has not exceeded the time set by the company, namely 2023.	
Correction (filled by organization audited): Send the latest time bound and justification to CB	
Corrective Action (filled by organization audited): Send the latest time bound and justification to CB	
Assessor Evaluation and Conclusion (filled by auditor): Close-out Corrective Action Request was verified on 28 November 2019 Company has revised the time bound plan with adding the uncertified area of 1,394 Ha (consisting of 758.34 Ha in Tanah Laut Estate and 636.33 Ha in Kintapura Estate), the objective evidence has been verified and deemed sufficient to close the non conformity.	
Verified by	: SGS Auditor

NCR No.	: M09	Issued by	: SGS Auditor
Date Issued	: 30 August 2019	Time Limit	: 29 November 2019
NC Grade	: Major	Date of Closing	: 28 November 2019
Standard Ref. & Requirement	<p>4.5.4 P&C Certification System Requirements for uncertified management units:</p> <ul style="list-style-type: none"> • No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since January 1st 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB; • Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6; • Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1; • A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by the organization. This would require evidence of the self-assessment against each requirement; 		
Evidence observed (filled by auditor): Based on a review of the Internal Audit documents in the management unit of PT. Smart, Tbk Tanah Laut Estate and Kintapura Estate (Uncertified Area 1,394 ha) conducted on 13-17 May 2019 and PT. Kartika Prima Citra (Uncertified Area 2,390 ha) carried out on 23 July - 02 August 2018 were found that the internal audit activities have not identified issues related to HCV / HCV areas, land conflicts, RSPO Complaint and non-compliance with legal, as follows:			
<ul style="list-style-type: none"> • PT. Smart, Tbk - Tanah Laut Mill (Uncertified Area 1,394 ha) <ul style="list-style-type: none"> o There of 636.3 ha area of PT. Smart, Tbk pada Kintapura Estate which ongoing process of Legal land ownership / Hak Guna Usaha (HGU). o There of 166.8 ha area of PT. Smart, Tbk pada Tanah Laut Estate overlap with mining permit of PT. Arutmin. 			

<ul style="list-style-type: none"> o There of 71.61 ha area of PT. Smart, Tbk pada Tanah Laut Estate overlap with another company HGU PT. Gawi Makmur Kalimantan. • Kartika Prima Citra (Uncertified Area 2,390 ha) There are complaints in the RSPO Complaint System that are still progressing as follows: <ul style="list-style-type: none"> o PT KPC is in persistent violation of the RSPO P&C pertaining HCV assessment, the recognition of customary land right and free, prior, and informed consent (FPIC). lack of FPIC of the local Dayak and Malay people in the process of acquiring land. o Land take over was done without land tenure study and participatory mapping. o HCV assessments were done late and final consultation was on May 2014. o Dissatisfaction among smallholders and resentment because of reduced plot size after being set aside for HCV rather than being included in the plasma scheme (20%). o Set aside land as HCS area that made no provision for customary land uses and tenure and local people's livelihood. o GAR as the parent company of all 18 subsidiaries listed, is acting in violation of the New Planting Procedure (NPP) by submitting information which it knows is false. No HGU in sixteen (16) of the eighteen (18) concessions where NPP was submitted. o The assessors who endorsed GAR's HCV assessment, ESIA's and social engagement actions, are in violation of their responsibility to provide impartial assessment of the company's compliance with RSPO Principles & Criteria
<p>Details of the complaint can be seen at the following link:</p> <p>https://askrspo.force.com/Complaint/s/case/50090000028Erz5AAC/detail</p>
<p>Non-Conformance Description (filled by auditor): Insufficient evidence that the Internal Audit activities for Un-certified unit management have identified issues related to HCV / HCV area (RSPO Indicator P&C 5.1.1), Land Conflict (RSPO P&C indicator 2.2.3), RSPO Complaint (RSPO P&C indicator 6.4 .1) and Legal non-compliance (RSPO Indicator P&C 2.1.1).</p>
<p>Root Cause Analysis (filled by organization audited): The partial audit report has not recorded these matters because so far the information has been in several parts of the Department that handled it directly</p>
<p>Correction (filled by organization audited): The company will include records of complaints etc. contained in Requirements for uncertified management units in the partial audit report</p>
<p>Corrective Action (filled by organization audited): The company will update the partial report once a year or if there is a status update that is informed from the relevant department.</p>
<p>Assessor Evaluation and Conclusion (filled by auditor): Close-out evidence of Corrective Action Request was verified on 28 November 2019</p> <p>Company has carried out the internal audit for uncertified management unit which covering for relevant issues on PT. Smart, Tbk - Tanah Laut Mill (Uncertified Area 1,394 ha) & Kartika Prima Citra (Uncertified Area 2,390 ha), the objective evidence has been verified and deemed sufficient to close the non conformity.</p>
<p>Verified by : SGS Auditor</p>

3.4.2. Identification of Findings, Corrective Actions and Observations at IC ASA 1.3 Remote Audit

NCR No. :		Issued by :	
Date Issued :		Time Limit :	
NC Grade :		Date of Closing :	
Standard Ref. & Requirement :			
Evidence observed (filled by auditor):			
There is No Non conformity during ASA 1.3 Remote Audit			
Non-Conformance Description (filled by auditor):			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Verified by :			

3.4.3. Identification of Findings, Corrective Actions and Observations at ASA1-3 & ASA-1.4 & Re-Certification Assessment

NCR No.	: 2022.01	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 16 July 2022	Time Limit	: Next Assessment
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	<p>6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed</p>		
<p>Evidence observed (filled by auditor): Based on document verification show that the certification unit has procedures for handling emergency response and first aid in work accidents, including the following:</p> <ol style="list-style-type: none"> 1. SOP Design and Use of Hydrant with No. SOP/SMART/HESS-EHSD/SADV/II/014 dated 01 July 2014. 2. First aid SOP with No SOP/SMART/HESS-EHSD/SADV/1/011 dated 01 July 2014 <p>Regarding the implementation of the procedure, based on the field observation, it was found that:</p> <ol style="list-style-type: none"> 1. The simulation results of extinguishing fires using Hydrant No. 3 (twice) in the mill operational area are known that the Hydrant is in a condition that cannot be used optimally due to leaks in the nozzle and at the pillar connections. Meanwhile, based on the Monitoring Hydrant No. 3 which was carried out on June 20, 2022, it was found that all Hydrant components were in good condition and ready to be used. 2. Regarding the use of the first aid kit, it is known that: <ol style="list-style-type: none"> a. Based on the field observations at Tanah Laut Estate found: <ul style="list-style-type: none"> • There is no Aquadest item in the first aid kit in the workshop area. • There is no Aquadest item in the first aid kit at Schedule Waste. b. Based on the field observations at Kintapura Estate found: <ul style="list-style-type: none"> • There is no monitoring of the first aid kit at the loose poles. • There is no monitoring of the first aid kit in manual work. • There are no eye wash glasses in manual work. • There are no eye wash glasses in pesticide application work. • There is no plaster in pesticide application work. 			
<p>Non-Conformance Description (filled by auditor): The certification unit has not been able to show that the implementation of emergency response and First Aid in Accidents (P3K) in operational areas has been running thoroughly.</p>			
<p>Root Cause Analysis (filled by organization audited):</p>			
<p>Correction (filled by organization audited):</p>			
<p>Corrective Action (filled by organization audited):</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor):</p>			
Verified by	:		

NCR No.	: 2022.02	Issued by	: Radytio Puspanjana
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Date Issued	: 16 July 2022	Time Limit	: Next Assessment
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	7.8.1 A water management plan is available and is implemented to support efficient use of water sources and continuous availability and avoid negative impacts on other users in the catchment. The plan referred to contains the following matters: <ol style="list-style-type: none"> a. The certification unit does not limit access to clean water or does not pollute the water used by the community. b. Workers have adequate access to clean water 		
Evidence observed (filled by auditor): <p>In relation to the management plan and protection of riparian to avoid negative impacts, it is stated in:</p> <ul style="list-style-type: none"> - PT SMART's 2011 HCV identification and management plan in the recommendation section explains that the company needs to create a buffer zone area on the riparian with a distance of 100 meters to the right and left of large rivers and 50 meters to the left for small rivers. Do not apply chemicals and fertilizers along riparian. - Work instruction document No. IK/SMART/BCOS-EHSD/SADV/004/001 explains the technical aspects of making a spray boundary sign for HCV areas including riparian that inform "PESTICIDE SPRAY BOUNDARY". The marking of an X cross as a chemical spray limit in the HCV area is red on oil palm trees in accordance with the determination of the buffer zone distance. In the work instruction, the result standard states that the HCV area must have a spray limit spray limit sign and a cross mark on oil palm trees with red paint with a certain size with a size adjusted to the outer boundary of the HCV area where chemicals are not allowed to be used. The condition of spray boundary signs and cross marks every 3 months by ensuring the condition of the HCV area writing, the paint does not fade and the position of the signposts must stand upright and the cross marks must be clearly visible. Clean the spray limit signs and crosses manually (no chemicals are used). <p>As the implementation of these procedures during the audit process, evidence of implementation of the plan can be shown, including:</p> <ul style="list-style-type: none"> - The 2022 HCV management plan describes the riparian management program, the maintenance of HCV boundary markers is carried out every three months, which has been realized in March 2022. - The Kintapura estate HCV boundary sign maintenance form for the period 17 March 2022 explains that the boundary marking has been maintained in the riparian area, both spray boundary signs and red cross marks on trees. <p>However, based on the results of field visits in the Salaman river block G7, evidence was obtained of the application of chemical pesticides in the form of weeds wiping on the Salaman riparian where there was also no red cross on the oil palm tree. Furthermore, the results of the verification in the foreman's activity book (BKM) No. BKM 1927828 division I on 17 May 2022 explained that wiping activities (pesticide application) had been carried out in block G7 covering an area of 24.14 ha for roll up materials.</p> <p>Non-Conformance Description (filled by auditor): The company has not been able to show evidence that the implementation of the water resource management plan has been carried out in accordance with the management plan and SOP it has, in order to avoid negative impacts on other users in the water catchment area.</p>			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			

Assessor Evaluation and Conclusion (filled by auditor):

Verified by

:

3.4.4. Opportunity for Improvement

No	Ref. Std.	Description
1	1.1.5	<p>The company shows the SOP for Stakeholder Engagement No.SOP/SMART/SENS-CSR/SADV/001 which explains that the officer is responsible for updating and updating the stakeholder list.</p> <p>Based on the results of the verification of PT SMART's stakeholder list document which was updated as of July 2022, there are still several stakeholders that have not been included in the list, for example BPJS, the tax office (government), local suppliers, hazardous waste management contractors, nearby companies, NGOs and schools.</p> <p>Based on the results of document verification and interviews, the company already has information about stakeholders that has not been included in the list, but is documented separately according to their respective PICs. Companies are encouraged to update regularly related to stakeholders, contact numbers and level of interest with the company in an integrated manner.</p>
2	3.4.3	<p>In relation to the social management and monitoring plan owned by the company, the company has conducted a review which is carried out every two years and monitoring once a year. During the COVID-19 pandemic, GAR has developed a Field Activity Guide for Reviewing/Monitoring Social Impacts during the Covid-19 Pandemic.</p> <p>In July 2022 the company has reviewed the management of social impacts for the period 2019 - 2021 and developed a social management plan for the period 2022 - 2023, in which the process has been participatory by involving relevant stakeholders but is still limited to trade union officials, gender committees and Village Administrators (<i>Kades, Sekdes, BPD</i>). Based on the results of the review of the review document, companies are encouraged to carry out a more in-depth mapping of key stakeholders in the social impact monitoring process, for example for external stakeholders by paying attention to women, migrants, local residents, youth leaders, contractors and for internal stakeholders by paying attention to the representation of workers involved. broader scope such as local workers, migrants, women, new workers including contract workers.</p>
3.	3.7.1	<p>The certification unit shows a letter from OHS service company stating that the licenses for Estate and Mill employees are in the renewal stage with the following explanation:</p> <ol style="list-style-type: none"> 1. 4 first aid officers (Tanah Laut Mill) who already have an OHS license with the initials BN with No. Ser.3611/PK3-P3K/VIII/2017 and is effective from July 2018 until June 2022. 2. Electrical OHS technicians (Tanah Laut Mill) who already have an OHS license with the initials SJ with No. 15915/TK3-LIST/VI/2017 and is effective from June 2017 to June 2020. 3. 1 overhead crane operator (Tanah Laut Mill) who already has an OHS license with the initials AR with No. P.10.1138-OPK3-OC/PAA/IX/2016 and is effective from September 2016 until September 2021. 4. 1 tractor operator (Tanah Laut Estate) who already has an OHS license with the initials TN with No. P.10.7656-OPK3-LT/PAA/IX/2016 and is effective from September 2016 until September 2021. 5. 2 first aid officers (Tanah Laut Mill) who already have an OHS license with the initials SW with No. 566/2202/Was-NKT/2019 dated July 15, 2019 which is valid until July 15, 2022. 6. Lifting operators (Kintapura Estate) who already have an OHS license with the initials AS with No. 3936-OPK3-LT/PAA/IX/2016 and is effective from September 2016 until September 2021. 7. First aid officers (Kintapura Estate) who already have an OHS license, for example with the initials NN with No. 3605/PK3-P3K/VIII/2017 and is effective from June 2019 to June 2022.

		The Certification unit has the opportunity to ensure the progress of the extension of the OHS license for all employees.
4	6.2.7	<p>Based on document verification of the Harvesting Employee List document show that there are still harvesting employees with contract status with the following details:</p> <ol style="list-style-type: none"> 1. TLTE : 17 employees. 2. KNTE : 23 employees. <p>The certification unit shows evidence of communication with the South Kalimantan 1 RC Staff regarding the proposal for harvesting employees to propose the appointment of employees to become permanent worker (PT). In this case, the certification unit has the opportunity to ensure the progress of hiring harvest employees with contract status.</p>
5	6.7.3	<p>The certification unit shows the latest OHS Committee endorsement for each unit as follows:</p> <ol style="list-style-type: none"> 1. Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province No. 566/221/WAS-NKT/2021 dated 01 September 2021 regarding the ratification of the OHS Committee at PT SMART, Tbk – Tanah Laut Estate. 2. Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province No. 566/233/233/WAS-NKT/2020 dated 01 October 2020 regarding the ratification of the OHS Committee at PT SMART, Tbk – Kintapura Estate. 3. Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province No. 566/257/Disnakertrans dated April 24, 2018 regarding the ratification of the OHS Committee at PT SMART, Tbk –Tanah Laut Mill. The company showed a letter from PT SMART, Tbk to the Manpower and Transmigration Office of South Kalimantan Province with No. 02/TLTM-EXT/05/2022 dated May 14, 2022 regarding changes to the organizational structure of the OHS Committee. The letter was received on May 17, 2022. However, until the audit activity took place, there has been no approval of the latest OHS Committee. <p>The certification unit also shows the latest OHS Expert endorsement for each unit as follows:</p> <ol style="list-style-type: none"> 1. Decree of the Minister of Manpower of the Republic of Indonesia No. 5/7644/AS.02.04/VII/2020 dated 27 August 2020 regarding the appointment of an OHS Expert on behalf of Fahmi Farhat which is valid for 3 years from the date of stipulation. OHS Expert Authorization Card with No. Reg. 40300/PK3/AJ/31/2020/P1 dated 27 August 2022 on behalf of Fahmi Farhat and valid until 27 August 2021. 2. Decree of the Minister of Manpower of the Republic of Indonesia No. KEP.19914/NAKER-BINWASK3/VI/2018 dated June 25, 2018 regarding the appointment of an OHS Expert on behalf of Ichvan Hermawan which is valid for 3 years from the date of stipulation. OHS Expert Authorization Card with No. Reg. 55927/PK3/AJ/31/2020/P0 dated June 25, 2018 on behalf of Ichvan Hermawan and valid until June 25, 2021. The company shows the receipt for the renewal of the OHS Expert certificate which was sent to the local Manpower Office on July 7, 2022. OFI 3. Decree of the Minister of Manpower of the Republic of Indonesia No. KEP.14379/NAKER-BINWASK3/VII/2018 dated 06 July 2018 regarding the appointment of an OHS Expert on behalf of Ferdiansyah Abdul Actora Hasibuan which is valid for 3 years from the date of stipulation. OHS Expert Authority Card with No. Reg. 23081/PK3/AJ/31/2018/P1 dated 06 July 2018 on behalf of Ferdiansyah Abdul Actora Hasibuan and valid until 06 July 2021. The company shows the OHS Expert certificate renewal receipt which was sent to the local Manpower Office on 7 July 2022. <p>The company has the opportunity to confirm the progress of the latest approval of the OHS Committee Tanah Laut Mill structure and the extension of the OHS Expert license for the Tanah Laut Estate and Kintapura Estate</p>

3.4.5. Noteworthy Positive Components

No	Ref. Std.	Description
1		Management commitment to apply the principles of sustainable palm oil management.
2		Is a sustainable palm oil certificate holder (RSPO & ISPO)
3		Fairly good cooperation in providing documents during the audit process
4	-	Have received Blue Proper for the period 2020 - 2021

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>National Land Agency of Tanah Laut Regency</p> <p>The CH complied with applicable regulations related land legality, among others has had location permit, plantation business permit (IUP), land title (HGU). There is no issue regarding land dispute, intimidation, and coercion to local people.</p>	<p>Based on document review and field observations, the CH has demonstrated legal compliance related land legality, and no indications of land disputes. Regarding land disputes its became NCR in indicator 3.4.2</p>
<p>Tanah Laut District Manpower Office</p> <p>During operational activities, the company has established a good relationship with the Tanah Laut Regency Manpower Office.</p>	<p>There were no negative issues that need further clarification.</p>
<p>Plantation Agency of Tanah Laut Regency Interviewee : Head of Plantation Date : 12 July 2022</p> <ul style="list-style-type: none"> • Last assessment of plantation grade was conducted in 2021 by the Regency. • The certification unit has reported its Progress Report of Plantation Business (<i>Laporan Perkembangan Usaha Perkebunan/ LPUP</i>) quarterly. • Fire facilities are sufficient in accordance with the regulation. • CSR activities have been conducted for the surrounding villages and had been reported to the agency. • There was no fire incident occurred in the company's operational area both in Mill and Estates • The certification unit has responded to information requests quickly and transparently. 	<p>There were no negative issues that need further clarification. Several explanations have been described in the report.</p>
<p>Environmental Agency of Tanah Laut Regency.</p> <ul style="list-style-type: none"> - The company has EIA documents and has received environmental feasibility on 1998. During audit recertifications the company has been progress addendum the EIA documents. - The company has a Temporary Hazardous Waste Storage (TPS LB3) located on Mill and each Estate, approved by Tanah Laut Regency on 2019. - Hazardous Waste management activities carried out by storing hazardous Waste in licensed hazardous waste storage and transported have permission by KLHK. Quarterly management reporting to relevant agencies. - The company has land application permit year 2016, on progress for extension permit. - The company has conducted POME quality testing per semester and reports the results of testing to Environmental Agency Tanah Laut Regency. 	<p>According to field observation, there are no environment pollution from estate and mill operational.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> - The company has conducted noise, vibration and noise testing and reported the results of testing to Environmental Agency Tanah Laut Regency per semester. - The company has reported Hazardous waste (balance and manifest) management to Environmental Agency Tanah Laut Regency per semester per semester, for example hazardous waste management report first quarterly 2022. - The company has sent the RKL / RPL implementation report to Environmental Agency Tanah Laut Regency periodically, for example the semester 2 2022. - The company has managed the conservation area / HCV in form of riparian. - Requests for information responded quickly by the management unit. - There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management of Estate and POM. 	
<p>Bukit Mulya Village</p> <ul style="list-style-type: none"> • The certification unit has made efforts to develop the surrounding community through CSR programs in a participatory manner, the usage of local labor and local contractors. • There were no complaints related to environmental pollution • There was no dispute and conflict regarding the land ownership between the certification unit and the surrounding communities. • Communication between the village official and the certification unit was good. 	<p>There were no negative issues related to gender discrimination that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<p>Kintapura Village</p> <p>The communication and relation between villages around with company are well maintained, the company's public relation already known by the communities. The mechanism for complaint and grievance submission has been understood well by the community.</p> <p>There are no indigenous rights or customary rights. It also known that compensation process is done directed to the landowner and landowners are given the freedom to release their land without coercion. There is no land disputes in company operational area,</p> <p>The company has considered cooperative and transparent in providing information, for example towards job vacancies. CSR and grants. Village people has recognized company representative (PIC) from Division of Documents and Legal which handled this matters.</p>	<p>The CH has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria 4.4;4.5;4.7.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Kintap Subdistrict Community Elder</p> <p>The communication and relation between villages around with company are well maintained, the company's public relation already known by the communities. The mechanism for complaint and grievance submission has been understood well by the community.</p> <p>There are no indigenous rights or customary rights. It also known that compensation process is done directed to the landowner and landowners are given the freedom to release their land without coercion. There is no land disputes in company operational area,</p> <p>The company has considered cooperative and transparent in providing information, for example towards job vacancies. CSR and grants. Village people has recognized company representative (PIC) from Division of Documents and Legal which handled this matters.</p>	<p>The CH has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria 4.4;4.5;4.7.</p>
<p>Union Representative (SPSI)</p> <p>At this time, the company and the trade unions are discussing to prepare a new PKB draft and have not yet reached a mutually agreed goal and the company together with the trade unions will continue to discuss the new PKB draft.</p>	<p>The company is in the process of discussing the new cooperation agreement document with the union, and the discussion will continue until a mutually agreed result is obtained.</p>
<p>Gender Committee of Mill and Estate Interviewee : Chairman and Deputy Date : 12 July 2022</p> <ul style="list-style-type: none"> • There were no complaints regarding issues related to sexual harassment and violence against women. • All woman in pesticides applicator worker and others work which related to chemical material if reported pregnant, the worker would be transferred to non-agrochemical work (e.g.: compound and daycare officer). • The gender committee had socialized some policies related to pregnancy and sexual harassment. • The certification unit has had a policy to protect female workers from sexual harassment in the workplace as well as a grievance mechanism. The company also implemented some regulations related to reproductive rights such as menstruation leave and maternity paid leave. • There was a complaint related to sexual harassment from male worker in 2021-2022. Gender committee has responded and provided counselling to both victim and suspect. 	<p>There were no negative issues related to gender discrimination that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Local Contractor for CPO transport (PT SLB)</p> <p>Cooperation between the company and the contractor has been carried out since 2019. There has been a clause regarding the prohibition on land clearing by fire and this has also been socialized to contractors. There are no issues related to the cooperative relationship between the company and the contractor.</p> <p>When payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been given PPE by the contractor in accordance with the risk analysis that has been identified. Contractor workers have also provided health insurance for workers.</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in indicator related.</p>
<p>CV Borneo Sakti Atamaran (FFB Supplier)</p> <p>The company receives FFB from third parties provided that FFB supplied is not the result of looting, theft or FFB produced by looting state forests. It is stated in the agreement based on the agreement between the two parties, further explained that the payment was made on time in accordance with the contents of the agreement and there had never been a problem in terms of payment.</p>	<p>The company has demonstrated its commitment and mechanism so that FFB received is not from illegal activities. in addition, documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in indicator related.</p>
<p>Replanting Contractor (Lingkar Orbit Nusantara)</p> <p>The company has just established a cooperative relationship related to replanting which began in July 2022 and as long as the contract is running there are no problems.</p>	<p>There were no negative issues that need further clarification.</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 style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT. SMART Tbk – Tanah Laut Mill Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Tuesday, 19 July 2022</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Arif Yusni</u> Tuesday, 19 July 2022</p> </td> </tr> </table>	<p>PT. SMART Tbk – Tanah Laut Mill Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Tuesday, 19 July 2022</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Arif Yusni</u> Tuesday, 19 July 2022</p>
<p>PT. SMART Tbk – Tanah Laut Mill Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Tuesday, 19 July 2022</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Arif Yusni</u> Tuesday, 19 July 2022</p>		

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	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
2	Environmental Agency	Tanah Laut Regency	-	Communication by Phone	12 June 2022	✓	
3	Tanah Laut District Manpower Office	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
4	Plantation Agency of Tanah Laut Regency	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
5	Kintapura Village	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
6	Salaman Village	Tanah Laut Regency	-	Communication by Phone	12 July 2022		✓
7	Bukit Mulya Village	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
8	Kintap Subdistrict Community Elderly	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
9	FFB Supplier CV Borneo Sakti Atamaran	Tanah Laut Regency	-	Interview by phone	12 July 2022	✓	
10	CPO transport (PT SLB)	Tanah Laut Regency	-	Interview by phone	12 July 2022	✓	
11	CV Borneo Sakti Atamaran (FFB Supplier)	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
12	Replanting Contractor	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
13	Worker Union Representative (SPSI)	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
14	Gender Committee of Mill and Estate	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
15	Tanah Laut Mill Workers (16 Workers)	Tanah Laut Regency	-	Communication by Phone	12 July 2022	✓	
16	Tanah Laut Estate (21 Workers)	Tanah Laut Regency	-	Field observation and direct interview	13 June 2022	✓	
17	Kintapura Estate (16 Workers)	Tanah Laut Regency	-	Field observation and direct interview	14 June 2022	✓	
18	Rumah AMAN	Jakarta	rumahaman@aman.or.id	Email	05 July 2022		✓
19	Sawit Watch	Jakarta	info@sawitwatch.or.id	Email	05 July 2022		✓
20	WWF	Jakarta	supporter-service@wwf.or.id	Email	05 July 2022		✓

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
21	Walhi	Jakarta	informasi@walhi. or.id	Email	05 July 2022		✓

Appendix 2. Assessment Program
1. Remote Audit

Date	Time	Auditor	Organizational and Functional Units/ Processes and Activities	Key Contact
Tuesday, 08/09/2020	08.00	All	Opening Meeting remotely via Skype for Business.	Management Representative, and Relevant personnel
	09.00	A	<u>Document review and interview</u> <ul style="list-style-type: none"> • Scope of certification and timebound plan • Principle 1: Behave Ethically and Transparently <ul style="list-style-type: none"> - Criterion 1.1 (indicators 1.1.1, 1.1.3, 1.1.4 & 1.1.5) - Criterion 1.2 (Indicators 1.2.1 & 1.2.2) • Principle 2: Operate legally and respect rights Implement legal requirements as the basic principles of operation in any jurisdiction <ul style="list-style-type: none"> - Criterion 2.1 (indicator 2.1.1) • Principle 3: Optimize productivity, efficiency, positive impacts and resilience: <ul style="list-style-type: none"> - Criterion 3.4 (Indicators 3.4.1 - 3.4.3) • Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment <ul style="list-style-type: none"> - Criterion 7.3 (Indicator 7.3.1) - Criterion 7.7 (indicators 7.7.1 - 7.7.5) - Criterion 7.8 (Indicators 7.8.1, 7.8.3 & 7.8.4) - Criterion 7.9 (Indicator 7.9.1) - Criterion 7.10 (Indicators 7.10.1 - 7.10.3) - Criterion 7.12 (Indicators 7.12.1, 7.12.2, 7.12.4, 7.12.6, 7.12.8) 	Relevant personnel
		B	<u>Document review and interview</u> <ul style="list-style-type: none"> • Principle 3: Optimize productivity, efficiency, positive impacts and resilience <ul style="list-style-type: none"> - Criterion 3.1 (indicators 3.1.1 & 3.1.3) - Criterion 3.2 (Indicators 3.2.1 & 3.2.2) - Criterion 3.3 (Indicators 3.3.1 & 3.3.3) - Criterion 3.6 (Indicators 3.6.1 & 3.6.2) - Criterion 3.8 (Indicators 3.8.1 - 3.8.17) – <i>Supply Chain</i> • Principle 5: Support Smallholder Inclusion <ul style="list-style-type: none"> - Criterion 5.1 (indicators 5.1.1, 5.1.5, 5.1.6, 5.1.7 & 5.1.9) • Principle 6: Respect Workers Rights and Conditions <ul style="list-style-type: none"> - Criterion 6.7 (Indicators 6.7.1, 6.7.2 & 6.7.5) • Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment <ul style="list-style-type: none"> - Criterion 7.1 (indicators 7.1.1 & 7.1.2) - Criterion 7.2 (Indicators 7.2.1, 7.2.5, 7.2.6 & 7.2.9) - Criterion 7.4 (Indicators 7.4.1, 7.4.2 & 7.4.3) - Criterion 7.5 (Indicator 7.5.1) - Criterion 7.6 (Indicator 7.6.1) 	Relevant personnel
			<ul style="list-style-type: none"> • Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment <ul style="list-style-type: none"> - Criterion 7.1 (indicators 7.1.1 & 7.1.2) - Criterion 7.2 (Indicators 7.2.1, 7.2.5, 7.2.6 & 7.2.9) - Criterion 7.4 (Indicators 7.4.1, 7.4.2 & 7.4.3) - Criterion 7.5 (Indicator 7.5.1) - Criterion 7.6 (Indicator 7.6.1) 	

			<u>Document review and interview</u>	Relevant personnel
		C	<ul style="list-style-type: none"> • Principle 2: Operate legally and respect rights Implement legal requirements as the basic principles of operation in any jurisdiction <ul style="list-style-type: none"> - Criterion 2.2 (indicators 2.2.1 - 2.2.3) - Criterion 2.3 (indicator 2.3.1) • Principle 3: Optimize productivity, efficiency, positive impacts and resilience <ul style="list-style-type: none"> - Criterion 3.5 (Indicator 3.5.1) - Criterion 3.7 (Indicator 3.7.1 & 3.7.2) • Principle 4: Respect Community and Human Rights and Deliver Benefits <ul style="list-style-type: none"> - Criterion 4.1 (indicator 4.1.1) - Criterion 4.2 (Indicators 4.2.2 - 4.2.4) - Criterion 4.4 (Indicators 4.4.1 & 4.4.3) • Principle 6: Respect Workers Rights and Conditions <ul style="list-style-type: none"> - Criterion 6.1 (indicators 6.1.1, 6.1.3, 6.1.5 & 6.1.6) - Criterion 6.2 (Indicators 6.2.1 - 6.2.3 & 6.2.6) - Criterion 6.3 (Indicator 6.3.1) - Criterion 6.4 (Indicators 6.4.1 & 6.4.2) - Criterion 6.5 (Indicators 6.5.1 & 6.5.2) - Criterion 6.6 (Indicators 6.6.1 & 6.6.2) 	
	12.00	All	Break	
	13.00	All	Continue audit	Relevant personnel
	15.30	All	Prepare Closing Meeting and summarize audit results	
	16.30	All	Closing Audit remotely via Skype for Business	Management Representative, and Relevant personnel
	17.30	All	End of Surveillance Audit (Remote Audit)	

2. Onsite Audit

DATE	11 - 16 July 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
MONDAY, 11 JULY 2022		
06.30 – 09.00	JAKARTA → BANJARMASIN	All Auditor
09.30 – 13.00	BANJARMASIN → PT SMART TBK	
14.00 – 15.00	Opening meeting <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) 	All Auditor
15.00 – 17.00	<ul style="list-style-type: none"> • Document review and completing audit checklist. • Verification of Basic Information Mill and Estate • Confirmation of Time Bound Plan • Review of Partial Certification 	All Auditor
TUESDAY, 12 JULY 2022		
08.00 – 12.00	Stakeholder Consultation <ul style="list-style-type: none"> - Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders - Stakeholder consultation to affected communities surrounding the plantations and previous land owner as well as Local NGO (by Phone) - public consultation with stakeholder to relevant agency in Tanah Laut Regency (by Phone) 	All Auditor
12.00 – 14.00	<ul style="list-style-type: none"> • Break 	
14.00 – 16.15	Field observation to Tanah Laut Mill: <ul style="list-style-type: none"> - Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) - Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) - Implementation of Employment Procedure and Mechanism Aspect 	All Auditor
16.15 – 17.00	Presentation of Daily Progress	
WEDNESDAY, 13 JULY 2022		
08.00 – 12.00	Field Observation to Tanah Laut Estate Aspect to be verified: <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect 	All Auditor

DATE	11 - 16 July 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> - Implementation of Employment Procedure and Mechanism Aspect - Observation of Workers Facilities (Housing, School, Worship Place). 	
12.00 – 14.00	<ul style="list-style-type: none"> • Break 	All Auditor
14.00 – 16.00	<ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. 	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> • Presentation of Daily Progress 	
THURSDAY, 14 JULY 2022		
08.00 – 12.00	Field Observation to Kintapura Estate Aspect to be verified: <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Observation of Workers Facilities (Housing, School, Worship Place). 	All Auditor
12.00 – 14.00	<ul style="list-style-type: none"> • Break 	All Auditor
14.00 – 16.00	<ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. 	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> • Presentation of Daily Progress 	
FRIDAY, 15 JULY 2022		
08.00 – 12.00	<ul style="list-style-type: none"> • Continued field observation and Public Consultation if needed) • Document review and completing audit checklist. 	All Auditor
12.00 – 14.00	Break	
16.00 – 17.00	<ul style="list-style-type: none"> • Verification of stakeholder consultation result and field visit. • Document review and completing audit checklist. 	
16.15 – 17.00	<ul style="list-style-type: none"> • Presentation of Daily Progress 	
SATURDAY, 16 JULY 2022		
08.00 – 09.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
09.00 – 10.30	Closing Meeting <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/ 	

DATE	11 - 16 July 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> • Comments, Responses and Questions 	
10.30 – 15.00	PT SMART TBK → BANJARMASIN	
16.30 – .00	BANJARMASIN → JAKARTA	