

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

**[ ✓ ] Surveillance**

Name of Management : **Sungai Buaya Mill – PT Sumber Indah Perkasa, subsidiary of Golden Agri Organization Resources Ltd**  
Plantation Name : **PT Sumber Indah Perkasa – Sungai Buaya Estate, Mesuji KKPA, and Gedung Aji Lama KKPA**  
Location : **Talang Batu Village, Mesuji Sub-District, Mesuji Timur District, Lampung Province, Indonesia**  
Certificate Code : **MUTU-RSPO/130**  
Date of Initial Registration : 02 May 2014  
Date of Last Issue : 28 May 2019  
Date of Certificate Expiry : 01 May 2024  
Date of License Issue : 09 September 2022  
Date of License Expiry : 01 May 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.3	28 to 31 March, 04 & 05 April 2022	Briyogi Shadiwa (Lead Auditor), Ardiansyah, Erika Lucitawati, and Alex Sitio (Auditor Trainee)	Leonada	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.3	25 August 2022

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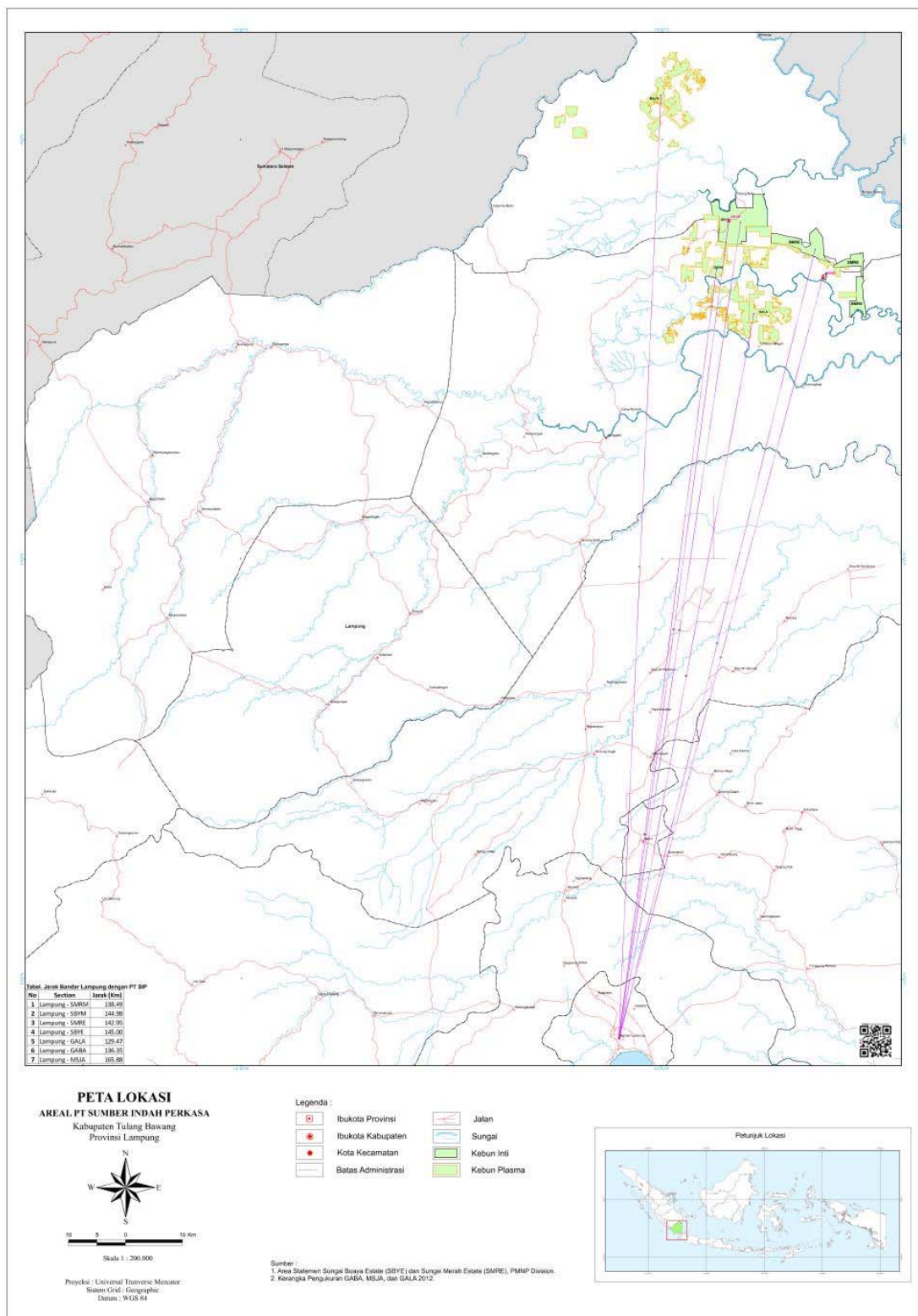
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Figure 1. Location Map of PT Sumber Indah Perkasa



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

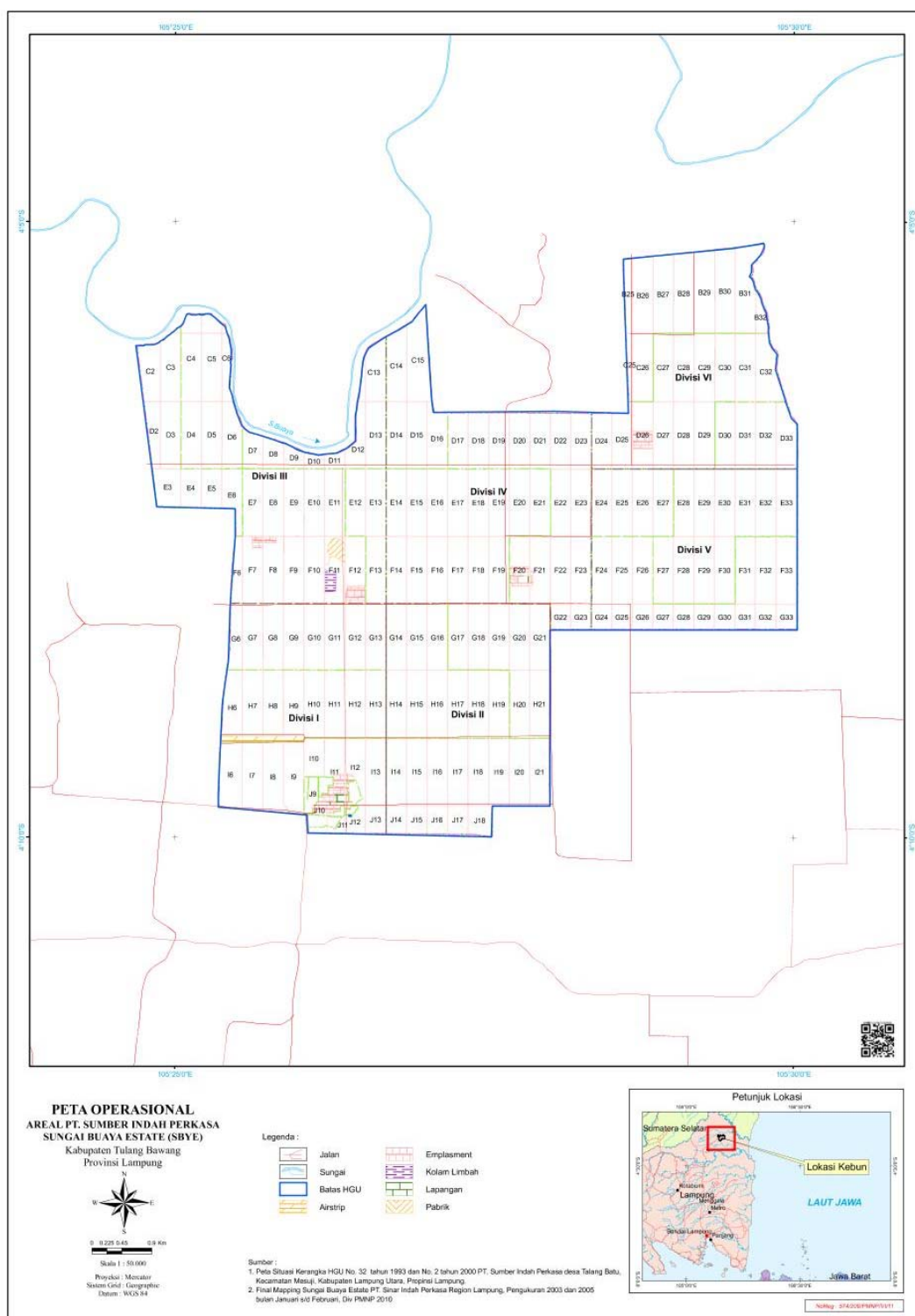


Figure 3. Operational Map of PT Sumber Indah Perkasa - Mesuji KKPA

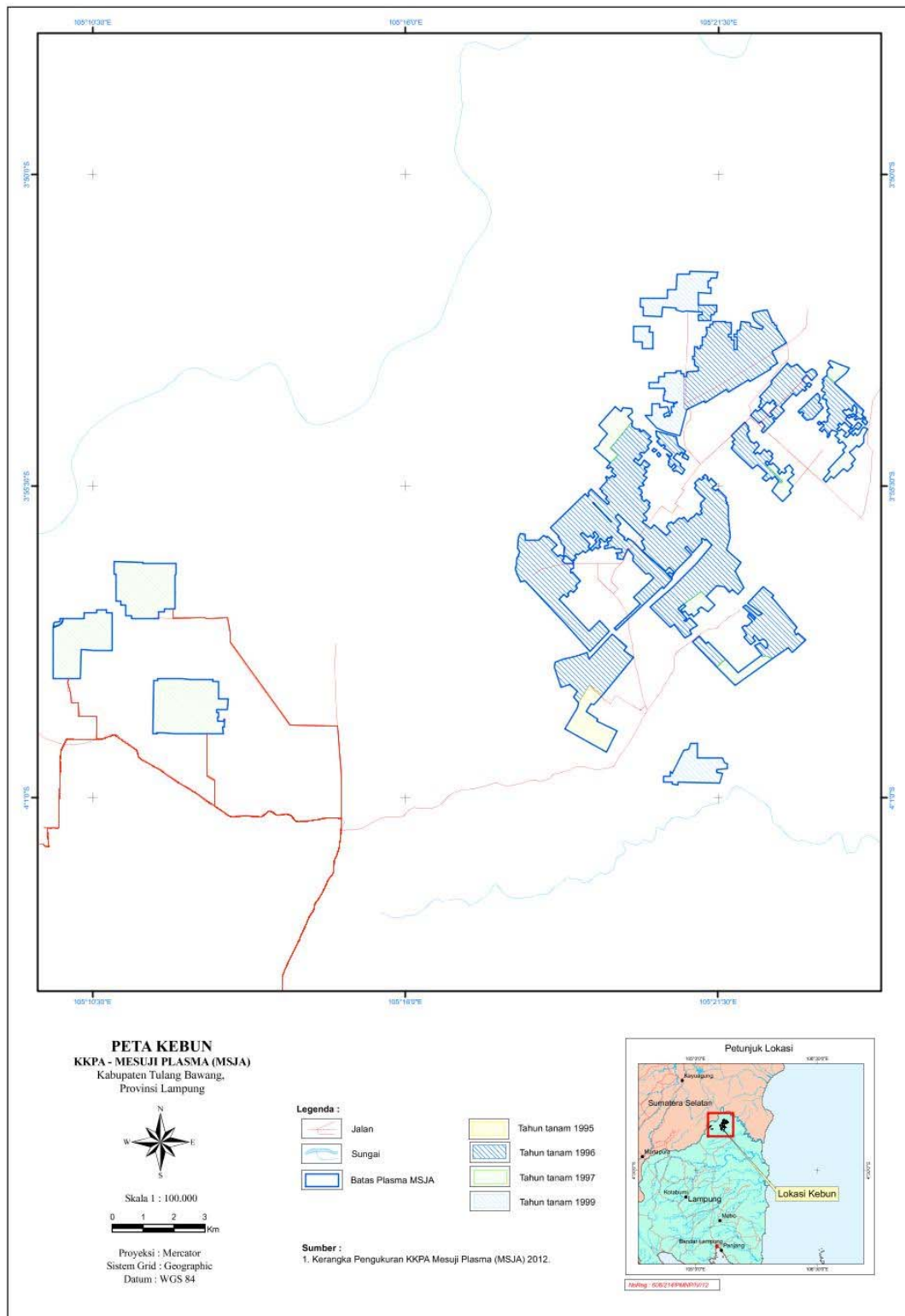
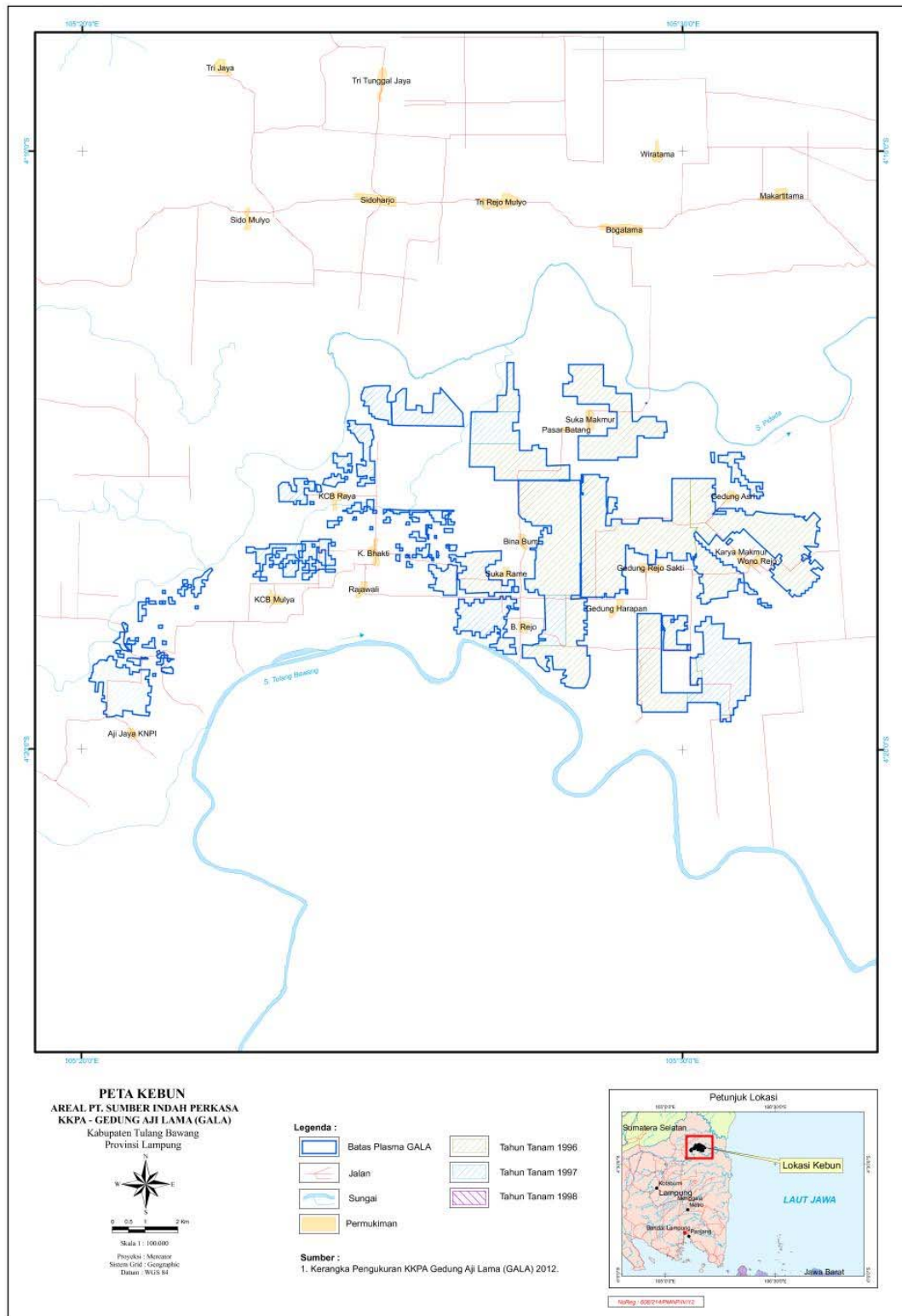




Figure 4. Operational Map of PT Sumber Indah Perkasa - Gedung Aji Lama KKPA



**Abbreviations Used**

ASA	:	Annual Surveillance Audit
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency
CB	:	Certification Body
CSR	:	Corporate Social Responsibility
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
FR	:	Frequency Rate
FS	:	Fertilizer Spreader
GABA	:	Gedung Aji Baru Plasma ( <i>KKPA</i> )
GALA	:	Gedung Aji Lama Plasma ( <i>KKPA</i> )
GSEP	:	GAR, Social, and Environment Policy
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Title)
HGB	:	<i>Hak Guna Bangunan</i> (Land Title)
IDR	:	Indonesian Rupiah
IP	:	Identity Preserved
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability and Carbon Certification
ISPO	:	Indonesian Sustainable Palm Oil
KER	:	Kernel Extraction Rate
KKPA	:	<i>Koperasi Kredit Primer Anggota</i> (cooperative)
KSB	:	Kernel Silo Bin
LKUP	:	<i>Laporan Kegiatan Usaha Perkebunan</i> (Plantation Activity Report)
LSU	:	Leaf Sampling Unit
MSDS	:	Material Safety Data Sheet
MSJA	:	Mesuji Plasma ( <i>KKPA</i> )
NPWP	:	<i>Nomor Pokok Wajib Pajak</i> (tax ID number)
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
<i>P2OHS</i>	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> /OHS Committee
PAD	:	<i>Pendapatan Asli Daerah</i> (Original Local Government Revenue)
PBB	:	<i>Pajak Bumi dan Bangunan</i> (property tax)
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i> (collective labour bargaining)
PMNP	:	Plantation Monitoring and Planning
POM	:	Palm Oil Mill
PP	:	<i>Peraturan Perusahaan</i> (Company Regulation)
PPE	:	Personal Protective Equipment
PT SIP	:	PT Sumber Indah Perkasa
RSPO	:	Roundtable on Sustainable Palm Oil
SBYE	:	Sungai Buaya Estate
SBYM	:	Sungai Buaya Mill
SHM	:	<i>Sertifikat Hak Milik</i> Land title
SMAN	:	<i>Sekolah Menengah Atas Negeri</i> (Public Senior high school)
SMARTRI	:	Sinar Mas Agro Resources and Technology Research Institute
SMD	:	Senior Managing Director

SMK	:	<i>Sekolah Menengah Kejuruan (Vocational High School)</i>
SMRE	:	Sungai Merah Estate
SMRM	:	Sungai Merah Mill
SOP	:	Standard Operating Procedure
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
UPTD	:	Regional Technical Implementation Unit ( <i>Unit Pelaksana Teknis Daerah</i> )
WTP	:	Water Treatment Plant



1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li><li>RSPO Certifications Systems for Principles &amp; Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020)</li></ul>	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	Sungai Buaya Mill – PT Sumber Indah Perkasa, subsidiary of Golden Agri Resources, Ltd.	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	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. M.H. Thamrin No. 51, Jakarta 10350, Indonesia.	
1.2.4	Telephone	(+62-21) 5033 8899	
1.2.5	Fax	(+62-21) 5033 8999	
1.2.6	E-mail	<a href="mailto:yahya.mustakim@sinarmas-agri.com">yahya.mustakim@sinarmas-agri.com</a>	
1.2.7	Web page address	<a href="http://www.goldenagri.com.sg">http://www.goldenagri.com.sg</a>	
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	Sungai Buaya Mill and its supply base, i.e. Sungai Buaya Estate, KKPA Mesuji (5,600 SH) and KKPA Gedung Aji Lama (5,553 SH).	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Sungai Buaya Mill (SBYM)	Talang Batu Village, Mesuji Timur Sub-District, Mesuji District, Lampung Province, Indonesia	S 04° 07' 43"E 105° 26' 19"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Sungai Buaya Estate (SBYE)	Talang Batu Village, Mesuji Timur Sub-District, Mesuji District, Lampung Province, Indonesia	S 04° 09' 44"E 105° 26' 09"

	KKPA Gedung Aji Lama (GALA) – 5,553 SH	Paduan Rajawali Village, Meraksa Aji Sub-District, Tulang Bawang District, Lampung Province, Indonesia	S 04° 17' 23"	E 105° 25' 54"
	KKPA Mesuji (MSJA) – 5,600 SH	Brabasan Village, Tanjung Raya Sub-District, Mesuji District, Lampung Province, Indonesia	S 03° 58' 40"	E 105° 20' 50"
<b>1.5</b>	<b>Description of Area Statement</b>			
1.5.1	Tenure			
	• State (HGU SBYE)		5,114.39	Ha
	• Community (SHM GALA + MSJA)		10,189.26	Ha
	• State (HGB GALA + MSJA)		8.45	Ha
1.5.2	<b>Area Statement</b>			
		<b>SBYE</b>	<b>GALA</b>	<b>MSJA</b>
	• Total area	5,114.39	5,006.70	5,191.01
	• Mature area	3,083.37	5,002.00	5,187.26
	• Immature area	1,537.26	-	-
	• Infrastructure (Mill & Building)	78.09	4.70	3.75
	• Conservation	26.51	-	-
	• Nursery	35.10	-	-
	• Others (Air Strip, Reserve Area)	54.61	-	-
	<i>*Based on the results of the auditor's verification as well as the management's explanation, there was an error in the area in the previous assessment, where for the existing infrastructure in the KKPA, the area should be in accordance with the existing HGB, namely GALA = 4.70 ha and MSJA = 3.75 ha.</i> <i>** The total HCV is 52.72 ha with details of 26.51 ha outside the planted area and 26.21 ha still in the planted area.</i>			
<b>1.6</b>	<b>Planting Year and Cycles</b>			
1.6.1	Age profile of planting year			
	<b>Planting Year</b>	<b>Hectarage (Ha)</b>		
		<b>Sungai Buaya Estate</b>	<b>Gedung Aji Lama</b>	<b>Mesuji</b>
				<b>Total</b>
	1991	89.00	-	-
	1992	2,139.80	-	-
	1993	587.70	-	-
	1994	116.43	-	-
	1995	-	-	149.75
	1996	-	250.00	2,631.25
	1997	-	2,833.00	1,873.26
	1998	-	1,313.00	-
	1999	-	606.00	533.00
	2000	30.81	-	-
	2018	119.62	-	-
	<b>Mature</b>	<b>3,083.36</b>	<b>5,002.00</b>	<b>5,187.26</b>
	2019	693.15	-	-

	2020	844.10	-	-	844.10		
	Immature	1,537.26	-	-	1,537.26		
	TOTAL	4,620.62	5,002.00	5,187.26	14,809.88		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sungai Buaya Mill	60	239,030.80	48,999.32	20.5	12,886.01	5.4
	*Production data source from March 2021 to February 2022						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Sungai Buaya Estate (SBYE)	5,114.39	3,083.37	44,306.36	14.37	44,306.36	100
	KKPA Gedung Aji Lama (GALA) – 5,553 SH	5,006.70	5,002.00	67,239.66	13.44	67,239.66	100
	KKPA Mesuji (MSJA) – 5,600 SH	5,191.01	5,187.26	126,923.32	24.47	126,923.32	100
	TOTAL	15,312.10	13,272.63	238,469.34	17.97	238,469.34	100
	*Production data source from March 2021 to February 2022						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	KKPA Gedung Aji Baru (RSPO Certified)	Golden Agri Resources	-	-	364.16		
	TOTAL				364.16		
	*Production data source from March 2021 to February 2022						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)		
	FFB Processed		248,000		239,030		
	CPO Production		49,000		48,999		
	Palm Kernel (PK) Production		13,843		12,886		
1.8.2	Product selling						
	Type of selling product		Actual selling product for last year (MT)				

	CSPO sold as RSPO certified product		48,743					
	CSPK sold as RSPO certified product		12,872					
	CSPO sold under other scheme		0					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		0					
	CSPK sold as conventional		0					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)		Total Area (Ha)	Planted / Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Sungai Buaya Estate (SBYE)		5,114.39	3,083.37	43,200	14.01		
	KKPA Gedung Aji Lama (GALA) – 5,553 SH		5,006.70	5,002.00	70,000	13.99		
	KKPA Mesuji (MSJA) – 5,600 SH		5,191.01	5,187.26	129,700	25.00		
	TOTAL		15,312.10	13,272.63	242,900	18.30		
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Sungai Buaya Mill	60	242,900	51,000	20.99	13,350	5.49	IP
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			-				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
Management Unit		Time Bound Plan	Estate (Supply Base)	Time Bound Plan	Location	Status		
Mill								
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)	2022		-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Kalimantan Tengah Province	Certified
		Sungai Seruyan Estate	2013		Certified
		Terawan Estate	2013		Certified
		Tangar Estate	2013		Certified
		Bukit Tiga Estate	2013		Certified
Bukit Perak Mill (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung Province	Certified
		Bukit Permata Estate	2013		Certified
		Bukit Permai Estate (PT Agrolestari Subur Sejahtera)	2023		-
		Bukit Lestari estate (PT Agrolestari Hijau Sentosa)	2023		-
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Bangka Belitung Province	Certified
		Tanjung Rusa Estate	2013		Certified
		Tanjung Rusa Estate (HGU on process 48.81 Ha)	2022		-
		Tanjung Sawit Estate (PT Palmindo Biliton Berjaya)	2023		-
		Tanjung Sawit Plasma (PT Palmindo Biliton Berjaya)	2023		-
		Tanjung Rusa KKPA	2023		-
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 Graha Permai)	2014	Kencana Estate	2015	Kalimantan Barat Province	Certified
		Cendana Estate	2015		Certified
		Kenanga Estate (PT Cahaya Nusa Gemilang)	2022		-
		Delima Estate (PT Kencana Graha Permai)	2022		-
		Smallholder (Kencana Plasma)	2023		-
		Smallholder (Kenanga Plasma)	2023		-
Perdana Mill (PT Binawit Abadi Pratama)	2023	Perdana Estate	2023	Kalimantan Tengah Province	ST-1
		Langgana Estate	2023		ST-1
		Semandau Estate	2023		ST-1
		Muara Dua Estate	2023		ST-1
Kuayan Mill (PT Agrokarya Prima Lestari)	2023	Bukit Santuhai Estate	2023	Kalimantan Tengah Province	ST-1
		Tajur Beras Estate	2023		ST-1
		Seranau Estate	2023		ST-1
		Sungai Sambon Plasma	2023		-
		Sapiri Estate (PT Buana Adhitama)	2023		ST-1
		Sapiri Plasma	2023		-
		Bukit Dua Estate (PT Buana Adhitama)	2023		-
	2022	Belian Estate	2022		ST-1



Belian Mill (PT Paramitra Internusa Pratama)		Tengkawang Estate	2022	Kalimantan Barat Province	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)	2023		-
		Smallholder (Muara Tawang KKPA)	2023		-
		Smallholders (Kapuas Hulu KKPA)	2023		-
Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa)	2020	Sungai Kupang Estate	2020	Kalimantan Selatan Province	Certified
		Sungai Kupang KKPA	2023		-
Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2022	Sungai Kikim Estate	2022	Sumatera Selatan Province	-
		Sungai Pangi Estate	2022		-
		Sungai Musi Estate	2022		-
		Sungai Saling Estate	2022		-
		Sungai Enim Estate (PT Bumi Sawit Permai)	2022		-
		Sungai Lematang Estate (PT Bumi Sawit Permai)	2022		-
		Sungai Bungur Estate (PT Prima Cipta Mandiri)	2022		-
		Sungai Lingsing Estate (PT Prima Cipta Mandiri)	2022		-
Tangar Mill (PT Mitrakarya Agroindo)	2023	Sulin Estate	2023	Kalimantan Tengah Province	-
		Sulin Plasma	2023		-
		Nahiyang Estate	2023		-
		Katayang Estate	2023		-
Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa)	2023	Sungai Magalau Estate	2023	Kalimantan Selatan Province	-
		Senakin Estate	2023		-
		Sungai Manunggul Estate (PT Mitra Nusa Permata)	2023		-
Jalemo Mill (PT Agro Lestari Sentosa)	2023	Jalemo Estate	2023	Kalimantan Tengah Province	-
		Kajui Estate (PT Agro Lestari Sentosa)	2023		-
		Manuhing Estate (PT Agro Lestari Sentosa)	2023		-
		Manuhing KKPA	2023		-

Sako Mill (PT Adi Tunggal Mahajaya)	2023	Mentaya Estate	2023	Kalimantan Tengah Province	ST-1
		Kuayan Estate	2023		ST-1
		Sako Plasma	2023		-
		Sungai Ayawan Estate	2023		-
		Sungai Nusa Estate	2023		-
Padang Halaban Mill (PT SMART Tbk)	2011	Padang Halaban Estate	2011	Sumatera Utara Province	Certified
		Pernantian Estate	2011		Certified
		Adipati Estate	2011		Certified
		Kanopan Ulu Estate	2011		Certified
Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	Kalimantan Selatan Province	Certified
		Batu Mulia Estate	2012		Certified
		Sungai Panci Estate	2012		Certified
		Sungai Panci KKPA	2012		Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	Kalimantan Selatan Province	Certified
		Kintapura Estate	2012		Certified
		Kintapura Estate (HGU on process - 636.33 Ha)	2022		-
Langga Payung Mill (PT Tapian Nadenggan)	2012	Langga Payung Estate	2012	Sumatera Utara Province	Certified
		Paya Baung Estate	2012		Certified
		Normark Estate	2012		Certified
Hanau Mill (PT Tapian Nadenggan)	2012	Hanau Estate	2012	Kalimantan Tengah Province	Certified
		Tasik Mas Estate	2012		Certified
		Tanjung Paring Estate	2012		Certified
		Langadang Estate	2012		Certified
		Medang Sari Estate (PT Satya Kisma Usaha)	2023		-
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
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)	2022	Gunung Kombeng KKPA	2023	Kalimantan Timur Province	-
Rantau Panjang (PT Kresna Duta Agroindo)	2022	Rantau Panjang Estate	2022	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	2023		-
Langling Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi Province	Certified
		Batang Gading Estate (PT Satya Kisma Usaha)	2022		-
		Batang Gading KKPA (PT Satya Kisma Usaha)	2023		-
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	2023		-
	2022	Bukit Kapur Estate	2023		ST-1

Bukit Kapur Mill (PT SMART Tbk)		Sungai Cantung Estate	2023	Kalimantan Selatan 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)	2022		-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Riau Province	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2022		-
		Naga Sakti Estate	2010		Certified
		Naga Sakti Estate (HGU on process – 59.79 Ha)	2022		-
		Rama Bakti Estate	2010		Certified
Kijang Mill (PT Buana Wiralestari Mas)	2010	Kijang Estate	2010	Riau Province	Certified
		Kijang Estate (HGU on process – 56.07 Ha)	2022		-
		Kijang Kencana Plasma	2010		Certified
Ramarama Mill (PT Ramajaya Pramukti)	2010	Ramarama Estate	2010	Riau Province	Certified
		Ramarama Estate (HGU on process – 318.76 Ha)	2022		-
		Amartajaya Plasma	2010		Certified
		Smallholder (Ramarama KKPA)	2023		-
Indrasakti Mill (PT Meganusa Inti Sawit)	2011	Indralestari Estate	2011	Riau Province	Certified
		Indrasakti Estate	2011		Certified
		Indragiri Plasma	2011		Certified
		Indrasakti Plasma	2011		Certified

Bumipalma Mill (PT Bumipalma Lestari Persada)	2012	Bumi Lestari Estate	2012	Riau Province	Certified
		Bumi Palma Estate	2012		Certified
		Bumi Sentosa Estate	2012		Certified
		Bumi Palma Estate (HGU on process – 39.21 Ha)	2022		-
		Kharisma Estate (PT Kharisma Riau Sentosa Prima)	2023		-
		Kharisma Plasma (PT Kharisma Riau Sentosa Prima)	2023		-
		Mandian Jaya Plasma (PT Meganusa Inti Sawit)	2023		-
Sawita Mill (PT Sawitakarya Manunggul)	2022	Sawita Estate	2022	Kalimantan Selatan Province	ST-1
		Pamukan Estate	2022		ST-1
		Sawita KKPA	2023		ST-1
Kenari Mill (PT Bangun Nusa Mandiri)	2023	Gaharu Estate (PT Bangun Nusa Mandiri)	2023	Kalimantan Barat Province	-
		Kenari Estate (PT Bangun Nusa Mandiri)	2023		ST-1
		Keranji Estate (PT Bangun Nusa Mandiri)	2023		ST-1
		Smallholder (Gaharu Plasma)	2023		-
		Smallholder (Kenari Plasma)	2023		-
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)	2023	Sungai Perak Estate	2023	Kalimantan Timur Province	-
		Sungai Basung Estate	2023		-
		Sungai Pikan Estate	2023		-
		Sungai Pilos Estate	2023		-
		Sungai Pikan Plasma	2023		-
Sungai Kedang Mill (PT Harapan Rimba Raya)	2023	Sungai Kedang Estate	2023	Kalimantan Timur Province	-
		Sungai Tohan Estate	2023		-
		Kedang Pahu Estate	2023		-
		Sungai Pahu Estate (PT Rimba Rayatama Jaya)	2023		-
		Sungai Tohan Plasma	2023		-

		Sungai Pahu Plasma (PT Rimba Rayatama Jaya)	2023	
	<p><i>TBP is approve on January 2022.</i></p> <p>There is revision of timebound plan on 17 January 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"> <li>• Pandawa KKPA supply base of Muara Kandis Mill is postponed to 2022 due to the SHM process.</li> <li>• Tanjung Rusa KKPA supply base of Tanjung Kembiri Mill is postponed to 2023 due to the SHM process.</li> <li>• Tanjung Sawit Estate dan Tanjung Sawit KKPA (PT Palmindo Biliton Berjaya) are postponed to 2023 due to still in process for HGU and land rights (SHM)</li> <li>• Kasuari Mill and supply bases are postponed to 2023 due to still in process of EIA (AMDAL) revision and permit for hazardous waste warehouse</li> <li>• Pekawai Mill and supply bases are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented</li> <li>• Kayung KKPA supply base of Pekawai Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Kenanga Estate (PT Cahaya Nusa Gemilang) dan Delima Estate (PT Kencana Graha Permai) are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented.</li> <li>• Kencana KKPA and Kenanga KKPA supply base of Kenanga Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Perdana Mill and supply bases are postponed to 2023 due to still in process for HGU</li> <li>• Kuayan Mill and supply bases are postponed to 2023 due to still in process for HGU</li> <li>• Belian Mill and supply bases are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented.</li> <li>• Belian KKPA, Muara Tawang KKPA and Kapuas Hulu KKPA supply base of Belian Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Sungai Kupang KKPA supply base of Sungai Kupang Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Sungai Kikim Mill and supply bases are postponed to 2022 due to still in process of EIA (AMDAL) revision.</li> <li>• Tangar Mill and supply bases are postponed to 2023 due to still in process for HGU.</li> <li>• Sungai Magalau Mill and supply bases and supply bases are postponed to 2022 due to still in process for HGU and RaCP (LUCA review).</li> <li>• Jalemo Mill and supply bases are postponed to 2023 due to still in process for HGU and RaCP (LUCA review).</li> <li>• Sako Mill and supply bases are postponed to 2023 due to still in process for HGU.</li> <li>• Medang Sati Estate (PT Saya Kisma Usaha) supply base of Hanau Mill are postponed to 2023 due to still in process for HGU.</li> <li>• 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).</li> <li>• Gunung Kombeng KKPA supply base of Gunung Kombeng Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Rantau Panjang KKPA supply base of Rantau Panjang Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Tiga Serumpun KKPA supply base of Pelakar Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Batang Gading Estate supply base of Langling Mill are postponed 2022 due to still in process for RaCP (LUCA review).</li> <li>• Batang Gading KKPA supply base of Langling Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Kilis KKPA supply base of Sungai Bengkal Mill are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Bukit Kapur Mill and supply bases are postponed to 2023 due to still in process for HGU.</li> <li>• Rama-Rama KKPA are postponed to 2023 due to still in process for land rights (SHM).</li> <li>• Sawita Mill and supply bases are postponed to 2022 due to still in process for HGU.</li> <li>• Sawita KKPA supply base of Sawita Mill are postponed to 2023 due to still in process for land rights (SHM).</li> </ul>			



- Kenari Mill and supply bases are postponed to 2023 due to the mill is fully operational in 2021.
- 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)

1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	Sungai Buaya Mill receive FFB from own estate and scheme smallholder. All supply base has been RSPO Certified.

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1.3</b>	<p>1. <b>Briyogi Shadiwa (Lead Auditor)</b>. Indonesian citizens. Associate Degree of Oil Palm Plantation, Bogor Agricultural University. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMOHS Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. During this assessment, he verified Legal, partial audit and SCCS aspect.</p> <p>2. <b>Ardiansyah (Auditor)</b>. Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and Strategic Environmental Assessment (SEA) for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (SIO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in Bahasa and Malay. During this audit, he verified worker welfare and transparency.</p> <p>3. <b>Erika Lucitawati (Auditor)</b>. Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. Has one-year experience in wastewater treatment plant company. The trainings that have been attended include ISPO Lead Training, RSPO Lead Training, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. Has participated in audit activities for the ISPO and RSPO scheme for environmental, GHG, conservation, and social responsibility aspect. During this assessment, she verified of environmental, social, conservation and GHG aspects.</p> <p>4. <b>Alexander Sitio (Auditor Trainee)</b> Indonesian citizen, now in the process of studying Doctoral Program at State University of Jakarta in Human Resource Management, Masters in Human Resource Management, University of Jember. Bachelor of Agriculture, Department of Agricultural Socio-Economics, Faculty of Agriculture, University of Lampung. He has 10 years' experience working as operational staff of one of the leading private oil palm plantation companies in Indonesia. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011, and participating in several IHT in the field of environment, Best management practices, and OHS. During this assessment has verified best management practices, OHS. In this audit activity performs as Trainee Auditor supervised by Lead Auditor</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.3</b>	<p>Number of auditors: 3 auditors and 1 trainee auditor</p> <p>Number of days for <b>ASA-1.3</b>: 7 days</p> <p>Number of working days for <b>ASA-1.3 Audit</b>: 21 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1.3</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sumber Indah Perkasa to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p>

Some opportunities for improvement of the results ASA-1.3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.4). Improvement of findings from ASA-1.2 findings were observed by auditors at this ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.3.

The opening meeting was held on 28 March 2022. As for the participants who attended the opening meeting included the General Manager, Estate and Mill Managers, Support Team from Jakarta and other staff. Closing meeting was held on 5 April 2022 attended by the same participants as the opening meeting. Management PT Sumber Indah Perkasa accept all the ASA-1.3 full remote audit results.

The assessment program please find Appendix 2

<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1.3</b>	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations by Live Video that visited and respondent that interviewed by team auditor are:</p> <p><b>Sungai Buaya Mill</b></p> <ul style="list-style-type: none"> <li>• <b>FFB Grading Station.</b> Video observations regarding to environment, worker welfare and OHS aspect.</li> <li>• <b>Loading Ramp Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box.</li> <li>• <b>Sterilizer Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box operator license.</li> <li>• <b>Tippler/Threshing Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box operator license.</li> <li>• <b>Press Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box, operator license.</li> <li>• <b>Clarification Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box.</li> <li>• <b>Nut and Kernel Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, condition of first aid box operator license.</li> <li>• <b>Engine Room.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box operator license. Sighted 3 Generators with capacity 185 kVA, 320 kVA and 385 kVA that operated in 2 shift.</li> <li>• <b>Boiler Station.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box operator license. Sighted 2 set Boiler with capacity 2 x 20 ton/hour that runs simultaneously in 2 shift.</li> <li>• <b>Laboratory.</b> Observation and interviews to 3 laboratory staff. Sighted hazardous and hazardous waste management.</li> <li>• <b>Processing Station Environment.</b> Observation and interviews to PPE used by operators, OSH symbols, noise level, visitor line or evacuation path, hand rail, condition of first aid box, fire extinguisher, mill drainage and cleanliness.</li> <li>• <b>Effluent Treatment Plant.</b> Observation and interviews regarding to environmental and OHS aspect.</li> <li>• <b>WWTP.</b> Observation regarding to environmental and OHS aspect.</li> <li>• <b>Housing complex.</b> Observation regarding environmental and OHS aspect.</li> <li>• <b>Chemical Storage, Calcium Carbonate Storage, and Lubricant Storage.</b> Observation regarding to environmental and OHS aspect.</li> <li>• <b>Workshop.</b> Observation regarding to environmental and OHS aspect.</li> <li>• <b>Hazardous Waste Storage.</b> Observation regarding to environmental and OHS aspect.</li> <li>• <b>Water Treatment Plant.</b> Observation regarding to environmental and OHS aspect.</li> <li>• <b>EFB Stacking Area.</b> Observation regarding to environmental aspect.</li> </ul>

### Sungai Buaya Estate

- **Land application, Division 2, block H14.** Observation on the practice of POME land application and its monitoring.
- **Rinse house for spraying team Division 1 and 2.** Observation for OHS and spraying team facilities
- **Housing 01 Division 1 and 2.** Observation for domestic waste management, OHS, worker facilities
- **Fertilizer storage.** Observation and interview related to OSH, worker welfare and waste management
- **Workshop.** Observation and interview related to OSH, worker welfare and waste management
- **Fire-fighter equipment.** Observation and interview related to emergency response mechanism.
- **Fuel tank.** Observation and interview related to OSH, worker welfare and waste management
- **Clinic.** Observation and interview related to first aid mechanism and workers health service.
- **Agrochemical central storage.** Observation and interview related to OSH, worker welfare and waste management
- **Rinse house for spraying team Division 1 and 2.** Observation and interviews for OHS and spraying team facilities
- **EFB Application Division 1 block H07.** Observation and interviews on the practice of Empty Fruit Bunch application and its monitoring
- **FFB Harvesting and loose fruit picker activity, Block K 31 Division 5.** Observation and interviews and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment
- **Spraying Circle & Path, Block i14 Division 2.** Observation and interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra Food, PPE, labor aspect and environment.
- **Beneficial plant (*turnera subulata*) Block J13 Division 1.** Observation and interviews of the management and utilization of beneficial plants.
- **Barn Owl Box, Division 1.** Observation and interviews of IPM, related to suppress rat infestation by installing and monitoring barn owl boxes.
- **subsidence pole, water level stick, piezometer logger, Division 5 Block L26.** Observation to water level stick (later level during visit is at 60 cm), piezometer logger (as recommended by KLHK and subsidence pole that installed on harvesting path and inter row). Subsidence poles are installed in 2018 with average rate about 1 cm/year.
- **Central Storage.** Observation and interviews about PPE's stock.
- **Diesel Tank.** Observation and interviews about environment and OHS aspect.
- **Agrochemical storage.** Observation and interviews about storage condition, chemical stock, MSDS, and interview with worker about PPE, worker welfare, and OHS implementation
- **Fertilizer storage.** Observation and interviews about storage condition and interview with worker about PPE, worker welfare, and OHS implementation
- **Diesel tank.** Observation and interviews about tank condition, secondary containment, emergency equipment.
- **Schedule waste.** Observation and interviews regarding to environment and OHS aspect.
- **Workshop.** Observation and interviews regarding to environment and OHS aspect.
- **First aid post.** Observation and interviews regarding to Worker Health aspect, medical waste management.
- **Fire Control, Division 5, Block L28.** Observation and interviews about fire control tower and OHS aspect.

### Gedung Aji Lama Plasma

- **FFB Harvesting and loose fruit picker activity, Division 1 Block B1.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **Pesticide application Division 2 Block A17.** Observation and interviews to spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra Food, PPE, labor aspect and environment
- **Beneficial plant (*turnera subulata*) Division 2 Block B13.** Observation and interviews to the management and utilization of beneficial plants
- **Barn Owl Box, Division 2 Block A18.** Observation and interviews to IPM, related to suppress rat infestation by installing and monitoring barn owl boxes.
- **Fire monitoring tower, Fire Control Division 7 Block C45.** Observation and interviews to fire monitoring tower

height about 20 m.

- **Agrochemical Storage.** Observation and interviews regarding to environmental and OHS aspect.
- **Emergency Response Tools Storage.** Observation and interviews regarding to availability of emergency response tools.
- **Hazardous Waste Storage.** Observation and interviews to environmental and OHS aspect.
- **Fertilizer Storage.** Observation and interviews regarding to environmental and OHS aspect.
- **Diesel Fuel Tank.** Observation and interviews regarding to environmental and OHS aspect.
- **HCV area Block A19, Division 3/4 (Bangunrejo Cemetery).** Observation regarding to HCV (6) cemetery complex.

#### Mesuji Plasma (MSJA)

- **FFB Harvesting, Division 1 Block B2/B1.** Observation and interviews regarding technical aspects of harvest implementation, OHS aspects, and manpower aspects
- **Loose fruit picker activity, Division 1 Block C1/D1.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment
- **Beneficial plant (*turnera subulata*) Division 6 Block A38.** Observation and interviews to the management and utilization of beneficial plants
- **Barn Owl Box. Division 2.** Observation and interviews regarding to the implementation of biological control for rat.
- **Fertilizer Storage.** Observation regarding to environmental and OHS aspect.
- **Agrochemical Storage.** Observation regarding to environmental and OHS aspect.
- **Workshop.** Observation regarding to environment and OHS aspect.
- **Hazardous Waste Storage.** Observation regarding to environmental and OHS aspect.
- **HCV area Block E18, Division 8 (Dasie Lake).** Observation regarding to HCV management.
- **Diesel Fuel Tank.** Observation regarding to environmental and OHS aspect.
- **Landfill (Division 1 Block F2).** Observation regarding to environmental aspect.

2.3	<b>Stakeholder Consultation and Stakeholders Contacted</b>
2.3.1	<b>Summary of stakeholder consultation process.</b>
ASA-1.3	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Sumber Indah Perkasa was held by:</p> <ul style="list-style-type: none"> <li>• Public Announcement on MUTU International Website on 10 March 2022.</li> <li>• Public consultation with NGOs (by email) on 25 March 2022</li> <li>• Public consultation meeting with government institution 28 March 2022</li> <li>• Public consultation meeting with communities on 28 March 2022</li> <li>• Public consultation meeting with internal stakeholders and contractor 28 March 2022</li> </ul>
2.3.2	<b>Stakeholder contacted</b>
	Please find appendix 1
2.4	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1.4</b> ) will be conducted eight (8) months to twelve (12) months after date of original license date.



### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of Assessment Report of the RSPO Certification

Mutuagung Lestari has conducted a remote assessment of Sungai Buaya Mill – PT Sumber Indah Perkasa subsidiary of Golden Agri Resources Holdings Ltd operation consisting of one mill, one estate and two scheme smallholders namely KKPA Mesuji (5,600 SH) and KKPA Gedung Aji Lama (5,553 SH).

During the assessment, there were one (1) opportunity for improvement were identified.

MUTUAGUNG LESTARI found that Sungai Buaya Mill – PT Sumber Indah Perkasa subsidiary of Golden Agri Resources Holdings Ltd complied with the requirements of RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification																										
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY																											
1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.																											
1.1.1 There is no revision on list of documents which is available or could be accessed by public, as presented in document procedure No. F/SMART/UMUM/SADV/004/005 (Rev 0.0) dated 01 July 2014. Information that could be accessed by external stakeholders are: forest conservation policy (FCP), social and community engagement policy (SCEP), free prior informed and consent (FPIC), social conflict resolution procedure, grievance management procedure, consultation and communication procedure, smallholder development procedure, company social responsibility (CSR) procedure, stakeholder engagement procedure, high conservation value (HCV) identification report, social impact assessment (SIA) report and high carbon stock (HCS) report. Apart from those documents, stakeholder need approval from related top management before released to public. Based on interview with related agencies in Tulang Bawang & Mesuji Regency and documents review, it could be concluded that the company has socialized information that publicly available to related stakeholders.																											
1.1.2 Unit of certification shows evidence of compulsory report delivery carried out by SBYM unit, summarized in the following Table:																											
<table><tr><th>Agency</th><th>Report</th><th>Date of Delivery</th></tr><tr><td>Land Agency (BPN)</td><td>Land title usage 2021</td><td>4 February 2022</td></tr><tr><td rowspan="4">Environmental Agency</td><td>Effluent Sem II 2021</td><td>12 February 2022</td></tr><tr><td>Scheduled waste Qtr IV 2021</td><td>23 March 2022</td></tr><tr><td>RKL-RPL Sem I 2021</td><td>7 September 2021</td></tr><tr><td>RKL-RPL Sem II 2021</td><td>28 January 2021</td></tr><tr><td>Plantation Agency</td><td>Plantation progress (LPUP) Sem II 2021</td><td>4 February 2022</td></tr><tr><td rowspan="3">Manpower Agency</td><td>Labor Report 2021</td><td>11 March 2022</td></tr><tr><td>OHS Committee Qtr III 2021</td><td>26 August 2021</td></tr><tr><td>OHS Committee Qtr IV 2021</td><td>7 February 2022</td></tr></table>			Agency	Report	Date of Delivery	Land Agency (BPN)	Land title usage 2021	4 February 2022	Environmental Agency	Effluent Sem II 2021	12 February 2022	Scheduled waste Qtr IV 2021	23 March 2022	RKL-RPL Sem I 2021	7 September 2021	RKL-RPL Sem II 2021	28 January 2021	Plantation Agency	Plantation progress (LPUP) Sem II 2021	4 February 2022	Manpower Agency	Labor Report 2021	11 March 2022	OHS Committee Qtr III 2021	26 August 2021	OHS Committee Qtr IV 2021	7 February 2022
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Regent / Governor	Fire monitoring 2021	5 March 2022
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All reports are available in Bahasa and in accordance with applicable regulations.

### 1.1.3

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

- Letter No. 092/MGR/KUD KS-MSJA/II/2022 on 25 February 2022 from Manager of MSJA regarding to request funds for payment *BPJS TK* and had responded and approved on 25 February 2022.
- Letter on 7 December 221 from Tri Tunggal Jaya Village regarding to assistance of sport activity in Tri Tunggal Jaya Village and had responded and approved on 9 December 2021.

### 1.1.4

Socialization on communication procedure had conducted to all stakeholders on 5 March 2022 (84 participants) and 19 March 2022 (54 participants). Besides, based on the results of consultations with stakeholders, including Village of Tritunggal and Wiraagung as well as government agencies, they have been aware of consultation and communication mechanism with company.

### 1.1.5

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

- SBYM: the list has updated on 08 January 2021, consist of 2 elders, 9 villages and agencies representatives, 2 labor union representatives and 1 gender committee representative.
- SBYE: the list has updated on 15 January 2021, consist of 2 elders, 11 villages and agencies representatives, 2 labor union representatives and 1 gender committee representative.
- GALA: the list has updated on 11 March 2022, consist of 1 elders, 21 village and customary representatives, 1 labor union representative, 1 gender committee representative and 8 suppliers and/or contractors.
- MSJA: the list has updated on 12 March 2022, consist of 9 village and agencies representatives, 3 contractor or suppliers, 1 labor union representative and 1 gender committee representative.

List of stakeholders has informed name of person in charge, position, address and contact number. The list approved by KTU and Estate or Mill Manager. The auditors have verified by conducting a public consultation using the telephone number registered in the stakeholder list, and it was known that the number could be contacted by the auditor, such as village representatives, labor union representatives, local contractor, etc.

<b>Status: Comply</b>	
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## 1.2

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

### 1.2.1

There is no change in policy to act ethically from the previous audit, PT. SIP already has a written document "Policy Code of Integrity and Ethical Conduct" which was made on November 1, 2015 and signed by the Regional Controller. The contents of the Code of Integrity and Ethical Behavior consist of 4 items, namely:

- The values that guide our daily actions in doing business are integrity, positive attitude, commitment, continuous improvement, innovation and loyalty.
- Committed to the highest standards of behavior in managing the company in the way we behave with one another, with our stakeholders, the natural environment and the wider community.
- Committed to achieving high standards for good practice, promoting company transparency.

- The company does not tolerate cases of bribery and corruption in any form. Every employee found to be involved in bribery or corruption cases will be given strict sanctions by the company and punished according to the applicable laws and regulations.

The company has also shown evidence related to the socialization contained in the minutes of socialization of company policies to:

1. Sungai Buaya Mill employees, 8 participants on February 23 2022, 7 participants on February 25, taking place at the Mill Office, on February 25 2022 25 participants at the workshop, February 25 2022, 44 participants taking place in the SBYM field
2. Tri Tunggal Jaya Village Apparatus, March 17, 2022
3. Contractor, February 16, 2022

### 1.2.2

There are no changes from the previous audit. The mechanism for monitoring compliance with company policies and codes of ethics for internal and external stakeholders is carried out in several ways, as follows:

- Contractor's commitment as stated in the work agreement and refresher of the code of ethics which will be implemented on February 16, 2022. Contractor's commitment to applicable regulations is also stated in the contract agreement.
- Daily and monthly monitoring by the Foreman and Assistant on inspection and progress of work quality.
- RSPO internal audit conducted annually by internal auditors.

Based on field observations to plantations and mills, it is known that FFB transportation is mostly carried out by local contractors. Implementation of the safety and labor aspects has been carried out regularly and evaluated periodically by the plantation or mill management every month, as stated in Form No. F/SMART/GENERAL/SADV/006/002 regarding Contractor Evaluation and Recommendations.

**Status:**

## PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

### 2.1

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

#### 2.1.1

##### **Compliance with Manpower Regulation**

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

- Payment of overtime wages to workers in accordance with Decree of the Minister of Manpower No. 102 of 2004.
- Application of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.

##### **Compliance with OHS Regulation**

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

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

##### **Legal Aspect**

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

- Land Use Title (*HGU*)
- SBYE : *HGU* certificate number 14 dated 15 July 1993 for 5,058.82 ha land is valid until 31 December 2027 and *HGU* certificate number 2 dated 09 January 2001 for the area of 555,700 m<sup>2</sup> valid until 08 January 2036. So that the total SBYE *HGU* for the scope of certification is 5114.39 ha.
- Building Right Title (*HGB*)
- GALA : *HGB* certificate number 04 year 2004 for the 24500 m<sup>2</sup> and 22500 m<sup>2</sup> so the total right is for covering an area of 4.70 ha
- MSJA : *HGB* certificate number 07 year 2004 for the 15000 m<sup>2</sup> and certificate number 07 for the 22500 m<sup>2</sup> so the total right is for covering an area of 3.75 ha. So that the total *HGB* of GALA and MSJA is 8.45 ha
- Free Hold Title (*SHM*)  
The communities area already had SHM which covering 10.189.26 ha.

### Environment Aspect

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

- Environment Impact Assessment (AMDAL) of PT Sumber Indah Perkasa is issued in February 2008, which covers of Sungai Buaya and Sungai Merah Area in Tulang Bawang Regency, for oil palm plantation for about **9,254.00 ha** and two (2) Mill units with processing capacity for each Mill were 60 ton FFB/hour. The report is carried out by CV Kolvingkas from Bandar Lampung and has agreed by the Head of AMDAL Commission of Lampung Province through Decree No. 16/KOMDAL/II.04/IV/2008 dated 14 April 2008.
- Permit of TPS-LB3 for SMRE, GABA, SBYE and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.9/TB/V/2017 dated 29 May 2017, valid for five years (2022)
- Permit of TPS-LB3 for SBYM, SMRE, and MSJA is presented in Decree of Environment Agency Head No. 660/02/LBBB/IV.14/MSJ/2017 dated 14 December 2017, valid for five years (2022)

#### 2.1.2

The certification unit has SOP to comply with regulations & other requirements (SOP / SMART / GENERAL / SADV / I / 002, dated July 1, 2014). Regulatory updates are carried out at least once a year (last updated on January 2022). The officers responsible for updating the list of regulations according to the SOP are: Identification of regulations at the national level by SADV and at the regional level by Regional SPO Officer and SPO Officer unit. The document describes the company's compliance with the regulations in force in the Republic of Indonesia, for example the fulfillment of the latest regulations such as the Decree of the Governor of Lampung regarding the Provincial Minimum Wage.

#### 2.1.3

The company has a map that showing the location of the boundary poles in each estate. The company has also monitored *HGU* boundary pole in 2021 by showing the results of monitoring, in accordance with the maintenance procedures (SOP / SMART / CERS-EHSD / SADV / I / 004, 1 July 2014). The procedures include stating that the PMNP team ensures and coordinates with the head unit so that the position and number of the stake are in accordance with the Land Use Title / and Building Right map. In addition, it is also stated that the stakes care is carried out at least 1 x 6 months. The results of virtual field observations on the boundary pole for example No. 10, 12 & 13 are found and that the condition of the boundary poles are well maintained.

<b>Status: Comply</b>
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### 2.2

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

#### 2.2.1

The Unit of Certification shows a list of contractor workers who have work agreements as follows:

1. SBYE : Kipni, Ali Rahman, and Agus Haryaji as FFB transport contractors
2. SBYM : Triyono, Sumanto, Sugito and Alamsyah as civil and mechanical contractors
3. MSJA : Adam bin Ishak, Ahmad Bandi, and Abdul Muharom as TBS contractors
4. GALA : Sudarmaji, Sugeng, Daniyal Anwar, Siti Fatimah, Supriyadi, Mat Khalimi, Sudali, and Bibit Winarno as FFB contractors (legal entity KUD Krida Sejahtera)

There is no change in contractors working with the certification unit from the previous audit

Current developments regarding Contractors who are collaborating with companies are individual contractors who do not have a legal entity after a written appeal to each contractor, for example on March 26, 2020 to be able to gradually start forming a legal entity, there is 1 contractor who has a legal entity, namely the contractor SBYM an Triyono owns a legal entity, namely CV Yonanda Putra Jaya Teknik

**2.2.2**

The unit of certification can show an example of a Cooperation Agreement with a contractor as follows:

1. Work Order No.SBYM/SPK-LKL/2022/01/003-O/H horizontal cake braker conveyor line B, dated January 24, 2022, in the SPK stipulates legal compliance clauses, including:
  - Employment must meet the requirements set by the Ministry of Manpower
  - Mandatory use of Personal Protective Equipment
  - Obligated to comply with government regulations regarding payment of workers wages, not allowed to employ children, forced labor and human trafficking
  - It is prohibited to carry out acts of corruption, bribery, and fraud in the entire process of activity
2. Work Agreement Letter No. SIP-SBYEM/SPKL-L/Jan-22-/001- Freight, loading and unloading of FFB and JJK, dated January 1, 2022, the work agreement includes clauses on legal compliance, including:
  - The vehicle used must have a vehicle license (STNK)
  - Obligation to comply with labor, environmental and occupational health and safety regulations
  - The wages of workers must comply with the regulations
  - Must comply with applicable government regulations

To ensure compliance with the clauses set out in the work agreement letter and Work Order, the unit of certification always asks for requirements for completeness before the contractor does/starts work.

Based on the results of interviews with representatives of SBYE and SBYM contractors, it is known that so far the company has provided socialization and understanding related to policies on sustainable palm oil management, including the prohibition of employing minors, child protection, corruption, and fulfillment of worker wages minimum in accordance with regulations, environment, occupational health and safety regulations and commitment to comply with applicable laws in Indonesia

The certification unit also conducts regular checks through the contractor evaluation mechanism to ensure compliance with applicable legal aspects such as the fulfillment of wages, BPJS (government insurance scheme), to work agreements. Including the fulfillment of PPE

**2.2.3**

The unit of certification can show an example of a Cooperation Agreement with a contractor as follows:

1. Work Order No. SBYM/SPK-LKL/2022/01/003-O/H horizontal cake braker conveyor line B, dated January 24, 2022, in the SPK stipulates legal compliance clauses, including:
  - Employment must meet the requirements set by the Ministry of Manpower
  - Mandatory use of Personal Protective Equipment
  - Obligated to comply with government regulations regarding payment of workers wages minimum, not allowed to employ children, forced labor and human trafficking
  - It is prohibited to carry out acts of corruption, bribery, and fraud in the entire process of activity
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The certification unit also conducts regular checks through the contractor evaluation mechanism to ensure compliance with applicable legal aspects such as the fulfillment of wages, BPJS (government insurance scheme), to work agreements. Including the fulfillment of PPE.

**Status: Comply**

## 2.3

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

### 2.3.1

The company only receives FFB from own estate and their scheme smallholder. There's no FFB from third parties.

### 2.3.2

The company does not accept FFB from collectors.

**Status: Comply**

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

### 3.1

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

#### 3.1.1

Unit of certification shows longterm business plan that presented in document of "Summary of Longterm Work Plan PT SIP for Period 2021 to 2025 (SBYM and its supply base), issued by Director on June 2020 which covers budget, hectare statement, production, throughput and profit. For example, estimation of production (FFB, CPO, PK), CPO price, FFB cost and replanting for period 2020 to 2023 is presented in the following Table:

Parameter	2022	2023	2024	2025
FFB production (mt/year)	245,709	175,724	201,993	214,029
CPO production (mt/year) – OER 20.13 %	50,370	36,023	41,409	43,876
Kernel production (mt/year) – KER 5.17 %	13,514	9,665	11,110	11,772
FFB cost (IDR/kg)	1,949	1,949	1,949	1,949
CPO price (IDR/kg)	6,959	6,959	6,959	6,959
Replanting (ha)	-	658.89	1,756.20	1,032.90

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

#### 3.1.2

PT. SIP already has a replanting plan program in SBYE, GALA and MSJA in 2022 to 2026, which is presented in the following table:

Year	SBYE	GALA	MSJA
2022	918.25	-	-
2023	2,035.18	-	-
2024	-	1,648	-
2025	-	1,702	-
2026	-	1,652	1740.25
<b>Total</b>	<b>2,953.43</b>	<b>3,354</b>	<b>1,740.25</b>



Evaluation of replanting program has conducted annually. Unit management informed that some changes of replanting program has started from 2022 due to some reasons, as follows:

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

Based on interviews from the management unit, the company has a projected annual replanting program for at least the next five years (Replanting Plan 2022-2026) which is reviewed annually by the company.

### 3.1.3

Management Review Meeting has been carried out by the certification unit such as GALA held on March 5, 2022, SBYE was held on 28 February 2022 and SBYM will be held on February 19, 2022 with the agenda which are discussed as follows:

- Results of Internal Audit RSPO
- Customer Feedback
- Process Performance and Production Compliance
- Preventive and Corrective action
- Follow-up of Management review
- Changes that may affect the management system
- Recommendations for improvement

The company conducts a management review of profitability on an annual basis. The results of the review conducted for the 2021 period are as follows:

- In the 2022 Internal Sustainability Verification (ISV) unit at Sungai Buaya Mill there were no findings
- There is 1 finding related to HCV: The unit of certification has identified HCV areas and other conservation areas but there are additional HGUs that are not yet included in the scope of the HCV document study
- Operational results of Internal Audit related to material stock taking which was carried out on 04/02/2022 & 07/02/2022 to 08/02/2022, there are several warehouse management administrations that still need to be improved by the unit
- Results of Internal Audit Operations related to work accidents on 10/01/2022. For this incident, it is necessary to pay attention to the OHS aspects in the field
- The bulking party requests a quality test of product samples sent to bulking as a crosscheck of the quality of the products sent to identify the quality exceeding the production target. This is so that the Laboratory Assistant responds quickly to provide information on the quality of the products sent
- 5R has become the culture of the Sungai Buaya Mill unit, which can support improving the performance of the production process, preventing work accidents, and supporting the implementation of sustainability in the work unit.
- In the next few months, it is predicted that there will be a low crop. So that process assistants and maintenance assistants make work programs and cleaning programs (in addition to routine work programs). This is coordinated to the assistant head for program details
- The certification system uses RSPO 2018 principles & criteria, Indonesian National Interpretation, 20 April 2020. So immediately conduct SCCS training according to RSPO 2018 principles & criteria, Indonesian National Interpretation at each Critical Control Point (CCP).
- The use of e-Fact or Electronic SPB is very helpful in processing FFB receipt transactions at the factory.
- Trolley Bed for unloading FFB using a conveyor and FFB goes directly to the Hopper. This is to minimize fruit damage due to being pushed by the Wheel Loader and result in an increase in FFA. And now there are improvements to the trolley bed, namely the addition of a conveyor belt and a swing guide for the trolley bed. This is to prevent loose balls from falling to the grading floor.
- RSPO Principles & Criteria 2018, Indonesian National Interpretation, 20 April 2020 is a new standard in the certification process and has been running for 2 years in its implementation. It is hoped that all staff will understand the principles & criteria of the RSPO 2018, the Indonesian National Interpretation
- Referring to the RSPO Principles & Criteria 2018, Indonesian National Interpretation, 20 April 2020, the selection of contractor bids is the most important thing to consider is legal entity and compliance with applicable regulations



- To improve performance in the production process, the latest innovations in quality improvement are needed based on Social, OHS and Environmental considerations

Based on the results of the management unit interview, the certification unit conducts a management review within the planned time according to the scale and nature of the activities carried out.

Status: Comply

### 3.2

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

#### 3.2.1

Unit of certification shows several internal audits which aims to monitor consistency of continuous improvement in every aspect, as shows through RSPO and SCCS internal audit report dated February 2022. Audit was conducted by five internal auditor on 14 -18 February 2022, resulting full compliance towards indicators verified. Management review on this matter has conducted on 28 February 2022. Result of audit approved by all Manager Estate and Mill. To improve performance in the production process, the latest innovations in quality improvement are needed based on Social, OHS and Environmental considerations

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

- The use of e-Fact or Electronic SPB is very helpful in processing FFB receipt transactions at the factory.
- Trolley Bed for unloading FFB using a conveyor and FFB goes directly to the Hopper. This is to minimize fruit damage due to being pushed by the Wheel Loader and result in an increase in FFA. And now there are improvements to the trolley bed, namely the addition of a conveyor belt and a swing guide for the trolley bed. This is to prevent loose balls from falling to the grading floor

PT SIP has planned for continuous improvement through an action plan improvement in the form of Innovation results in each Unit as follows:

- GALA: There is progress monitoring of SOP Implementation in 2022, among others development of 22 units of BGRJ Stamp
- MSJA: There are innovation monitoring activities carried out in 2020, including 9 units of automatic pole clamps and as many as 9 units of weed wiping tools
- SBYE: There will be innovation activities in 2020 such as making control nets Oryctes as much as 10,030 meters and Solarman 2.0 as many as 7 units.
- SBYM in 2020 made: Pendulum LED indicator for Boiler Tank Water Level. Perforated Plate replacement for Stariner lateral Demin Plant.

The company has evidence of implementing action plans for continuous improvement with evidence such as implementation of innovations, improvement of sustainability and operational internal audit results and improvement of external audit results

#### 3.2.2

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Based on team auditor's review, the information has been matched with others document, such as supply chain record, demographic workers, etc.

Status: Comply

### 3.3

**Operating procedures are appropriately documented, consistently implemented and monitored.**

#### 3.3.1

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

##### Oil Palm Agronomy Procedure

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

- Procedure No. SOP/SMART/MCAR/I/TA-PPA about new planting.

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

### **Oil Palm Processing and Supply Chain**

Procedure of oil palm processing is presented in document procedure No. 04-09/MCMD-SOP/438 (Rev. 04) dated 01 September 01, 2010. Procedure has covers technical mechanism in all processing Stations, i.e. Weighbridge, Sortation, Sterilization, Threshing, Press, Clarification, Sub Station Oil Recovery Tank, Nut and Kernel, Boiler, Engine Room, Water Treatment, Final Effluent and Storage Tank. Furthermore, there is also procedure for SCCS with MB or IP model in SOP of FFB Processing (No. SOP/SMART/MCMD/I/TM-PKS), SOP of Reporting of Certified Product (No. SOP/SMART/CERS-EHSD/SADV/003), and SOP of Document and Record Controlling (No. SOP/SMART/UMUM/SADV/I/001). The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 01 February 2020).

### **Safety Aspect**

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

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

#### **3.3.2**

In order to determine the effectiveness and suitability of the system, it is with regulations, policies, and SOPs that have been prepared, it is available Internal Audit procedures, namely SOP Internal Audit SOP/SMART/GENERAL/SADV/I/009. This procedure contains the steps that need to be carried out in the scheduling process internal audit to reporting internal audit results.

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

#### **3.3.3**

Documents and implementations are available for implementation inspection activities procedures such as:

- Implementation of Internal Audit SOP
- Status and plan for improvement of audit results (internal audit, external audit, PROPER verification)
- Action plan based on PC/PC and VPA/VPM visits
- OIA Audit Report and Action plan
- Last year's RSPO Audit Report and Action plan
- Records of the management review meeting of the Annual program (budget meeting)

- production, etc.)
- The results of the audit of the company's balance sheet by a public accountant

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

**Status: Comply**

### 3.4

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

#### 3.4.1

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

- Environment Impact Assessment (AMDAL) of PT Sumber Indah Perkasa is issued in February 2008, which covers of Sungai Buaya and Sungai Merah Area in Tulang Bawang Regency, for oil palm plantation for about **9,254.00 ha** and two (2) Mill units with processing capacity for each Mill were 60 ton FFB/hour. The report is carried out by CV Kolingkas from Bandar Lampung and has agreed by the Head of AMDAL Commission of Lampung Province through Decree No. 16/KOMDAL/II.04/IV/2008 dated 14 April 2008. Based on hectare statement analysis, it could be concluded that area covers in AMDAL is bigger that actual PT SIP Inti operational area (**9.160.40 ha**). Matrix of Environment Management Plan (RKL) and Environment Monitoring Plan (RPL) has consisted of several impacts towards air quality, noise, soil and ground water quality, loss of soil fertility and surface run-off, biodiversity of flora and fauna, works opportunity and health community level.
- Environment Evaluation Document "*Dokumen Evaluasi Lingkungan Hidup*" (DELH) of KKPA was carried out by PT Indoconsultant Cipta Prestatama and had been approved by Environment Agency of Lampung Province through Decree No. 12/II.04/2011 on 26 September 2011. Scope of DELH is oil palm plantation for plasma (smallholder KKPA) covers **14,883,825 Ha** and air strip. Based on hectare statement analysis, it could be concluded that area covers in DELH is bigger that actual PT SIP Plasma operational area (**14,702.01 ha**). Matrix of RKL-RPL has consisted of several impacts towards physics-chemicals components (air quality, surface water quality, and soil quality); socio economic and culture components (community perception, works opportunity, creating job opportunity, society income and PAD or local government income); public health component (sanitation quality); and security and orderliness society component (work accident).
- Environmental Impact Assessment Addendum (ANDAL and RKL-RPL Addendum) of PT Sumber Indah Perkasa has been carried out in 2020 by PT Bina Madani and has been approved by AMDAL Commission of Lampung Province through Decree No. 85/KOMDAL/V.10/2020 on 26 June 2020. Scope of Addendum of ANDAL and RKL-RPL has been covered all operational activities in PT Sumber Indah Perkasa in Mesuji and Tulang Bawang Regency including development of main and plasma (smallholder KKPA) oil palm plantation, increased of mill production capacity into 90 TonFFB/hour each, and development of biogas plant. Matrix of RKL-RPL has covered impacts management and monitoring in all activities in PT SIP including pre construction, construction, operation, and post operation of main and plasma palm oil plantation, mill, air strip and biogas plant.

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

Based on the verification of these documents and public consultation with related stakeholder (Tritunggal and Wiraagung Village), it can be concluded that all environmental and social impacts from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

### 3.4.2

Unit of certification has implemented environmental management and monitoring plan and presented in document of Report of Environmental Permit Implementation PT SIP Semester II of 2021. Based on document review, it was known that the report divided into 2 parts. The first part has explained implementation of management and monitoring of planning of palm oil plantation development for company and smallholder & Biogas Plant and also operational of existing palm oil plantation. The second part has explained implementation of management and monitoring of operational activities of smallholder and airstrip. Both parts have contained program of environmental management and monitoring is in accordance with matrix mentioned in ANDAL and RKL RPL Addendum document which consist of several environmental management and monitoring impacts as follow:

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

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

Report of Environmental Permit Implementation PT SIP has been delivered to Environment Agency of Mesuji Regency on 8 March 2022, Talang Batu Regency and Lampung Province on 25 February 2022. Furthermore, electronic receipt No. 1631143793-1471 of "Sistem Informasi Pelaporan Elektronik Lingkungan Hidup" or SIMPEL from Ministry of Environment and Forestry for period Semester II 2021.

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

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

- Positive Impacts has been identified from aspects of worker, economy, transportation infrastructure, education, religion and social. Positive impacts from operational of company includes:
  - Reduction of unemployment rate
  - Employee welfare
  - Development of community economic potential
  - Promotion of economy and community income
  - Development of village economy
  - Community activity and mobilization are smoother
  - Increase of public awareness towards education
  - Increase of educational facilities and quality of education
  - Religious activity of community continues smoothly

- Fulfilment of needs of the community
- Respect for cultural heritage
- Perception of negative impacts from operational activity of the company includes:
  - Partial jealousy in community due to lack of social assistance management from company, especially for those who do not get assistance feel dissatisfied.
  - Decrease of land for agricultural development
  - Air pollution due to smoke and smell of mill waste
  - Decrease of public health due to increase of fly population from empty bunch application.

Besides, social and environmental management and monitoring plans have been developed with participation of affected stakeholders. For example, social and environmental management and monitoring plans 2021 has been developed based on public consultation which was held in January-March 2022 and participated by representatives of PT SIP, smallholders, and several surrounding villages e.g., village of Talang Batu, Wira Agung Sari, Bandar Aji Jaya, Batu Ampar, etc.

### 3.4.3

Unit of certification has already updated management and monitoring plan of environmental and social impact periodically. Environmental management and monitoring plan has updated and presented in ANDAL and RKL-RPL Addendum document in 2020. Implementation of environmental management and monitoring plan has been presented in Report of Environmental Permit Implementation PT SIP has been delivered to Environment Agency of Mesuji Regency on 8 March 2022, Talang Batu Regency and Lampung Province on 25 February 2022. Furthermore, electronic receipt No. 1631143793-1471 of "*Sistem Informasi Pelaporan Elektronik Lingkungan Hidup*" or SIMPEL from Ministry of Environment and Forestry for period Semester II 2021. Based on document review result, environmental monitoring has been conducted based on environmental management and monitoring plan which had been made and all parameters have been complied towards relevant regulations.

Besides, implementation of social impacts management and monitoring plan in 2021 has been presented in Report of Management of Social Impact of Palm Oil Plantation Report in 2021 Based on document review, unit of certification has implemented management and monitoring of social impact plan as follows.

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

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

Unit of certification has established management and monitoring plan of social impact and presented in Work Program of 2021–2022 (Management and Monitoring Social Impact Plan) which has been identified positive and negative impact based on public consultation. Public consultation has been held in January-March 2022 and participated by representatives of PT SIP, smallholders, and several surrounding villages including Talang Batu, Wira Agung Sari, Bandar Aji Jaya, Batu Ampar, Sumber Jaya, Sidomukti, Aji Mesir, Brabasan, Gedung Ram, Margo Makmur, Harapan Jaya, etc. Management and monitoring which has been planned is shown below:

Impacts	Management	Location/ Management Parameter	Management period
<b>Negative Impacts</b>			
Dust pollution from	• Conduct air quality test	Pondok 1 SMRM	• Twice a year



operational vehicles of the company	<ul style="list-style-type: none"> <li>Conduct application of water on roads regularly to reduce dust pollution</li> </ul>		<ul style="list-style-type: none"> <li>Once a month</li> </ul>
Community concern of the emergence of Oryctes after replanting	Conduct socializations of replanting and preventive action which has been done by company towards appearance of Oryctes after replanting.	Village of Makartitama, Wiratama, and Bogatama	Once every three months
<b>Positive Impacts</b>			
Partnership with smallholders contributes to economic improvement and life quality of the community	<ul style="list-style-type: none"> <li>Conduct training of cooperative organization as needed</li> <li>Improve communication through routine meeting and its documentation.</li> <li>Establish communication channels between company or smallholder members with cooperative management.</li> </ul>	Village of Brabasan, Suka Makmur, Sukarama, Suka Bhakti, Tri Tunggal Jaya, Bogatama, Pasar Batang, Gedung Harapan, gedung Rejo Sakti, Gedung Asri, Karya Makmur, Kecubung Raya, Harapan Jaya, Tanjung Sari	Once a month
Local labor Absorption	Information of job vacancy as company needed is delivered to local community and documented (if needed)	Village of Makartitama, Wiratama, Sidang Gunung Tiga, Sido Mulyo, Trijaya, Sidoharjo, Sukarama, Gedung Asri, Paduan Rajawali, Karya Bakti, Aji Jaya KNPI, Gedung Ram, Harapan Mukti, Margo Rahayu, Tri Rejo Mulyo, Sidoharjo, Talang Batu, Wira Agung Sari, Bandar Aji Jaya, Batu Ampar, Sumber Jaya, Aji Mesir, Karya Makmur, Bogatama, Tri Tunggal Jaya	Once a month
Positive perception of change of employee status into permanent employee	<ul style="list-style-type: none"> <li>Socialization of rights and obligations of permanent employee is documented.</li> <li>Provide communication access through book of grievance and dissatisfaction.</li> </ul>	Employee of SBYE, SBYM, SMRE, SMRM, GABA, GALA, MSJA	Once a year
Positive perception towards company assistance to community	Arrange CSR programs (long and short term) and its realization throughout the year	SBYE, SMRE, SMRM, GABA	Twice a year
<b>Status: Comply</b>			



**3.5**
**A system for managing human resources is in place.**
**3.5.1**

There are no changes from the previous year's audit of the procedure document, the Company shows procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement for the period 2021-2023 written in Bahasa. In general this procedure describes:

- Recruitment of workers is based on needs and adjusted to the capabilities of the company.
- Candidate must be at least 18 years old at the time of recruitment.
- Recruitment of workers is based on the abilities, skills, and assessment of prospective workers.
- The company is authorized to place, transfer and promote employees in accordance with applicable regulations.
- Termination of employment can occur when a worker retires, dies, resigns, and terminates the employment agreement due to serious and other violations.

Apart from being listed in the CLA, the company also has other procedures in the form of Policies, SOPs, Internal Memorandums, and others related to recruitment, promotion, retirement, termination of employment and others. These procedures have been documented for all workers and their representatives. For example, several procedures owned by the company: CLA article 7 regarding the acceptance of new workers, placement of workers' transfers.

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

**3.5.2**

The company demonstrates the implementation of employment procedures for the period 2022, for example:

- Calculation of employee pension a.n. MJN at SBYM with a tenure of 23 years 6 months, severance pay has been paid by referring to Law No. 13 of 2003, Article 156 Paragraphs 1 – 3 in the amount of Rp. 63,533,119, - on March 17, 2022.
- Angga Sapta Nugraha's Recruitment Document, dated December 9, 2022, SBYM, including application letter, interview and psychotest results, conclusion of selection results, and invitation documents to join, as PC clerk
- Calculation of employee pension a.n. SJN at SBYE with a working period of 22 years 9 months, severance pay has been paid by referring to Law No. 13 of 2003, Article 156 Paragraphs 1 – 3 in the amount of Rp. 64,446,901, - on March 21, 2022
- Document Decree No. 001/SK-PT/SBYE/01/2021, regarding changes to the rank of permanent workers, an Sayitno
- Specific Time Work Agreement Number 001/SBYE.01/PKWT/VII/2020, an DRJT, as an office boy, dated March 1, 2021, and has been registered in the Industrial Relations section of the Tulang Bawang Regency Manpower and Transmigration Office.

Decree No. 001/SK-PT/SBYE/01/2021, concerning Changes in the rank of permanent workers, and Sayitno has worked since 11 October 2017, was appointed and appointed as permanent workers on 01 January 2021 (SBYE)

<b>Status:</b>	
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**3.6**
**An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.**
**3.6.1**

The unit of certification has had a policy of occupational safety and health were written in Bahasa. The policy has been legalized on 01 November 2013. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health (*P2OHS*) every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the regular meetings to assess effectiveness.

The unit of certification has hazard identification, risk assessment and risk control (HIRAC) documents issued annually and will be evaluated at the end of each year. The preparation of the HIRAC for the year 2021-2022 is the latest review compiled by the unit and will be reviewed in the event of a work accident. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at boiler and engine room in Sungai Buaya Mill, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the

company has been reducing the potential risk by routine socialization about OHS, providing PPE, MCU and OHS signboard are available in workplace. HIRAC reviews in each unit are carried out in February 2022, for example: SBYE on 14 February 2022, GALA on 11 February 2022.

The company will always ensure that every worker is in good health by conducting regular and special routine health checks. The results of the health checks of each employee have been stored correctly. The last health check was conducted in the first quarter of 2022. The results of medical tests showed that the workers were in good health to work. If there are employees who need medical checkup continued, the company will follow up in accordance with the doctor's recommendations. The doctor sent a letter to all EM and FM number 0074/CLK-SBYE/II/2022 dated 17 February 2022, regarding the postponement of the 1st semester special medical examination to be continued in March 2022 and the general examination of all employees in August 2022. The 2nd semester special medical examination is scheduled September 2022. The health checks at the SBYE, GALA, MSJA work units were stopped due to a confirmed case in the village around the work unit. Health checks will be carried out again on 21-28 March 2022.

Health Checks for spraying employees will be carried out in 2022:

- SBYE: Cholinesterase examination of 37 people consisting of spray applicators and agrochemical warehouses was carried out on February 21, 2022, with all results in normal conditions. Periodic health checks were carried out on February 22, 2022 with all results in good health.
- GALA: Regular check-ups on 52 pesticide applicators, foremen and warehouse staff were carried out on March 8, 2022, with all of them in good health.
- MSJA: Cholinesterase examination of 36 people consisting of pesticide applicators, foremen and agrochemical warehouses was carried out on March 14, 2022, with all results in normal conditions. Routine periodic checks on 36 pesticide applicators, foremen and warehouse officers were carried out on March 14, 2022, with all results in normal conditions.

### 3.6.2

The unit of certification has conducted regularly review to evaluate the effectiveness of OHS Program during period of 2021/2022, for example:

- GALA OHS meeting dated 28 December 2021, with the following review results: OHS work program in December 2021 has been implemented, in December 2022 there were no work accidents, all employees have used PPE at work, refreshment on OHS greetings and socialization regarding wearing masks, wash hands and keep a distance from employees, COVID-19 preventive protocol socialization and implementation.
- MSJA OHS meeting dated on 3 December 2021 with the following review results: the OHS work program in December 2021 has been implemented, in December 2021 no work accidents were found, all employees have used PPE at work, refreshment on OHS greetings and socialization about wearing masks, wash hands and keep a distance from employees
- SBYE OHS meeting dated on 4 January 2022, with the following review results: the OHS work program in January 2021 has been implemented, there was a work accident in 2021 which resulted in quite a lot of lost days. 1 motorcycle accident (17 days missing). And 1 incident leg stabbed machete (22 days missing). It is expected that all employees use PPE in the workplace according to the SOP and carried out consistently. With the hope that there will be no more work accidents with lost days or fatalities (died), conduct a 2021 HIRAC review based on work accidents that occur in 2021, re-socialize employees regarding Work Accidents and Occupational Diseases. There are several findings in the monitoring of OHS work environment such as: lighting in the clinic and central warehouse, vibration of heavy equipment and MPA noise so that follow-up actions are taken immediately, HIRAC in 2021 review, socialization about work accident and occupational illness, all workers been use PPE's during work.

Status: Comply

### 3.7

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

#### 3.7.1

The company has a training program every year that is structured based on the identification of employee training needs. According to the documents shown by the company, regarding the 2021/2022 training program, as follows:

- Personal competency identification matrix in 2022, covering the positions of staff, employees, contractors and plasma, with reference to training related to sustainability SOPs, RSPO PnC, ISPO, ISCC, while the target material delivered is on understanding GSEP, environmental management impact aspects, hazardous material and hazardous waste, HCV, occupational health and safety (OHS)
- The SBYE 2021/2022 training program includes: pressure vessel technicians, OHS officers, storage tank technicians, high-rise work licenses, first aid training, chemical handling, use and maintenance of fire extinguishers, control of plant pests and diseases,
- Annual training program for the 2022 SBYM period, covering firefighters A-B class, workers at heights, confined spaces, chemical OHS officers, understanding of supply chain systems, RSPO, SCCS and ISPO, traceability and GHG, hazardous material and hazardous waste control, fire team training fire, emergency response procedures and simulations, fire and explosion simulations and procedures,
- Some examples of the 2021 Training Program realization documents:
  - Realization of fire management training in June 2021, the number of participants is 10 Estate staff
  - First aid training, attended by 10 employees, in April 2021
  - Procedures and work instructions for spray and fertilizer, followed by 15 participants from sprayers, foremen and fertilizer workers, in May 2021
  - Training on controlling plant pests and diseases, attended by more than 15 participants from senators, foremen and assistants, in February 2022
  - License training in 2021 has not been carried out due to the covid 19 pandemic

### 3.7.2

Some examples of the 2021/2022 Training Program realization documents:

- Realization of Fire management training in June 2021, the number of participants is 10 Estate staff
- First aid training, attended by 10 employees, in April 2021
- Procedures and work instructions for spray and fertilizer, followed by 15 participants from sprayers, foremen and fertilizer workers, in May 2021
- Training on controlling plant pests and diseases, attended by more than 15 participants from senators, foremen and assistants, in February 2022
- License training in 2021 has not been carried out due to the covid 19 pandemic
- Contractor safety induction, on February 16, 2022 (SBYM), with important points conveyed including the obligation to comply with laws and regulations related to OHS, use of PPE, understanding aspects of HSE impacts and risks, prohibition of entry into prohibited areas, management of hazardous material waste, emergency response conditions
- Dissemination of company policies related to SPO, March 15, 2022 (GABA), covering materials on RSPO, ISCC and ISPO certification, environmental management policies, policies on social and community roles, industrial relations
- Dissemination of Business and Human Rights policies on April 6, 2021, for staff and workers, covering: rights and dignity of workers, freedom of expression, prevention of forced labor practices, human trafficking, underage workers, rights and participation of women, rights of indigenous and local communities,
- First aid training, April 8, 2021, the GABA unit includes materials on the meaning of first aid, contents of first aid kits, first aid methods, evacuation of victims and accident case studies
- First aid training, April 6, 2021, SBYE includes material on the meaning of first aid, contents of the first aid kit, first aid methods, evacuation of victims and accident case studies
- Extension of the general OHS specialist Certificate by Indra Kurniawan (SBYE), in accordance with the Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia Number KEP. P. 4118/NAKER-BINWASOHS/IV/2019, April 03 2019, valid for 3 years

### 3.7.3

UoC showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, and related stakeholders. The training of SCCS had been conducted on 17 March 2022 for weighbridge operator, laboratory, and admin. Based on the interview with all workers involved in supply chain operations, such as security (for FFB receiving verification), weighbridge operator, and the PIC related to supply chain, they have been understood the supply chain mechanism, and the IP record has conducted and monitored quite well.

Status: Comply

**3.8**
**Supply Chain Requirements for Mills**
**3.8.1, 3.8.2**

The mill is only receiving and processing FFB from certified, hence, the RSPO SCCS Module D (IP) are applied.

**3.8.3**

Estimates of CPO and PK produced by Sungai Buaya POM obtained from the projection based on actual data of 12 months before audit activities, here's the detail:

	Last Year Projected Certified Volume (MT)	Actual production in last 12 months (MT)	Estimation for the next 12 months
FFB Processed	248,000	239,030	242,900
CPO Production	49,000	48,999	51,000
Palm Kernel (PK) Production	13,843	12,886	13,350

**3.8.4**

The Mill have been registered in RSPO Palm Trace as Sungai Buaya Mill – PT Sumber Indah Perkasa with License ID CB120789, and Member ID RSPO\_PO1000001342.

All transactions also have been registered on RSPO IT Platform, including CSPK sold as physical as amount as 10,009 MT and CSPO sold as physical as amount as 36,696 MT.

The auditors verify related to transactions on the Palmtrace platform with actual sales of certified products, for example in February 2022, where there was a sale of 32,050 kg of CSPO to PT Sumber Indah Perkasa (Tarahan Bulking), and this was in accordance with the transactions made at RSPO Palmtrace.

**3.8.5**

Sungai Buaya Mill had procedure for SCCS with MB or IP model in SOP of RSPO Supply Chain Model of Identity Preserve (No. PT.SIP.SBYM/SOP/SCCS-IP/24 Rev 6 dated 17 March 2020), SOP of FFB Processing (No. SOP/SMART/MCMD/I/TM-PKS), SOP of Reporting of Certified Product (No. SOP-SMART/CERS-EHSD/SADV/003), and SOP of Document and Record Controlling (No. SOP/SMART/UMUM/SADV/I/001). The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 01 February 2020).

Auditors conduct interviews with workers who are responsible for the delivery of certified products, namely weighing operators. Operator are able to explain the technical acceptance of certified FFB, sales of CPO/PK and also the reporting mechanism if there is an error in recording information.

**3.8.6**

The Procedure to conduct annual internal audit are describe in SOP for internal audit No. SOP/SMART/UMUM/SADV/I/009 issued on 1 July 2014 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit is done annually. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements.

Internal audit was held on 14 – 18 February 2022 for all business unit (Estate and Mill) and there is no non-conformity related to supply chain indicators

**3.8.7**

Sungai Buaya Mill only received FFB from certified sources, here's the detail:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Mar-21	19.947,37	-	19.947,37

Apr-21	18.235,38	-	18.235,38
Mei-21	19.634,70	-	19.634,70
Jun-21	23.618,55	-	23.618,55
Jul-21	15.741,25	-	15.741,25
Agu-21	17.551,24	-	17.551,24
Sep-21	22.526,32	-	22.526,32
Okt-21	23.899,45	-	23.899,45
Nov-21	23.568,66	-	23.568,66
Des-21	23.041,16	-	23.041,16
Jan-22	16.381,22	-	16.381,22
Feb-22	14.688,20	-	14.688,20
<b>Total</b>	<b>238.833,50</b>	-	<b>238.833,50</b>

The auditor has verified FFB received records over the last 12 months, the total FFB certified received was 239,030 MT.

### 3.8.8

The company shows documentation of certified products, such as sales contracts, shipping announcements, delivery orders, etc. These documents explain the name and contact person of the buyer and seller, date of delivery, product description, quality, quantity, member ID, and others. The transaction also including RSPO certificate number, such as evidence of transaction record with unique number (No. 2550/CPO/LK/21/12/2095) with amount 20,230 kg to PT Sumber Indah Perkasa (Tarahan Bulking) on 30 December 2021.

Based on document review and interview with management representative, all certified products sold as physical.

### 3.8.9, 3.8.10, 3.8.11

The physically handling of product are conducted by mill itself since FFB receive in grading station and processed to CPO and PK, except the transportation of product and storage tank at bulking are sourced to third party, which bonded by the agreement. The company has a list of contractors for transporting oil palm products from Sungai Buaya Mill which informs the name of the contractor, owner, address, work agreement number and validity period. There are contractors / transporters at Sungai Buaya Mill, including:

- PT Satrindo Jaya Agropalma (PK Transporters)
- CV Abadi Wijaya Utama (CPO Transporters)

The contractors and certified holder also agreement related to transparency of contractor operational mechanism, so the certification bodies can audit the contractors.

Based on the results of the review of documents and work agreements, there are no new contractors from the previous assessment.

### 3.8.12

Sungai Buaya Mill has record of all CSPO and CSPK information, as well as presented in the table bellows:

#### Crude Palm Oil

Period	CPO Production (MT)		CPO Delivery (MT)		
	Certified	Uncertified	Certified (Physical)	Other Scheme	Conventional
Mar-21	4,254	-	4,204	-	-
Apr-21	3,869	-	3,831	-	-

Mei-21	4,169	-	3,945	-	-
Jun-21	4,773	-	5,262	-	-
Jul-21	3,128	-	2,960	-	-
Agu-21	3,426	-	3,493	-	-
Sep-21	4,445	-	4,173	-	-
Okt-21	4,867	-	4,580	-	-
Nov-21	4,774	-	5,122	-	-
Des-21	4,803	-	4,779	-	-
Jan-22	3,389	-	3,379	-	-
Feb-22	3,103	-	3,016	-	-
<b>Total</b>	<b>48,999.3</b>	<b>-</b>	<b>48,743.8</b>	<b>-</b>	<b>-</b>

Based on record verification, there's CSPO sold as certified product on license period as amount as 48,743 MT.

**Palm Kernel**

Period	PK Production (MT)		PK Delivery (MT)		
	Certified	Uncertified	Certified (Physical)	Other Scheme	Conventional
Mar-21	1,115	-	1,046	-	-
Apr-21	986	-	973	-	-
Mei-21	1,063	-	1,108	-	-
Jun-21	1,195	-	1,175	-	-
Jul-21	843	-	860	-	-
Agu-21	946	-	938	-	-
Sep-21	1,219	-	1,160	-	-
Okt-21	1,321	-	1,225	-	-
Nov-21	1,232	-	1,325	-	-
Des-21	1,249	-	1,266	-	-
Jan-22	904	-	968	-	-
Feb-22	812	-	829	-	-
<b>Total</b>	<b>12,886.0</b>	<b>-</b>	<b>12,872.0</b>	<b>-</b>	<b>-</b>

Based on record verification, there's CSPO sold as certified product on license period as amount as 12,872 MT.

**3.8.13; 3.8.14 & 3.8.15**

The mill has been defined the extraction rate dividing CPO or PK production by the total FFB process. Based on that explanation, extraction rate calculated by industry average. The implementation based on company procedures (MCMD clause II). The sounding process for quantity product calculation done by head of administration (KTU) every morning.

**3.8.16**

Sungai Buaya Mill has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Sungai Buaya Mill – PT Sumber Indah Perkasa
- Membership No.: 1-0096-11-000-00 (Golden Agri-Resources Ltd)



- Member ID: RSPO\_PO1000001342
- License ID: CB120789

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform. Related to CSPK transaction, auditee informs that there's CSPK sold as physical as amount as 10,009 MT and CSPO sold as physical as amount as 36,696 MT.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example, Shipping announcement of CSPK as much as 293.39 MT, with shipping date 29 January 2022 and confirmation date on 2 February 2022. The shipping data is in accordance with the recording of the CSPK shipping weighing card (10 record of physical dispatch) for the period January 2022 which is shown to the auditor.

### 3.8.17

Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.

Based on management representative interview and document review, the mill not use trademark on its sales activities and communication

	<b>Status: Comply</b>	
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## **PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS**

### 4.1

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

#### 4.1.1

There is no change in policies related to human rights from the previous audit, the Company is committed to respecting human rights and explains in the Social and Community Engagement Policy set on November 10, 2011 using language. In addition, in 2015 there was a GAR Social and Environmental Policy signed by the Head of Upstream, CEO-Downstream & Comercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. It is stated in point 3 of the Work Environment and Industrial Relations that the company respects human rights for all employees.

In addition to written commitments from companies related to respect for human rights, there is also a Declaration of Human Rights Recognition represented by the company's management. In the declaration, the parties have a commitment not to discriminate, to provide freedom of religion, thought, opinion, respect and uphold human rights. Policies / declarations have been well documented and have been socialized to workers for example during check-roll and by using warnings placed in several locations to make it easier for workers to find out

#### 4.1.2

Based on the results of mass media verification through internet searches, in the 2022 audit, there is no latest information regarding the certification unit not initiating acts of violence or any form of intimidation in its operations, the information appearing on the internet media is still the same as in the previous year's audit. According to the results of interviews with company representatives, it was explained that there are no new issues in the case and have been handled by the authorities as follows

	<b>Status: Comply</b>	
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### 4.2

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

#### 4.2.1

The mechanism for submitting complaints is open to all affected parties, resolve disputes in an effective, timely and appropriate manner was described within procedure of communication and consultation with the community, procedures of Land & Land Conflict resolution, and procedure of handling of employee complaints with No. SOP/SMART/GIMS-SCMD/USDV/II/001 (Rev. 02) dated 11 April 2017. The procedure includes ensuring anonymity of complainants and whistleblowers. Further explained that If the complaint is not resolved by deliberation and consensus, then the certification unit and the party submitting the complaint want a resolution through the Mediation Forum. The Mediation Forum meeting must take place at the location of the third party or other agreed place of neutrality. The procedure also explains that, if there

is a complaint that cannot be answered by the management unit, for example regarding the RSPO, the management unit will submit it to the RSPO Secretariat through the website: [www.rspo.org](http://www.rspo.org).

This SOP has been socialized to the surrounding community, for example:

- March 15, 2022 at SBYE A from Talang Batu and Wira Agung Sari,
- March 17, 2022, (SBYM) Tri Tunggal Jaya Village.
- On 15 February 2021 at the GALA to 32 residents from S Asri Village, K Mulya, Karya B, G Harapan, B Rejo, P Rajawali, Ps Balang, Binabumi, Sukarame
- January 15, 2022, to the farmers, stakeholders and communities around MSJA, attended by 24 participants
- January 27, 2022, to employees of Division 3.1 BB plantation MSJA, attended by 37 participants during the morning check roll.
- According to the results of the interview with the SPO Officer, socialization activities to employees are informed regularly during morning apples in each unit.

Based on the results of interviews with the surrounding village communities such as Tri Tunggal Jaya, Talang Batu and Wira Agung Sari villages, it is known that they already know about the procedure through socialization.

#### **4.2.2.**

According to the results of the interview with the SPO Officer, it was notified that there was no change in procedures related to communication and consultation from the previous year's audit (2021). The company demonstrates the existence of standard communication and consultation procedures as indicated by the No. SOP/SMART/GIMS-SCMD/USDV/II/001 (Rev. 02) dated 11 April 2017 concerning Communication and Consultation. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received.

The company has appointed people who act as communicators between the company and society so that people who cannot read/write can be informed by the relevant communicators. One example is the understanding of workers who come from surrounding villages to convey orally to the community around where the workers live.

Based on the results of interviews with employees; unions and local villagers such as Tri Tunggal Jaya, Talang Batu and Wira Agung Sari villages are known to have understood the procedure

#### **4.2.3**

The company shows the following complaint handling documents:

- Employee complaint from Dedi (MSJA Driver) in the form of broken kitchen roof and bedroom roof, via Whats App, February 4, 2022
- Minutes of Complaint Resolution, dated February 5, 2022, employee complaint Dedi (MSJA Driver), with a response in the form of roof repair activities using zinc
- Report of dissatisfaction complaint by Nasri Kaswani, PT SIP GALA's eagle emplacement, dated February 5, 2022, regarding the absence of MCB protectors for the Rajawali emplacement street lamps. This condition was then responded to by the GALA KKPA, with evidence of the Minutes of Complaints Settlement, Number GU/II/2022/02/05/1156, dated 10 February 2022, in the form of installing MCB protectors.
- Complaints by employees of the 4th Division cottage (SBYE), dated January 18, 2022, regarding the emergence of many mosquitoes around the settlement, then responded with evidence of the Minutes of Complaints and Dissatisfaction, dated January 24, 2022, with mosquito fogging actions in Pondok 4 SBYE
- based on interviews with representatives of trade unions, gender committees, workers, in general, complaints of dissatisfaction are more if there is damage to housing facilities, complaints of illness and public facilities, there have been no complaints about the fulfillment of workers' rights.

#### **4.2.4.**

The conflict resolution mechanism is contained in the standard communication and consultation procedures as indicated by the SOP-SMART-GENERAL-SADP-I-004 communication and consultation, which was ratified on 1 July 2014 concerning Communication and Consultation. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received.

The company has appointed people who act as communicators between the company and the community so that people who can't read / write can be informed by the relevant communicators, for example according to the results of interviews with SBYE (harvest workers), MSJA and GALA (pickled and spray workers) workers. ) in socialization activities to workers that are carried out during the morning check roll, it is recommended to convey the mechanism for submitting complaints to the community around the workers' residences

**Status: Comply**

#### 4.3

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

Contributions to community development based on the results of consultations with local communities can be demonstrated by meetings between community representatives and the company in 2021 as the basis for CSR plans for 2022.

One of the development contributions to the community is carried out by local purchases to shops around the company, cooperation with local contractors in plantation and factory management activities and also the implementation of CSR activities which are arranged annually in the context of the welfare of the surrounding village communities.

**Status: Comply**

#### 4.4

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

##### 4.4.1

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

- Land Use Title (*HGU*)
  - SBYE : *HGU* certificate number 14 dated 15 July 1993 for 5,058.82 ha land is valid until 31 December 2027 and *HGU* certificate number 2 dated 09 January 2001 for the area of 555,700 m<sup>2</sup> valid until 08 January 2036. So that the total SBYE *HGU* for the scope of certification is 5114.39 ha.
- Building Right Title (*HGB*)
  - GALA : *HGB* certificate number 04 year 2004 for the 24500 m<sup>2</sup> and 22500 m<sup>2</sup> so the total right is for covering an area of 4.70 ha
  - MSJA : *HGB* certificate number 07 year 2004 for the 15000 m<sup>2</sup> and certificate number 07 for the 22500 m<sup>2</sup> so the total right is for covering an area of 3.75 ha. So that the total *HGB* of GALA and MSJA is 8.45 ha
- Free Hold Title (*SHM*)
  - The communities area already had SHM which covering 10.189.26 ha.

In relation to the previous OFI assessment, the company is currently still in the process of issuing the SHM with the relevant agencies for the smallholder scheme area.

##### 4.4.2

Up to ASA-1.3 no additions are made to the company's operations. The last land compensation process was carried out in 1990.

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

##### 4.4.3

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

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

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

The results of the consultation with the Mesuji Regency BPN also obtained information that the company's location was in accordance with the local RTRW.

#### 4.4.4; 4.4.5; 4.4.6

Up to ASA-1.3, there was no increase in the company's operational area. The last land compensation process was carried out in 1990. During the release of land, in general, the owner of the land acts as a representative for himself. Regular reviews of the FPIC process are embodied in the SIA document which functions to highlight the social issues of the affected people including land issues. All records were made in Indonesian, clear proof of payment and signed by both parties between the company and the land seller (local community) without coercion.

**Status: Comply**

#### 4.5

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

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

Until ASA-1.3 were implemented there was no expansion of the area or new planting. This was evidenced by the results of public consultations with the community and the absence of additional *GRTT* records since 1990. The certification unit can show land compensation documents which include informing about news, measurement program, master map of the compensation area, certificate of ownership, statement of relinquishment of land rights, map of the area to be compensated, receipts for compensation payments. The documents for the compensation process have been signed by both parties and are known to local officials such as the village head, sub-district head and witnesses. Existing and well-documented agreements are one that the FPIC process has implemented.

Based on the results of interviews with representatives of Tritunggal and Wiraagung Villages, there are no issues of dispute or other land issues with the company.

**Status: Comply**

#### 4.6

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

#### 4.6.1 & 4.6.2

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

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

#### 4.6.3

Until the ASA-1.3 assessments were carried out there were no new *GRTTs*. The last land acquisition was carried out in 1990. There is FPIC Procedure No. SOP / SMART / SENS-CSRD / SADV / I / 003, part 2.4 explains that identification of participatory maps related to legal ownership of the community takes into account gender, community leaders, local or transmigrant communities, ethnic groups, etc.

#### 4.6.4

Until ASA-1.3 were implemented there was no expansion of the area or new planting. This was evidenced by the results of public consultations with the community and the absence of additional *GRTT* records since 1990. The certification unit can show land compensation documents which include informing about news, measurement program, master map of the compensation area, certificate of ownership, statement of relinquishment of land rights, map of the area to be compensated, receipts for compensation payments. The compensation process documents have been signed by both parties and are known to local officials such as the village head, sub-district head and witnesses.

Based on the results of interviews with representatives of Tritunggal and Wiraagung Villages, there are no issues of dispute or other land issues with the company.

**Status: Comply**

#### 4.7

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

##### 4.7.1 & 4.7.2

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

##### 4.7.3

As the results of public consultations with community representatives from Tritunggal and Wira Agung Villages, one of the positive impacts of opening a company is the opening of road access. They stated that prior to the existence of the company, the community's access to interact with other areas was only through rivers. After the company exists, the community can access the company's roads for daily activities.

Heads of Tritunggal and Wira Agung Villages, also stated that the company's existence also provided access to recruitment and use of local contractors.

Based on the results of interviews with representatives of Tritunggal and Wiraagung Villages, there are no issues of dispute or other land issues with the company.

**Status: Comply**

#### 4.8

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

##### 4.8.1; 4.8.2; 4.8.3; 4.8.4

The certification unit has SOP for Social Conflict Handling Document No. SOP/SMART/SCRD/NSDV/I/002, 1 July 2014, revised 18 May 2016. The procedures include explaining the conflict information, conflict analysis, coordination of conflict handling, and preparation of reports on handling progress carried out periodically at least every one month.

When ASA-1.3 were implemented, there was an issue of land problems with a group claiming to be representatives of the Talang Batu community regarding 2,000 ha of land which is considered to have originated from clan / state land that has not been compensated.

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

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

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



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

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

Based on the field observation and document reviews, it is known that currently in the area claimed to be disputed, operational activities are running as usual. After the meeting on 23 December 2020, the community groups who stated that representatives of the Talang Batu community had not filed a lawsuit.

Based on the results of interviews with representatives of Tritunggal and Wiraagung Villages, there are no issues of dispute or other land issues with the company.

Status: Comply

#### PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

##### 5.1

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

##### 5.1.1 & 5.1.2

Related to scheme smallholder FFB purchase, the Company has shown document of the Results of the Team Meeting for the Determination of Purchase Prices of Palm Oil FFB Production Sales of Planters in the Lampung Province in February 2022. The company made a payment to the cooperation referring to the minutes.

Based on the company's agreement with the cooperative, the determination of the price of FFB purchased refers to the provisions contained in the Regulation of the Minister of Agriculture regarding the Guidelines for Determining the Purchase Price of Fresh Fruit Bunches for Palm Oil Production by Smallholders

Based on the results of interviews with the FFB supplier (Mesuji KKPA and Gedung Aji Lama KKPA), it is known that the company always communicates to him every day regarding changes in FFB prices. The company also informs the FFB on the notice board at the factory., so that it can be seen by FFB suppliers.

##### 5.1.3

Based on the company's agreement with the cooperative, the determination of the price of FFB purchased refers to the provisions contained in the Regulation of the Minister of Agriculture regarding the Guidelines for Determining the Purchase Price of Fresh Fruit Bunches for Palm Oil Production by Smallholders.

##### 5.1.4

Based on a review of the list of Mesuji KKPA and Gedung Aji Lama KKPA (scheme smallholder) members, there are female member who are registered as plasma members. This proves the representation of women in the part of the farmer group that sells FFB to the company.

##### 5.1.5

Based on the results of interviews with contractors in the name of Alamsyah and Kipni, it is known that the company has provided opportunities for the community around the company to cooperate in the company's operational activities by becoming a contractor. In addition, it is known that the cooperation with the company has been well established and transparent. So far, it is also known that there are no problems with payments made.



**5.1.6**

Based on document review, the company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of Triyono for period 24 January 2022 thru 7 February 2022. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The payment records already match with price determined and informed by company and third parties' agreement.

**5.1.7.**

The company unit already has a weighbridge that has been calibrated by third party. For example, there are Minutes of Recalibration/Testing from the Tulang Bawang District Government, the Ministry of Meteorology and Trade Supervision dated 06 September 2021. With details: No. 133/510.3/SKHP.226/9/2021, Avery Weigh Tronix E 1205 Serial Number 171050103 capacity 60 tons/10 kg, and valid until 1 September 2022.

**5.1.8**

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

**5.1.9**

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

Based on document review of complaint book, there is no complaint from contractor or vendors.

**Status: Comply**

**5.2**

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

**5.2.1;5.2.2; 5.2.3**

Mesuji KKPA and GALA KKPA are fully managed by the company and are suppliers of RSPO certified FFB. Based on the results of interviews with local community representatives, the company often consults with local communities regarding the needs and support for sustainable palm oil management. This is reflected in the company's CSR program, where the program is based on the results of consultations from the communities/farmers around the company.

**5.2.4**

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

**5.2.5**

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

**Status: Comply**

**PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**
**6.1**

**Any form of discrimination is prohibited.**

**6.1.1**

The company has a GAR Social and Environmental Policy signed by Head of Upstream, CEO-Downstream & Commercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. In point 3 the Work Environment and Industrial Relations states:

The company provides equal opportunities for all workers, and embraces diversity regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or union membership. The company ensures that workers are protected from acts of discrimination in all stages of the employment relationship. There is no forced labor system that can cause human rights violations and inconvenience to employees / prospective employees in the work or recruitment process.

Based on the Labor Recap of the SBYE February 2022, there is information regarding the rank of workers, gender, religion and ethnicity (Java 784, Lampung 9, Sunda 1, Jambi 2, Bali 26). According to population democracy, according to the results of interviews with the Tulang Bawang Regency Environmental Service, that the village around the company area is a transmigration area, so that the surrounding community is a local resident who participates in the government's transmigration program.

Based on the SBYM Employee Name List and Graph for the period of February 2022, information was obtained, the composition of the original workers was 92 people (64.79%) and immigrant workers were 50 people (35%), Islamic religion 133 people, Christian 7 people, Catholic 1 person and Hindus 1 person, with the composition of permanent workers 140 people and Part time worker 2 people, male sex 137 people and women 5 people.

Based on the document of the Female Worker List for the period of 01 March 2022, information on the types of work for women was obtained, including weighing operators, cashiers, personnel administration,

Based on employee data in February 2022 (GALA), information was obtained for 118 female workers, 494 male employees, with various positions/positions (PT 1- PT 4B, PKWT/PTT), with types of work for women including division clerks , production clerks, Estate field workers.

The results of the review of labor documents prove that the unit of certification does not discriminate and treats all workers fairly, the following is evidence that can be shown by the company:

Composition of workers consisting of various ethnic groups, religions, genders, and origins of workers.

- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- The placement and training of workers is carried out according to their skills / type of work, such as prospective harvest workers being placed as harvest workers and receiving regular harvest training.
- Female workers are given the same rights, wages, and opportunities for promotion as male workers of the same type of work, for example, it is possible that some of the maintenance foremen appointed are female workers.

This explanation can conclude that the company has treated all workers fairly without discrimination based on gender, ethnicity, religion, health condition or other.

#### **6.1.2**

Based on the results of interviews with Estate & Mill employees, as well as representatives of the gender committee, SPSI (Indonesian Labour Union) and staff from the Manpower Office in Tulang Bawang and Mesuji Districts as well as plantation field workers, it is known that during the period 2021/2022 there was no information on the presence of foreign workers. In addition, information was also obtained that there is no recruitment fee for workers who have just joined the company and have never been discriminated against by the company regarding workers' rights.

#### **6.1.3**

The company has a GAR Social and Environmental Policy signed by Head of Upstream, CEO – Downstream & Comercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. In point 3 the Work Environment and Industrial Relations states:

The company provides equal opportunities for all workers, and embraces diversity regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or union membership. The company ensures that workers are protected from acts of discrimination in all stages of the employment relationship. There is no forced labor system that can cause human rights violations and inconvenience to employees / prospective employees in the work or recruitment process.

The company shows the following supporting documents:

- Based on the Labor Recap of the SBYE February 2022, there is information regarding the rank of workers, gender, religion and ethnicity (Java 784, Lampung 9, Sunda 1, Jambi 2, Bali 26). According to population democracy, according

to the results of interviews with the Tulang Bawang Regency Environmental Service, that the village around the company area is a transmigration area, so that the surrounding community is a local resident who participates in the government's transmigration program.

- Based on the SBYM Employee Name List and Graph for the period of February 2022, information was obtained, the composition of the original workers was 92 people (64.79%) and immigrant workers were 50 people (35%), 133 Muslims, 7 Christians, Catholics 1 person and Hindus 1 person, with the composition of permanent workers 140 people and PKWT 2 people, male sex 137 people and women 5 people.
- Based on the document of the Female Worker List for the period of 01 March 2022, information on the type of work for women was obtained, including weighing operators, cashiers, personnel,
- Based on employee data in February 2022 (GALA), information on 118 female workers, 494 males, with various positions/positions (PT 1- PT 4B, PKWT/PTT), with types of work for women include: division clerks, production clerks, Estate field workers.
- Based on the 2022 gender committee socialization document (SBYM), dated February 26, 2022, it is explained to female workers that it includes:
  - Reproductive rights: menstrual leave rights, maternity leave, 1.5 month rest period in case of miscarriage, right to breastfeed children during working hours
  - There is no difference in job opportunities for women
  - Female workers are employed according to nature
  - Identification of female workers and the needs of young mothers 01 March 2022, there is information, 0, pregnant women 0, not pregnant and breastfeeding 0, not pregnant and not breastfeeding 5 people.
- Circular No. 001/SE-EM SBYE/II/2019, dated January 2, 2019, regarding Workers' Rights, containing information on:
  - Wages are paid according to the UMK
  - There is in-kind assistance in the form of rice, for his wife and children
  - Get housing facilities according to position
  - Can use public facilities (health facilities, sports, worship and education)
  - Receive BPJS health and labor benefits.
- Menstrual Leave Monitoring Book (H1-H2), containing information on the name of the worker, position, and time of taking menstrual leave

The results of the review of labor documents prove that the unit of certification does not discriminate and treats all workers fairly, the following is evidence that can be shown by the company:

- Composition of workers consisting of various ethnic groups, religions, genders, and origins of workers.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- The placement and training of workers is carried out according to their skills / type of work, such as prospective harvest workers being placed as harvest workers and receiving regular harvest training.
- Female workers are given the same rights, wages, and opportunities to get promotion as male workers of the same type of work, for example, it is possible that some of the appointed maintenance foremen are female workers

#### **6.1.4**

The company shows documents:

- Data on female workers, GALA, dated March 2, 2022, for field Estate workers (quote brondol, until and sow fertilizer), as many as 118 female workers, the results of the identification are that there are no pregnant and lactating women
- Identification of female workers and the needs of young mothers 01 March 2022 MSJA, there is information, pregnant women 0, not pregnant and breastfeeding 0, not pregnant and not breastfeeding 5 people
- Based on the results of interviews with the spray team at GALA and SBYE, it is known that pregnancy checks have been carried out routinely by the company every month if there are employees who are pregnant

#### **6.1.5**

A gender committee has been formed and is still active today in the company which is chaired by the chair of the committee together with coordinators in several sections and there are representatives in each unit. The main objective of establishing a gender committee is to provide a forum that can accommodate the aspirations/complaints of workers (especially women),

as company partners in carrying out socialization activities related to gender and other policies related to workers' reproductive rights.

In carrying out its activities, the gender committee always cooperates with trade unions so that socialization of matters relating to women's rights can be conveyed properly and there is no discrimination in terms of gender. The workers are also aware of the existence of the gender committee because it has been regularly socialized by the management. Routine activities that have been carried out include organizing *posyandu*, cleaning housing, counseling on prevention of sexual harassment and reproductive health.

The following is an example of the structure of the Gender Committee in the company:

- SBYM :  
Chairman: Atiah  
Treasurer: Endang Widyaningsih  
Secretary: Yeni Kurniawati
- SBYE :  
Chairman : Ike Anasti Astriani  
Treasurer : Anggraini Mariska Dewi  
Secretary : Fernia Damayanti
- GALA:  
Chairman: Yuliana  
Treasurer : Endang Widyaningsih  
Secretary : Dwi Saputri

#### 6.1.6

Fair wages have been paid by the unit of certification correctly, taking into account ability, performance, expertise, length of service, and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the load / task / type of work of each.

SBYE Care employees with less than one year of service in accordance with the 2022 minimum wage, this is different from SBYE maintenance employees whose values are above the minimum wage. Apart from years of service, the value of basic wages is also influenced by ability, attendance and job performance

- Initials RS (SBYM) as Grading with > 5 years of service, basic wage more than minimum wage,
- Initials SRYD (SBYM) as head of warehouse with tenure < 5 years, basic wage equal to minimum wage
- Initials STM (SBYE) maintenance worker with a period of service = 5 years, the basic wage is the same as the minimum wage.
- Initials DN (SBYE) maintenance worker with a service period of > 5 years, the basic wage is more than the minimum wage
- Initials HYT (GALA) maintenance worker with tenure = 5 years, basic wage equal to minimum wage

According to the results of interviews with harvest workers for a probationary period with workers who have been appointed for more than 1 year having different wages, there are differences in group allowances

<b>Status: Comply</b>
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#### 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 shows documents:

- Collective Labor Agreement between PT Sumber Indah Perkasa and PUK SPPP SPSI PT SIP, No. Registration : 175/PKB/PHI/II/2021, April 15, 2021, approved by the Head of the Manpower and Transmigration Office of Lampung Province.

- Decree of the Head of the Lampung Province Manpower Office, No. Kep.188.4/--/V.08/02/2021, dated April 15, 2022 regarding the Renewal of the Collective Labor Agreement between the Company PT Sumber Indah Perkasa and the SPSI Workers Union PT Sumber Indah Perkasa. With a validity period of January 31, 2021 to January 31, 2023

Based on the results of interviews with HRD, it was explained that wages at PT SIP for 2022 refer to the Mesuji Regency Minimum Wage Decree issued in 2021. This is because the wage value of Mesuji Regency is greater than Tulang Bawang Regency. As follows:

- Circular Letter of the Regent of Mesuji Number: KT.1600/5690/IV.16/MSJ/XII/2021 dated December 15, 2021, regarding the Determination of the Minimum Wage for Mesuji Regency in 2022, which is Rp. 2,673,569.29/month. Or Rp 106,942.77/day for daily wages.
- Decree of the Governor of Lampung Number G/660/V.08/HK/2021 concerning the Minimum Wage for Tulang Bawang Regency in 2022 of IDR 2,443,960/Month

The company shows the Decree No. 396/CEO PSM2/HRPSM 2/12/2021, dated January 17, 2022 regarding the Wage Structure and Scale of Permanent Workers of PT Sumber Indah Perkasa Lampung Region in 2022, with the following details:

- Group PT 1, the wage range is Rp. 2,892,269 to Rp. 3,059,867,-
- Group PT 4, the wage range is Rp.2,674,069 to Rp. 2,706,069,-

The results of the verification of employee pay slips are as follows:

AH (Sterilizer) SBYM :

- Basic Wage : Rp. 2,698,569,-
- Overtime Rp. 540.025,-
- BPJS TK (Government worker insurance scheme) allowance Rp.185,931,-
- BPJS Kes (government health insurance scheme) Rp. 107,943,-
- Total Gross Salary Rp. 3.316,582,-

SBYE maintenance employees with less than one year of service in accordance with the 2022 minimum wage, this is different from SBYE maintenance employees whose values are above the minimum wage. Apart from years of service, the value of basic wages is also influenced by ability, attendance and work performance. according to the results of interviews with harvest workers for a probationary period with workers who have been appointed for more than 1 year having different wages, there are differences in group allowances, this applies to SBYM.

## 6.2.2

The company shows documents:

- Collective Labor Agreement between PT Sumber Indah Perkasa and PUK SPPP SPSI PT SIP, No. Registration : 175/PKB/PHI/II/2021, April 15, 2021, approved by the Head of the Manpower and Transmigration Office of Lampung Province.
- Decree of the Head of the Lampung Province Manpower Office, No. Kep.188.4/--/V.08/02/2021, dated April 15, 2022 regarding the Renewal of the Collective Labor Agreement between the Company PT Sumber Indah Perkasa and the SPSI Workers Union PT Sumber Indah Perkasa. With a validity period of January 31, 2021 to January 31, 2023

The contents of the PKB in point 1, among others:

- Chapter I. Parties to a collective labor agreement
- Chapter II. General
- Chapter III. Work relationship
- Chapter IV. Working Days and Working Hours
- Chapter V. Exemption from Obligation to Work
- Chapter VI. Remuneration
- Chapter VII. Care and Treatment
- Chapter VIII. Occupational Health & Safety
- Chapter IX. Work equipment
- Chapter X. Skills improvement program
- etc



- Meanwhile, the terms of wages and working conditions of MSJA & GALA are stated in the KUD Krida Sejahtera Company Regulation in accordance with the Decree of the Head of the Lampung Province Manpower Office No. KEP-188.4/638/V.07/02/2020 dated May 20, 2020, where the PP has received a registration number 168/PP/PHI/V/2020 from May 7, 2020 to 7 May 2022. PP contains the following matters:
  - Chapter I General Guidelines
  - Chapter II Employment Relations
  - Chapter III Social Security
  - Chapter IV Occupational Health and Safety
  - Chapter V Discipline
  - Chapter VI Family Planning & Cooperatives

According to decree no. 396/CEO PSM 2/HR PSM 2/12/2021, January 17, 2022: wages are not paid for absentee workers or personal permission, deducted by 1 month's wages divided by 25 days for each day absent or personal permission)

Based on salary slip verification and wage scale structure policy, it is known that the salary slip includes wage components including basic salary, premiums, class allowances, wages and total overtime, BPJS insurance, working days, days off work and leave.

### 6.2.3

The company has a Collective Labor Agreement made in a Bahasa that explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, reduction, overtime, sick, vacation rights, maternity leave rights and other provisions. Apart from being generally stated in the CLA, the unit of certification also has decrees, policies, memorandums, and employment contracts for workers in the orientation period that specifically address this issue.

The company shows documents:

- Collective Labor Agreement between PT Sumber Indah Perkasa and PUK SPPP SPSI PT SIP, No. Registration : 175/PKB/PHI/II/2021, April 15, 2021, approved by the Head of the Manpower and Transmigration Office of Lampung Province.
- Decree of the Head of the Lampung Province Manpower Office, No. Kep.188.4/--/V.08/02/2021, dated April 15, 2022 regarding the Renewal of the Collective Labor Agreement between the Company PT Sumber Indah Perkasa and the SPSI Workers Union PT Sumber Indah Perkasa. With a validity period of January 31, 2021 to January 31, 2023
- Circular Letter of the Regent of Mesuji Number: KT.1600/5690/IV.16/MSJ/XII/2021 dated December 15, 2021, regarding the Determination of the Minimum Wage for Mesuji Regency in 2022, which is Rp. 2,673,569.29/month. Or Rp 106,942.77/day for daily wages.
- Decree No. 396/CEO PSM2/HRPSM 2/12/2021, dated January 17, 2022 regarding the Wage Structure and Scale of Permanent Workers of PT Sumber Indah Perkasa Lampung Region in 2022, with the following details:
  - Group PT 1, the wage range is Rp. 2,892,269 to Rp. 3,059,867,-
  - Group PT 4, the wage range is Rp. 2,674,069 to Rp. 2,706,069,-
- Calculation of employee pension a.n. MJN at SBYM with a tenure of 23 years 6 months, severance pay has been paid by referring to Law No. 13 of 2003, Article 156 Paragraphs 1 – 3 in the amount of Rp. 63,533,119, - on March 17, 2022.
- ASN Recruitment Document, dated December 9, 2022, SBYM, includes a cover letter, interview and psych test results, conclusion of selection results, and invitation documents to join, as KR PC workers
- Calculation of employee pension a.n. SJN at SBYE with a working period of 22 years 9 months, severance pay has been paid by referring to Law No. 13 of 2003, Article 156 Paragraphs 1 – 3 in the amount of Rp. 64,446,901, - on March 21, 2022
- Specific Time Work Agreement Number 001/SBYE.01/PKWT/VII/2020, an DRJT, as an office boy, dated March 1, 2021, and has been registered in the Industrial Relations section of the Bone Bawang Regency Manpower and Transmigration Office. Contains information explaining wages and terms of employment such as type of work, place of work, days, hours of work, rights and obligations of each party
- Decree No. 001/SK-PT/SBYE/01/2021, regarding Changes in the rank of permanent workers, and SYT has worked since October 11 2017, was appointed and appointed as permanent workers on January 1, 2021 (SBYE), contains information explaining the rank and position , worker status, wages to be received, and work location.



- January 2020 salary slips, for example the wages of PT 1 workers with NIK 12247 get a basic salary of IDR 2,700,912, overtime of IDR 75,563 which has been verified by the auditor according to applicable regulations. In addition, it is also informed about the number of deductions (non-tax, BPJS Employment, BPJS Health, cooperative contributions and loans. The basic wage earned by workers is in accordance with the wage provisions and the company's wage scale
- February 2022 Wage Slip, PT 3 workers with NIK 98120 get a basic salary of Rp. 2,745,569, overtime of Rp. 1,007,769, - which has been verified by the auditor in accordance with applicable regulations. In addition, it is also informed about the number of discounts (non-tax, BPJS Employment, BPJS Health, cooperative contributions and loans and union discounts). The basic wage earned by workers is in accordance with the wage provisions and the company's wage scale

The results of the verification of employee pay slips are as follows:

AH (Sterilizer), PT 3, SBYM :

- Basic Wage : Rp. 2,698,569,-
- Overtime Rp. 540.025,- (Rp. 15,800 x 34.18 hours)
- BPJS TK allowance Rp.185,931,-
- BPJS Case allowance Rp. 107,943,-
- Total Gross Salary Rp. 3.316,582,-

The wages of workers in 2022 have been above the minimum wage set by the government and the working hours are seven (7) hours a day with 6 days a week and overtime has been paid in accordance with applicable regulations.

Based on the results of interviews with several employees in the plantations and factories, union officials and the Head of the Manpower and Transmigration Office of Mesuji Regency and the staff of the Tulang Bawang Manpower and Transmigration Office; it is known that the company has complied with legal compliances such as regular working hours, overtime and other labor requirements. Workers are given PPE according to the type of work and provided with BPJS insurance, as well as other worker rights (leave, overtime pay, and rest time)

Based on this explanation, it can be concluded that the unit of certification has carried out the work requirements in accordance with applicable laws and regulations in Indonesia.

#### 6.2.4

The company has provided housing facilities in SBYM, SBYE&GABA, GALA, and MSJA. The following is an example of the number of existing facilities:

- SBYM: 114 G2 houses, mosques, churches (2 units), *posyandu*, employee offices, soccer fields, volleyball fields, badminton and school buses.
- SBYE : Employee hall 4, child care center 4, mosque 4, smart house 1, Elementary and Kindergarten 1, Clinic 1, football field 4, badminton court 4, tennis court 1, volleyball court 4, school bus 1
- GALA : 38 units house, 1 mosque, 2 badminton court

Based on the results of interviews with employees of SBYM, SBYE and GALA. It is known that all

#### 6.2.5

Based on the results of interviews with workers and employees at SBYM, SBYE, GALA and MSJA, it is known that the housing location is still close to the village. Many workers and employees choose to live in private homes, due to the following reasons:

- The distance to the work location is not too far, can be reached within 20 minutes – 1 hour.
- Access to markets, food stalls or sellers near and many choices.
- Some employees/workers own Estates and rice fields that can produce sufficient sources of food such as rice, vegetables and livestock to meet family-scale food sources.

Based on this, it can be concluded that the location of the company's housing for employees is within a relatively close range to markets, stalls or other food vendors, it is very easy to access to get enough food

#### 6.2.6

Based on the results of interviews with HRD staff, it was explained that wages at PT SIP refer to the Mesuji Regency Minimum Wage Decree in 2022. This is because the wage value of Mesuji Regency is greater than Tulang Bawang Regency. As follows:

- Circular Letter of the Regent of Mesuji Number: KT.1600/5690/IV.16/MSJ/XII/2021 dated December 15, 2021, regarding the Determination of the Minimum Wage for Mesuji Regency in 2022, which is Rp. 2,673,569.29/month. Or Rp 106,942.77/day for daily wages.
- Decree of the Governor of Lampung Number G/660/V.08/HK/2021 concerning the Minimum Wage for Tulang Bawang Regency in 2022 of IDR 2,443,960/Month.

The company calculates the prevailing wage & in-kind benefits for 2022 which consists of components of basic wages, allowances (THR & rice), electricity, housing, water, schools, polyclinic facilities & services, child care centers, where the percentage margin between the results of each DLW calculation each category of workers, when compared with the applicable basic Wage as follows:

- PKWT: IDR 2,950,023 vs IDR 2,673,569: 10.34%
- PT 4A: IDR 2,950,564 vs IDR 2,674,069: 10.36%
- PT4B: IDR 3,326.079 vs IDR 2,674,069: 24.41%
- PT3: IDR 3,352,621 vs IDR 2,674,069: 25.40%
- PT2: IDR 3,390,537 vs IDR 2,674,069: 26.82%
- PT1: IDR 3,446,871 vs IDR 2,674,069 : 28.92%

#### 6.2.7

Based on the results of the verification of the employee list document in February 2022, it was found that there were PKWTs with the status of Estate Field Workers with the type of work including quoting loose fruit and maintenance work. The following is the number of PKWT in each unit:

- SBYM: 2 people (warehouse clerk and PC clerk)
- SBYE: 100 people
- GALA: 281 people
- MSJA: 357 people

Based on the explanation from HR Op I, it is known that the agreement is for the type of maintenance work, but if it is needed for picking loose fruit (lots of fruit or lots of loose fruit). Then these workers can be assisted in the loose pick-up activity. The following is an example of PKWT in the unit:

- PKWT No. 64/SBYE/Div.5/3/2021 dated March 22, 2021 with Siti Maskanahi, Type of Work: Field Worker, which includes jobs quoting loose fruit and maintenance work. If needed, it can be moved to the type of work and work location. Working hours: 7 hours a day and 40 hours a week (6 working days a week). Validity period 22 March 2021 to 21 March 2022. Basic wage: IDR 2,673,569/month or 106,493/working day. Especially for the job of quoting loose the price per Kg is Rp. 414/Kg. If working as a care worker, wages are paid in units of time (7 hours of work). Overtime wages can only be paid if the overtime work conditions are in accordance with the SPL (overtime warrant). Some of the benefits obtained are BPJS Employment & BPJS Health; and THR (holiday allowance). The agreement is known by the Department of Manpower and Transmigration of Tulang Bawang Regency
- PKWT No. 001/SBYM/PKWT/II/2022 dated 02 February 2022 with Angga Sapta Nugraha, Type of Work: Warehouse Clerk with the type of job assignment subject to change according to company needs. If needed, it can be moved to the type of work and work location. Working hours: 7 hours a day and 40 hours a week (6 working days a week). Validity period 02 February 2022 to 02 February 2023. Basic wage: IDR 2,673,569/month or 106,493/working day. Overtime wages can only be paid if the overtime work conditions are in accordance with the SPL (overtime warrant). Some of the benefits obtained are BPJS Employment & BPJS Health; and THR. The agreement was known by the Department of Manpower and Transmigration of Tulang Bawang Regency.
- PKWT No 026/GALA/KUD-KS/PT3/01/2018 dated January 2, 2018 with Samsudin, Type of Work: FFB HARVEST and maintenance work, GALA Division 1 placement. If needed, it can be transferred to another type of work and work location. Working hours: 7 hours a day and 40 hours a week (6 working days a week). Validity period since January 2 2018. The basic wage is set at the applicable government minimum wage of 2,673,569/month. In addition to wages for workers receiving 0.75 kg/day of rice supply, non-permanent allowances are given if workers work at least 90% of working days/month. Some of the benefits obtained are BPJS Employment & BPJS Health; and THR.

**Status: Comply**

**6.3**

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

**6.3.1**

The company has a policy related to trade unions which is contained in Circular No.094/CEO2-SE/12/2010 dated December 14, 2010 which states that the company respects the provisions and rules that apply in Law 21 of 2000 including freedom of association for workers/ employees which is a basic right of workers.

This document is published in *bahasa* which can be understood by all employees. The statement states that employees have the right to establish a trade union and become a member/leader of a trade union in accordance with applicable regulations. The company provides freedom of association, as evidenced by the existence of a labor union, based on the Decree of the Head of the Manpower and Transmigration Office of Mesuji Regency, Number: KT.15.01/431/IV.16/LKS,BP/PT. SIP-SBYM/MSJ/2021, regarding the formation and appointment of members of the bipartite cooperation institution PT Sumber Indah Perkasa, dated April 30, 2021 with a validity period of 2 years from the date of stipulation.

The company and the labor union have agreed on a collective labor agreement as evidenced by the Collective Labor Agreement document, ratified by the Head of the Lampung Province Manpower Service, Number 175/PKB/PHI/II/2021, April 15, 2021, valid for up to 2 years from the date of ratification and the provisions in the CLA will remain in effect after the expiration of the CLA if a new agreement has not been reached.

The socialization of industrial relations and freedom of association policies was carried out, as evidenced by the Minutes of Socialization of Industrial Relations and Freedom of Association Policies, dated March 8, 2022 at SBYM, attended by 66 participants.

Based on interviews with worker union officials, it was revealed that the certification unit fully supports all organizational activities without any intervention as well as during election. It was further explained that until the audit activity took place, there had never been a conflict of interest with the certification unit.

**6.3.2**

The company shows the documents of the union meeting with the company as follows:

- Coordination meeting regarding the complaints of workers of PT SIP Lampung, January 12, 2022, attended by 19 people, from the company, SBYM, SBYE, SMRE
- Bipartite LKS (cooperation agency) meeting, XII 2021 period, December 8, 2021, KKPA GALA, attended by 8 people, from company representatives and workers

**6.3.3**

Based on labor union structure review, as well as interview with employees on the estate and mill, it was known that the union organization (SPSI) is consist of Chairman, Deputy of Chairman, Secretary, Treasurer, etc. All labor union committee members were employee which is not involved in company structural organization (staff up). There is no migrant workers in PT SIP, this condition is still the same as the audit in 2021. Based on interviews with worker union officials, it was revealed that the certification unit fully supports all organizational activities without any intervention as well as during election. It was further explained that until the audit activity took place, there had never been a conflict of interest with the certification unit.

<b>Status: Comply</b>
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**6.4**

**Children are not employed or exploited.**

**6.4.1**

There is no change from the previous audit (2021). The company has a policy regarding the age requirements of workers as stated in a Circular from HR Director to all Unit Heads number 002/SE-HRDV/03/09 dated March 31, 2009 regarding the minimum age limit. In addition, in the employee recruitment process, this is evidenced by a National Identity Card (KTP) at the time of employee recruitment.

The company has included a clause regarding the prohibition of child labor in the employment agreement Article 5 Terms & job specifications, point 20 the second party is prohibited from employing children under the age of 18 years, not doing forced labor and the results of human trafficking.

Based on the results of interviews with contractors in plantations and factories, it is known that there has been a clause regarding the prohibition of employing children under 18 years old.

#### **6.4.2**

The company has a policy regarding the age requirements of workers as stated in a Circular from HR Director to all Unit Heads number 002/SE-HRDV/03/09 dated March 31, 2009 regarding the minimum age limit. In addition, in the employee recruitment process, this is evidenced by a National Identity Card (KTP) at the time of employee recruitment.

The company has included a clause regarding the prohibition of child labor in the employment agreement Article 5 Terms & job specifications, point 20 the second party is prohibited from employing children under the age of 18 years, not doing forced labor and the results of human trafficking.

Based on the results of the review of the labor list document for the period of February 2022, for GALA the youngest worker is 21 years old (at the time of entry), MSJA 18 years 2 months (when entering), SBYE 18 years 3 months (when entering), SBYM 18 years (when entering)

#### **6.4.3**

The company has a policy regarding the age requirements of workers as stated in a Circular from HR Director to all Unit Heads number 002/SE-HRDV/03/09 dated March 31, 2009 regarding the minimum age limit. In addition, in the employee recruitment process, this is evidenced by a National Identity Card (KTP) at the time of employee recruitment.

The company has included a clause regarding the prohibition of child labor in the employment agreement Article 5 Terms & job specifications, point 20 the second party is prohibited from employing children under the age of 18 years, not doing forced labor and the results of human trafficking.

Based on the results of the review of the labor list document for the period of February 2022, for GALA the youngest worker is 21 years old (at the time of entry), MSJA 18 years 2 months (when entering), SBYE 18 years 3 months (when entering), SBYM 18 years (when entering).

Based on interviews with contractors in plantations and factories as well as plantation workers, it is known that there has been a clause regarding the prohibition of employing children under 18 years of age, conveyed through socialization and employment contracts

#### **6.4.4**

The company shows the socialization document on the prohibition of underage workers as follows:

- Minutes of Socialization of industrial relations policies and freedom of association with materials including: ethical recruitment, free of charge, not withholding original documents, not accepting workers under the age of 18, held on March 8, 2022, at SBYM with 20 participants
- Minutes of Labor Socialization to employees on March 19, 2022, SBYE, with the following materials: preventing forced labor practices, ensuring not employing child labor (under 18 years) in all lines of operation, with 84 participants
- Minutes of Socialization of policies related to labor social, dated January 5, 2022, division 3 GALA, with materials including: minimum wages, prohibition of employing children and workers under 18 years of age, equal treatment of job opportunities, 42 participants
- Minutes of socialization of Social and Employment Aspects of MSJA, dated January 27, 2022, materials include: minimum age limit for workers, sexual harassment, freedom of association, 37 participants

**Status: Comply**

### **6.5**

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

#### **6.5.1**

Unit of certification policy towards protect reproductive rights and prevent all forms of sexual harassment and violence is presented in CEO Circular No. 003/CEO2-SE/01/2011 dated 10 January 2011 which mentioned that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The committee gender has socialized to

the employees and the representatives of the committee gender are available in each division unit. Based on information from electronic media (website), gender committee and labour union representatives, as well as female employees on the estates and mill, it was known that there is no negative issues and such case related to reproductive right, sexual harassment, violence and discrimination in the work place

#### 6.5.2

The company has a policy to protect reproductive rights and prevent all forms of sexual harassment and violence. The policies contained in the Circular Letter of the CEO 2 No. 003/CEO2-SE/01/2011 dated January 10, 2011 which the contents are requested to all unit leaders and their staff to be able to disseminate information to all employees regarding the prevention and handling of sexual harassment problems.

It explains that every worker has the right to receive protection against sexual harassment in the workplace and sexual harassment is a violation and if convicted of sexual harassment, the violator will be punished in accordance with applicable regulations. The gender committee has conducted socialization to employees and representatives of the gender committee are available in each division

The company shows evidence of socialization as follows:

- Minutes of Socialization of the Gender Committee to women workers and housewives, dated February 26, 2022 at SBYM, with material on understanding sexual harassment, health education, reporting flow if there are cases of sexual harassment, reproductive rights of women workers, 34 participants
- Minutes of socialization of employment socialization to employees on 17 February 2022 at SBYE, with material on the committee on gender, prevention and sexual harassment, 66 participants
- Minutes of the GALA Gender Committee Meeting, 21 March 2022, with notes: the right to breastfeed children under five during working hours, the right to menstrual leave, identification of breastfeeding and pregnant women, maternal and child health, acts of connotation of sexual harassment, the role of the gender committee in preventing harassment sexual, participants 8 people
- Minutes of socialization of Social and Employment Aspects of MSJA, dated January 27, 2022, materials include: minimum age limit for workers, sexual harassment, freedom of association, 37 participants

Based on interviews with workers and the gender committee, the policy has been disseminated to workers through gender committee meetings with workers and in the last year period, there were no reports or cases/incidents related to sexual harassment, violence at work/reproductive rights up to March period 2022

#### 6.5.3

Based on interviews with the head of the gender committee and female workers in plantations and factories, it is known that the company's implementation of reproductive and new mother rights is summarized as follows:

- Conduct annual socialization on reproduction, health care and healthy living.
- Conduct pregnancy check-ups for all female workers related to agrochemical work every month. In addition, there is an annual evaluation of the cholinesterase test and spirometry for each worker. Those identified as unsuitable for work or exposed to chemicals will be transferred to manual maintenance work.
- Provide paid leave for periodic menstruation (H1), childbirth and maternity leave for approximately 2 days and 3 months, respectively, as recommended by paramedics (doctors).
- Allowing female workers to breastfeed during working hours, after coordinating with the top coordinator.
- Provide child care in employee housing complex Periodically identify pregnant and lactating women

according to the identification document of pregnant and lactating employees in 2022 it is known that there are no pregnant and lactating women

#### 6.5.4

Same as 2021 Audit, Mechanism of complaint and grievance is presented in procedure with number SOP/SMART/GIMS-SCMD/USDV/I/001 dated 02 June 2016 revised 11 April 2017. The procedure has assuring anonymous and protection to whistleblower (in the document point 2.2.1). Based on information from electronic media (website), gender committee and labour union representatives, as well as female employees on the estates and mill, it was known that there is no negative issues and such case related to reproductive right, sexual harassment, violence and discrimination in the work place

Status: Comply



**6.6**
**No forms of forced or trafficked labour are used.**
**6.6.1**

Same with the 2021 audit. The company has a policy regarding the prohibition of forced or bonded labor or debt bondage and is taking steps to prevent it. Procedures related to human resource management indicate that each worker has an employment agreement that describes a specific job description. Based on the list of employees for 2021/2022 and observations in the field, it is known that there are no migrant workers, forced labor. Each worker has an employment agreement that describes a specific job description, wages received, the term of the contract and there is no replacement of the contract without prior consultation and approval from the worker.

Based on employee data, most of the workers come from local communities. They have a recruitment process in the company and comply with the applicable recruitment procedures.

There are no significant barriers related to work or violation of company regulations. For example, for harvesters work every day based on 7 hours of work. The unit of certification provides a target output that can be obtained in less than 7 working hours. If the harvester earns more in or more than 7 working hours, the harvester will get a harvest premium payment. There is no penalty given to harvesters if they do not get results due to natural factors such as rain. Based on the list of wage payments, harvesters have earned above the minimum wage.

Based on the results of interviews with workers in plantations and Mill as well as administrators of the All-Indonesian Workers Union, it is known that there has never been an incident of forced labor in the period 2021/2022

**6.6.2**

At this time, the plantation unit still employs PKWT (certain time work agreement) with the type of maintenance work and spitting (if needed). Where the clause regarding the transfer of work is contained in the agreement and has been agreed upon by both parties, for example

- PKWT No. 64/SBYE/Div.5/3/2021 dated March 22, 2021 with SM, Type of Work: Field Worker, which includes jobs quoting loose fruit and maintenance work. If needed, it can be moved to the type of work and work location. Working hours: 7 hours a day and 40 hours a week (6 working days a week). Validity period 22 March 2021 to 21 March 2022. Basic wage: IDR 2,673,569/month or 106,493/working day. Especially for the job of quoting loose the price per Kg is Rp. 414/Kg. If working as a care worker, wages are paid in units of time (7 hours of work). Overtime wages can only be paid if the overtime work conditions are in accordance with the SPL. Some of the benefits obtained are BPJS Employment & BPJS Health; and THR. The agreement is known by the Manpower and Transmigration Office of Tulang Bawang Regency, number 560/600.02/PKWT/IV.6/TB/2022, dated 04 February 2022
- PKWT No 026/GALA/KUD-KS/PT3/01/2018 dated January 2, 2018 with SDN, Type of Work: FFB HARVEST and maintenance work, GALA Division 1 placement. If needed, it can be moved to another type of work and work location. Working hours: 7 hours a day and 40 hours a week (6 working days a week). Validity period since January 2 2018. The basic wage is set at the applicable government minimum wage of 2,673,569/month. In addition to wages for workers receiving 0.75 kg/day of rice supply, non-permanent allowances are given if workers work at least 90% of working days/month. Some of the benefits obtained are BPJS Employment & BPJS Health; and THR. The agreement was known by the Department of Manpower and Transmigration of Tulang Bawang Regency. In addition, the PKWT has been registered at the Tulang Bawang Regency Manpower and Transmigration Office number 560/600.02/PKWT/IV.6/TB/2022, dated 04 February 2022.

<b>Status:</b>	
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**6.7**
**The unit of certification ensures that the working environment under its control is safe and without undue risk to health.**
**6.7.1**

The unit of certification have persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (P2OHS) established in each management unit. The *P2OHS* team has received approval from the Head of Manpower and Transmigration of the Lampung Province and the *P2OHS* secretary is a certified occupational health and safety expert. For example:



The unit of certification has conducted regularly review to evaluate the effectiveness of OHS Program during period of 2021/2022, for example:

- GALA OHS meeting on 28 December 2021 with the following review results: the OHS work program in December 2021 has been implemented, here were no work accidents, all employees have used PPE at work, refreshment on OHS greetings and socialization about wearing masks, wash hands and keep a distance from employees.
- SBYE's OHS Meeting on 4 January 2022 with the following review results: the OHS work program in January 2021 has been implemented, there was a work accident in 2021 which resulted in quite a lot of lost days. 1 motorcycle accident (17 days missing). And 1 incident leg stabbed machete (22 days missing). It is expected that all employees use PPE in the workplace according to the SOP and carried out consistently. With the hope that there will be no more work accidents with lost days or fatalities (died), conduct a 2021 ISBPR review based on work accidents that occur in 2021, re-socialize employees regarding Work Accidents and Occupational Diseases. There are several findings in the monitoring of OHS work environment such as: lighting in the clinic and central warehouse, vibration of heavy equipment and noise so that follow-up actions are taken immediately.
- MSJA OHS meeting on 3 December 2021 with the following review results: the OHS work program in December 2021 has been implemented, no work accidents were found, all employees have used PPE at work, refreshment on OHS greetings and socialization about wearing masks, wash hands and keep distance from employees

The company regularly sends quarterly P2OHS reports to the Manpower and Transmigration Office, for example the following quarterly report for 2021:

- GALA OHS Report for the 4th Quarter of October – December 2021, was received by the Lampung Provincial Manpower Office on 7 February 2022 and a meeting on 28 December 2021 with a total of 9 participants.
- MSJA OHS Report for the 4th Quarter of October – December 2021 was received by the Lampung Provincial Manpower Office on 7 February 2022 and the meeting on 3 December 2021 with a total of 13 participants.
- SBYE OHS Report for the 4th Quarter of October – December 2021 was received by the Lampung Provincial Manpower Office Number 01.SMOHS-SBYE/Disnaker/I/2022 on February 7, 2022 and the meeting on January 4, 2022 with a total of 13 participants.
- SBYM OHS Report for the 4th Quarter of October – December 2021 received by the Lampung Provincial Manpower Office on 7 February 2022 and meeting on 8 December 2021 with a total of 10 participants

#### **6.7.2**

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

The latest first aid training has been conducted in 4 March 2022 at SBYM with 12 participants, and also the unit of certification has licensed first aid officers. There are also has a first aid box in each unit and based on observations, it's concluded that the contents in the first aid box are sufficient (21 items). The unit of certification has work accident record period of 2021/2022, during this period there is only one accident case which claim to the *BPJS Ketenagakerjaan* on SBYM dated 10 January 2022. All of work accident record and chronological. That work accident was reported to the Manpower Agency dated 10 January 2022.

There is a work accident report and a chronology of events. Where the incidence of work accidents has been reported to BPJS and the Manpower Office on January 10, 2022. The company has documented every work accident that occurred in the one-year recapitulation for the 2021/2022 period. Where during this period there were several cases that reached the

claim process to BPJS Employment, the incident occurred at Sungai Buaya Mill on January 10, 2022, there was a work accident in the Press Station and Digester 1A area. The victim suffered burns on his body and was given first aid by cleaning the body which was covered in baldness and hot oil with clean water. Then the clean body of the victim was covered with a clean towel and then taken to the Sidoharjo clinic. A work accident investigation has also been carried out by following up:

- Conducting socialization related to OHS and ISBPR,
- Closing the digester feed chute and press feed chute,
- Install OHS warnings regarding digester operation when conditions are abnormal,
- Schedule regular digester inspections.

### 6.7.3.

The unit of certification has provided free PPE's in the period of 2021/2022 to all estates and mill workers. The PPE's is in accordance to the potential risk in the field. In addition, the results of field observation to the central warehouse on SBYM, SBYE, MSJA, GALA sighted that there is excess PPE's stock as a reserve, if there is a damaged PPE for employees. It was related to the interview result with estates and mill workers, they were explained that damage PPE will be replaced with new PPE. Therefore, each of division were provided mixing area, PPE and work tools storage with adequate conditions.

The interview results from Remote audit via video call are as follows:

- The results of interviews in the field at the weighbridge station found drivers (contractors) wearing shoes. Next to the Press station, it was found that the operator had used ear plugs. The unit of certification has demonstrated compliance with the mandatory use of PPE in POM. Based on the results of the interview, the certification unit has shown the minutes of the submission of PPE on February 16, 2022 and a disciplinary inspection of the use of PPE on February 23, 2022.
- The results of the interview with the spray foreman at SBYE, it was found that the foreman had used a respirator mask where there was an application of chemicals on the block. Based on the results of the interview, the certification unit has shown the minutes of the submission of PPE on 3 February 2022 and a disciplinary inspection of the use of PPE on 17 February 2022.

The company has sent reasonable PPE, especially PPE with a short service life, some examples of PPE handing over at SBYM include:

- workers at the SBYM factory who were given the handover of masks on January 12, 2022 to 3 employees of the processing station at the Sungai Buaya Factory
- Workers at GALA Estate who were given handover of PPE Cloth Masks on January 8, 2022 to 9 employees in Division 7
- Workers at GALA Estate who were given handover of PPE Cloth Masks on June 8, 2021 to 13 employees in Division 5
- Workers at GALA Estate who were given the handover of Rubber Gloves on June 8, 2021 to 5 employees in division 5
- Workers at GALA Estate who were given the handover of Rubber Gloves on April 24, 2021 to 24 employees in Division 6

The results of field observations and interviews with employees show that the company has provided sanitation facilities for workers who use chemicals so that employees can take a shower before returning to their respective homes.

Some examples of MSJA KKPA PPE Stock as of 31 March 2022

No	Name of Product	unit	Quantity
1	Safety Helmet	Piece	77
2	Helmet Strap	Piece	78
3	Eagle A2 bracket	Piece	77
4	Blue Eagle Visor	Piece	74
5	Egrek scabbard	Piece	156
6	Pentawin Boots	Pair	661
7	cloth gloves	Pair	39

7	mask nose mask	Piece	91
8	Apron (spray clothing)	Piece	50
9	Rubber gloves	Pair	21
10	NP 305 Respirator (Mask)	Piece	60
11	Leather gloves	Pair	1
12	Earmuffs	Pair	1
13	Plastic glasses	Piece	35
14	RC cartridge 209	Piece	127

Some examples of GALA Estate PPE Stock as of 24 February 2022

No	Name of Product	unit	Quantity
1	cloth gloves	Piece	504
2	Face shield weeding	Piece	15
3	Apron	Piece	10
4	Rubber gloves	Piece	177
5	safety helmet	Piece	16
6	Weeding mask	Pair	42
7	Weeding cartridges	Pair	91
7	Boots	Piece	5
8	Safety shoes	Piece	3
9	Spray clothes	Pair	46
10	Fertilizer mask	Piece	88
11	Face Shield harvester	Pair	214
12	Bracket	Pair	24
13	Earmuff	Piece	1

Some examples of SBYM PPE Stock as of 24 February 2022

No	Name of Product	unit	Quantity
1	Helmet suspension fas trac	Piece	15
2	Safety helmet compi set	Piece	11
3	Leather gloves	Pair	18
4	Rubber gloves	Pair	4
5	Mechanical cloth gloves	Pair	41
6	30 KV . electric gloves	Pair	2
7	cloth mask	Piece	2
7	Long style safety shoes	Pair	2
8	Safety boots PVC with toe cap	Pair	38
9	safety harm	Pair	1
10	Ear plugs for employees	Pair	6
11	Respirator mask	Piece	8
12	Rain coat (pants + shirt)	Pair	1
13	Fire hydrant hose	Piece	3

The results of field observations and interviews with employees show that the company has provided sanitation facilities for workers who use chemicals so that employees can take a shower before returning to their respective homes.

#### 6.7.4.

Based on document verification results, it was known that all level workers been registered on Social Insurances (*BPJS Ketenagakerjaan & Kesehatan*). However, there are some employees who choose to be registered as Health Insurance from government with Contribution Beneficiary Categories. The auditor team has verified social insurance payment in each unit

on December 2021 and March 2022. For example: SBYM: 142 permanent workers worker paid dated 10 March 2022 by bank transfer. There were also several work accidents on the mill and estate claim during last year, for example: RS (Helper Press) with minor accident dated 10 January 2022 been reported/claimed to the relevant agencies dated 17 January 2022.

#### 6.7.5

The unit of certification is still consistent to monitor of work accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of non-effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of Severity Rate and Frequency Rate is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety. For examples in period of 2021 in MSJA, there are 755 workers, working hours: 1,397,741; accident cases: 1; FR 1 & SR: 19. SBYM period of 2021, there are 146 workers; accident cases: 2; FR: 5.61 & SR: 25.24.

Status: Comply

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

#### 7.1

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

##### 7.1.1

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

- Justification of pesticide usage as shows through census analysis. For example, based on census Orytes in 31 January 2022, it was identified 4 Blocks in Division 2 SBYE with level of incidence less than 5 % (threshold limit). Thus, insecticide is applied as recommended by SMARTRI. Based on census in January 2022, all incidence were bellow threshold limit, thus there is no pesticide application during that period.
- Estate management has preferred to control pest population towards biological method instead of chemicals. For example, rat population control through adopting Tyto alba on the field by installing barn owl box. Each box is expected to covers rat population in radius 10-30 ha. Furthermore, *Oryctes* sp. population control through pheromone trap, net trap, hole trap and light trap. Moreover, leaf eating caterpillar population control through planting of beneficial plants such as *Turnera subulata* and *Antigonon leptopus* that usually founded in adjacent with main or collection road. This biological control has verified during field observation to all estate.
- Estate management has conducted several trainings or refreshment which aims to maintain workers knowledge and skills towards IPM. For example, training of MSDS, scheduled waste management, work instruction of pesticide application, PPE policy and pesticide application policy had conducted in GALA on 16 March 2022, attended by 62 participants from GALA workers

#### Early Warning System

Based on the results of the January-February 2022 census, it has been shown that there are no pest attacks that exceed the economic threshold value.

#### Beneficial Plant

Based on the results of field observations, Remote Audit using Video Calls and interviews with the company's management unit, it was explained that the Company had planted and cared for beneficial plants of the *Antigonon leptopus* and *Turnera subulata* species as UPDKS predatory hosts.

### Born Owl Box

To control rat pests, the company uses owls (*Tyto alba*) by installing barn owl box in each garden with the norm of 1 barn owl box for an area of 30 ha. The company also monitors the condition of the cages listed in the Owl Monitoring Data and located in each cage.

Based on the results of Field Observations at GABA Estate through a remote audit using video calls and video recordings provided by the management unit, including the Born Owl Box located in Block E06 Division 6 in good condition and functioning well, Beneficial Plant, namely the Antigonon plant in Block B45 Division 6 is in a well-maintained and well-maintained condition, the Turnera Subulata Plant in block B 42 Division 6 is also in a well-maintained and well-maintained condition.

#### 7.1.2

The unit of certification uses beneficial plants, including the Turnera Ulmifolia species that grows naturally and is maintained by the company. Vetiver Grass (erosion-retaining plants) which are classified as invasive species based on the Minister of Environment and Forestry No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016 concerning Invasive Types. The company can show recordings of Beneficial Plant monitoring in monitoring its spread.

Based on the document review information, the company does not use invasive species that are introduced according to government regulations in force in the managed area. The company grows useful plants, namely flowers at eight o'clock with the type Turnera Ulmifolia. In addition, based on the results of interviews with company management, it is known that the company also uses plants that grow naturally and are maintained by the company.

#### 7.1.3

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

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

Status: Comply

### 7.2

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

#### 7.2.1

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

- Based on the Oryctes census in January 2022, identified 4 Blocks in Division 3 SBYE with an incidence rate of less than 5% (threshold). Therefore, insecticides are applied according to SMARTRI recommendations. Based on the January 2022 census, all incidences were below the threshold, so there was no pesticide application during that period.
- Based on the Oryctes census in January 2022, 2 Blocks were identified in Division 3 SBYE with an incidence rate of less than 5% (threshold). Therefore, insecticides are applied according to SMARTRI recommendations.
- Based on the January 2022 census, all incidences were below the threshold, so there was no pesticide application during that period

#### 7.2.2

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

**SBYE**

Pesticide	Active Ingredient (a.i.)	Consumption 2020		Consumption 2021 (up to Mar)		
		Ltr or kg	(g a.i./ha)	Ltr or kg	(g a.i./ha)	
Herbicide						
Roll Up 480 SL	Isoprophyl Glyphosate	Amine	5,640.31	0.30	3.410	0.38
Erkafuron 20 WG	Methyl Metsulfuron		469.73	0.17	160.47	0.10
Starane 480 EC	Fluoroksipir		628.84	0.08	409.58	0.18
Garlon 670 EC	Triclophyr Ester	Butoxy Ethyl	278.53	1.13	-	-
Garlon Mix 333	Triclophyr Ester	Butoxy Ethyl	92.00	1.00	35.15	1.00
Rolifos 150 SL	Ammonium Glufosinate		573.87	0.53	-	-
Insecticide						
Cymbush 50 EC	Cypermethrin		3,265.77	0.20	2,396.44	0.28
Decis 25 EC	Diltamethrin		107.50	0.20	-	-
Marshal 5 G	Carbosulfan		11,003.84	1.36	11,367.37	1.222
Marshal 200 EC	Carbosulfan		199.60	1.36	-	-

**MSJA**

Pesticide	Active Ingredient (a.i.)	Consumption 2020		Consumption 2021 (up to Mar)	
		Ltr or kg	(g a.i./ha)	Ltr or kg	(g a.i./ha)
Roll Up 480 SL	Isoprophyl Glyphosate Amine	4,460.98	0.25	4,132.53	0.25
Erkafuron 20 WG	Methyl Metsulfuron	221.94	0.12	219.16	0.12
Starane 480 EC	Fluoroksipir	652.03	0.06	634.99	0.06
Garlon Mix 333	Triclophyr Butoxy Ester	596.23	1.00	529.94	-

**GALA**

Pesticide	Active Ingredient (a.i.)	Consumption 2020		Consumption 2021 (up to Mar)	
		Ltr or kg	(g a.i./ha)	Ltr or kg	(g a.i./ha)
Roll Up 480 SL	Isoprophyl Glyphosate Amine	3,927.73	0.25	3,105.75	0.25
Erkafuron 20 WG	Methyl Metsulfuron	410.10	0.06	39.74	0.06
Starane 480 EC	Fluoroksipir	91.57	0.01	476.67	0.01
Garlon Mix 333	Triclophyr Butoxy Ester	132.18	1.00	263.10	1.00

**GALA LD 50 toxicity pesticide usage data in January to December 2021**

Pesticide	Active Ingredient (a.i.)	LD 50 (mg/Kg)	% active Ingredients	Total Active Ingredients	Total applications	Total applications (Ha)	Pesticide Unit / Ha
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Roll Up 480 SL	Isoprophyl Amine Glyphosate	> 5,000	41.00	1,273.36	3,105.75	12,422.99	0.0000205
Erkafuron 20 WG	Methyl Metsulfuron	> 5,000	20.00	0.79	39.74	6,815.71	0.0000001
Starane 480 EC	Fluoroksipir	> 5,000	48.00	476.67	476.67	3,179.42	0.0000067
Garlon Mix 333	Triclophyr Butoxy Ethyl Ester	> 5,000	24.00	63.14	263.10	263.10	0.0000480

**MSJA LD 50 toxicity pesticide data in 2021**

Pesticide	Active Ingredient (a.i.)	Target weed	Registration holder name	Registration number	Permit expiry date	Herbicide class	LD 50
Roll Up 480 SL	Isoprophyl Amine Glyphosate	broad and narrow leaf weeds,	PT. Rolimex Kimia Nusamas	RI 10301200 42133	3 September 2023	Class III	> 5,000
Erkafuron 20 WG	Methyl Metsulfuron	broad and narrow leaf weeds,	PT. Rolimex Kimia Nusamas	RI 10301201 55148	3 September 2023	Class U	> 5,000
Starane 480 EC	Fluoroksipir	broadleaf weed	PT. Dow Agroscience Indonesia	RI 10301200 83155	2 February 2023	Class U	> 5,000
Garlon Mix 333	Triclophyr Butoxy Ethyl Ester	broadleaf weed	PT. Dow Agroscience Indonesia	RI 10301201 55148	31 January 2025	Class I	> 5,000

Based on information from the results of document review and management unit interviews that the company has recorded/documented the use of pesticides based on the LD50 and the number of applications from January to December 2021. According to the Table above, it could be concluded that insecticide has only consumed in SBYE, especially on replanting areas in Division 4 and 5. Active ingredients used are relatively low and in accordance with agronomist recommendation.

**7.2.3**

Unit of certification monitors and evaluates pesticide consumption every year. All plantation managers show trends in pesticide consumption during the period 2020 to 2021, which are summarized as follows:

- SBYE: herbicide consumption fluctuates, because there are substitutions between them. Insecticides are only used for Oryctes sp. population control started in 2019 and increased during 2021-2022 due to replanting activities that were mostly carried out in 2021-2022 in Division 4 and Division 5.
- MSJA and GALA: most of the pesticides used are herbicides and no pesticides are used to control insect or rodent populations.

**7.2.4**

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

also adopted for pest population control such as planting of beneficial plants, pheromone trap, light trap and hole trap.

### 7.2.5

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

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

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

### 7.2.6

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

- SBYE: Training of MSDS, scheduled waste management, work instruction of pesticide application, PPE policy and pesticide application policy had conducted in the employee halls of division 1 and division 4 of SBYE on 24 and 25 May 2021, attended by 66 participants from SBYE workers.
- MSJA: Training of IPM, work instruction on pesticide application, MSDS, hazardous material and scheduled waste handling had conducted in MSJA coordination meeting room on 29 May 2021, attended by 58 participants.
- GALA: Training of IPM, pesticide application work instructions, MSDS, hazardous materials and scheduled waste management. Integrated pest control training in the GALA OHST meeting room on March 16, 2022 was attended by 62 participants from GALA workers.

Based on observation to pesticide application activities in Division 2 Block I16 SBYE, Division 7 Block A48 GALA and Division 1 Block D4 MSJA, it was known that applicators had equipped with proper PPE (respirator, face shield, rubber gloves, apron, set of wear pack and boots), as well as able to explain and demonstrate technical matters of application such as prohibition area for application (riparian zone and conservation areas), considering wind flows, PPE management, hazardous symbols, target of application, medical check up requirement, etc.

### 7.2.7

Based on interviews, it is known that all pesticides and other agricultural chemicals are stored in the Central Warehouse located in the SBYE emplacement complex. However, a special place for mixing pesticides is available in each emplacement Division. In addition, there is also a special place for PPE for storing pesticide applicators. Pesticides placed in the Division Store are only allowed for two days, during the application process. The used pesticide containers are then sent to the Scheduled Garbage Warehouse located in the Central Warehouse complex. In addition, as observed in employee housing

complexes in SBYM, SBYE, GALA and MSJA, it was found that there was no reuse of used pesticide containers for household purposes, plant pots and water containers.

### 7.2.8

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

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

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

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

### 7.2.9

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

### 7.2.10

Unit of Certification shows:

- Decree of the Director General of Manpower Supervision and Occupational Safety and Health Number 5/151/AS.02/XI/2020 dated November 30, 2020; regarding guidelines for occupational safety and health (OHS) implementation of health checks for workers during the COVID-19 pandemic, that in terms of aspects of OHS medical checks cannot be carried out (initial, periodic, special), so to postpone temporarily. This postponement does not invalidate the company's obligation to carry out health checks for workers.
- PT Sumber Indah Perkasa Central Clinic document sent by the company doctor to all EM and FM number 0145/KLK-SBYE/VIII/2021, dated 27 August 2021, regarding the postponement of the 2021 medical examination. Medical examination for SBYE, GABA, SMRE, GALA, MSJA, SBYM and SMRM from 1 July to 3 August 2021 were stopped due to the confirmation of Covid -19 in the work unit and the development of the distribution zone in Tulang Bawang Regency as of 30 June and as of 3 August 2021 it was red. The inspection will be carried out if the Covid-19 spread zone in Tulang Bawang and Mesuji Districts is yellow.
- \*With the information above, the implementation of the 2021 health examination cannot be carried out.
- For 2022 the company shows a letter from PT SIP Central Clinic, Number 0074/KLK-SBYE/II/2022, dated 17 February 2022, regarding special and general health checks in 2022, information about the schedule for a special examination will be held in March 2022 and a general inspection in August 2022, the implementation of the inspection of activities will continue to see the condition of the level of risk of spreading COVID-19 in the work units of the Tulang Bawang Regency and Mesuji Regency. The types of examinations that will be carried out include Cholinesterase, audiometry, history taking and physical examination.
- The results of the cholinesterase inspection, spray officers and agrochemical warehouse SBYE, dated February 21, 2022, a total of 37 workers examined with normal results and recommendations can work according to work

The results of cholinesterase inspection, spray officers and KKPA MSJA agrochemical warehouse, dated March 14, 2022, a total of 36 workers examined with normal results and recommendations can work according to work

#### 7.2.11

Based on document verification sighted that there are women spraying only in MSJA, the pregnancy test was conducted every month. In accordance to pregnancy test to 6 women worker, it was known that no pregnancy condition. Therefore based on interview result with spraying workers in SBYE and GALA sighted that there were no women workers during period of 2021/2022 on both of estates.

Unit of certification shows Decree of “*Dirjen Pembinaan Pengawasan Ketenagakerjaan dan Keselamatan dan Kesehatan Kerja*” or Director General for Labor Inspection and Occupational Safety and Health (OSH) No. 5/151/AS.02/XI/2020 dated 30 November 2020 about guidelines on OSH for the postponed of healthcare monitoring (medical checkup) implementation during COVID-19 Pandemic, temporarily. However, this postponed statement is not invalidated the company obligation to carry out such kind of medical check up (initial, periodic or special) to workers. As response on the decree, company doctor sent a letter to all EM and FM number 0074/CLK-SBYE/II/2022 dated 17 February 2022, regarding the postponement of the 1st semester special medical examination to be continued in March 2022 and the general examination of all employees in August 2022. The 2nd semester special medical examination is scheduled September 2022. The health checks at the SBYE, GALA, MSJA work units were stopped due to a confirmed case in the village around the work unit. Health checks will be carried out again on 21-28 March 2022. Moreover, unit of certification has arranged program on special medical check up for pesticide applicators on March 2022 in all estates. According to the notes above, unit of certification is encouraged to implementing special medical check up program with adopting strict health protocols.

Based on the results of the ASA-1.3 verification regarding OFI in the special health examination program, ASA-1.1 + 1.2 has implemented a Special MCU and periodic MCU examinations at PT SIP using strict health protocols. Based on information on documentation review and management unit interviews that the company has carried out special and periodic inspection activities carried out in 2022. Some examples of activities carried out by the PT SIP company in the implementation of periodic and special MCUs include:

- MSJA Estate
  - Special MCU Checkup  
The company has carried out a Special MCU examination using the Tintometer measurement method and the tested parameter, namely blood cholinesterase which was carried out at MSJA with 36 participants consisting of sprayers, spray foremen and warehouse heads on March 14, 2022. normal conditions and follow-up recommendations for employees to continue working.
  - Periodic MCU Checks  
The company has conducted periodic MCU inspections conducted at MSJA with 36 participants consisting of sprayers, spray foreman and warehouse head on March 14, 2022. Based on the results of periodic inspections (MCU) that the sprayer, spray foreman, warehouse head are in normal condition and recommendations follow-up for employees can continue to work.
- GALA Estate
  - Special MCU Checkup  
The company has carried out a Special MCU examination using the Tintometer measurement method and the tested parameter, namely blood cholinesterase which was carried out at MSJA with 53 participants consisting of sprayers, spray foremen and warehouse heads on June 30, 2021. normal conditions and follow-up recommendations for employees to continue working.
  - Periodic MCU Checks  
The company has conducted periodic MCU inspections conducted at MSJA with 53 participants consisting of sprayers, spray foreman and warehouse head on June 30 2021. Based on the results of periodic inspections (MCU) that the sprayer, spray foreman, warehouse head are in normal condition and recommendations follow-up for employees can continue to work.
- SBYE Estate
  - Special MCU Checkup  
The company has carried out a Special MCU examination using the Tintometer measurement method and the tested

parameter, namely blood cholinesterase which was carried out at MSJA with 37 participants consisting of sprayers, spray foremen and warehouse heads on February 21, 2021. normal conditions and follow-up recommendations for employees to continue working.

- Periodic MCU Checks

The company has conducted periodic MCU inspections conducted at MSJA with 37 participants consisting of sprayers, spray foreman and warehouse head on February 21 2021. Based on the results of periodic inspections (MCU) that the sprayer, spray foreman, warehouse head are in normal condition and recommendations follow-up for employees can continue to work

Status: Comply

### 7.3

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

#### 7.3.1, 7.3.2, and 7.3.3

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

- Permit of Hazardous Waste Storage for SBYE, GABA, SMRM and GALA is presented in Decree of Environment Agency Head No. 660/190.a/V.9/TB/V/2017 dated 29 May 2017, valid for five years (2022). Company has submitted extension of Permit of TPS-LB3 on 25 March 2022 based on Letter No. 06/D&L/SIP-LH/III/2022 to Environmental Agency of Tulang Bawang Regency.
- Permit of Hazardous Waste Storage for SBYM, MSJA and SMRE is presented in Decree of Environment Agency Head No. 660/02/LBBB/IV.14/MSJ/2017 dated 14 December 2017, valid for five years (2022).

Unit of certification has transported hazardous and toxic waste in collaboration with PT Primanru Jaya on 11 January 2022 at SBYM using vehicle No. B 9013 OZ and presented in Minutes of Handover of Hazardous and Toxic Waste and its manifest on each transported hazardous and toxic waste as follows.

Type of Waste	Units	Volume	No. Manifest
Used lubricant	Ton	0.3573	KLHK-1646469922
Used accu	Ton	0.1141	KLHK-1646469345
Used rags	Ton	0.014	KLHK-1646469569
Used rags filter oil	Ton	0.0322	KLHK-1646469867
Used TL lamp	Ton	0.0029	KLHK-1646565403
Contaminated package	Ton	0.1288	KLHK-1646469103

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

Year	Empty Bunch (ton)	Fiber (ton)	Shell (ton)
2021	53,916.08	32,092.91	14,762.74

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

Month (2021)	Land Application (m <sup>3</sup> )
January	40,378
February	29,570
March	24,968
April	22,868
May	8,268



June	13,660
July	20,083
August	15,705
September	15,227
October	12,216
November	6,989
December	18,754
<b>Total</b>	<b>189,779</b>

Based on document verification, company has shown Permit of Domestic Waste Water Disposal No. 660/01/IPLC-D/IV.14/MSJ/2020 which was issued by One-Stop Integrated Service and Investment Service of Mesuji Regency on 6 April 2020.

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

Based on field observation to Hazardous Waste Storage in SBYM, SBYE, and MSJA hazardous waste from each unit has been stored to hazardous waste storage which has been equipped with emergency response facilities such as fire extinguisher, alarm, spill kit, emergency shower, secondary containment and first aid kit. Hazardous waste has been stored based on toxicity and hazardous characteristics, e.g., empty chemical containers and battery waste are stored in different location in hazardous waste storage in SBYM and GALA. Besides, each stored waste is given MSDS and recorded in a logbook. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. In addition, the certification unit also manages domestic waste by dumping it into landfills and then burying it when it is full. The company does not incinerate domestic waste, there are several warning boards on residential, factory and estate locations to prohibit burning waste. The results of video observation also show that the company has managed domestic and hazardous waste quite well. Based on interview with management representative, solid waste management, e.g., in housing area of estate and mill, is sorted into organic and inorganic waste. Organic waste is composted in back yard while inorganic waste is disposed into landfill.

**Status: Comply**

#### 7.4

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

##### 7.4.1

The company did not update the policy document/SOP at the time of the audit in the field of oil palm cultivation, including the policy regarding the Fertilization SOP (SOP / SMART / MCAR / IX / TA-PPK) dated 12 June 2012 about manuring to maintain soil fertility. The company has implemented practices to optimize production results in accordance with established procedures, including:

- SMARTRI takes soil and leaf samples regularly to ensure the elements needed by plants for optimal production. The results of the analysis of the tested soil and leaves will be the basis for determining the dose of fertilizer in each Estate.
- Fertilization activities that prioritize the principles of being on time, on target, at the right dose and on application. In addition, marginal soils (sandy) are given extra fertilization in the form of empty bunches at a dose of 40 tons / ha.
- The company's commitment to no longer use pesticides with the active ingredient paraquat or those belonging to the WHO Class 1A and 1B groups.
- Application of palm oil effluent (POME) to increase soil fertility. For example, the POME application at SBYE.
- Maintenance of cover crops to reduce evaporation (maintain soil moisture). For example planting legumes (*Mucuna bracteata*) and maintenance of soft ferns (*Nephrolepis bisserata*). To all employees, spraying is always conveyed at morning apples not to spray the plants.
- Monitoring the implementation of SOPs, among others, is carried out through an internal audit mechanism conducted



by the OIA Department every semester

Procedure mentioned that dosage of fertilizer application program on the nursery, immature and mature areas shall be based on Agronomist of SMARTRI recommendation as refers to leave and soil sampling analysis. Furthermore there is several work instruction (WI) related to this matters as follows:

- WI No. IK No. IK/SMART/MCAR/IX/TA-PPK/02 dated March 26, 2012 about manuring of legumes and land cover crop.
- WI No. IK No. IK/SMART/MCAR/IX/TA-PPK/03 dated March 26, 2012 about anorganic manuring on immature area.
- WI No. IK/SMART/MCAR/IX/TA-PPK/04 dated March 26, 2012 about empty fruit bunches (EFB) mulching in immature area.
- WI No. IK/SMART/MCAR/IX/TA-PPK/05 dated March 26, 2012 about leaf sampling unit.
- WI No. IK/SMART/MCAR/IX/TA-PPK/06 dated March 26, 2012 about soil sampling unit.
- WI No. IK/SMART/MCAR/IX/TA-PPK/08 dated March 26, 2012 about anorganic manuring in immature area.
- Appendix No. LAMP/IX/TA-PPK/01 dated March 26, 2012 about nutrient deficiency solving for macro and micronutrient towards field observation.

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

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

#### 7.4.2

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

##### Leaf analysis

- SBYE: Document Ref. No. 173/DAUN/LAB-SMARTRI/III/2021 dated 29 March 2021.
- GALA: Document Ref. No. 247/DAUN/LAB-SMARTRI/IV/2021 dated 20 April 2021
- MSJA: Document Ref. No. 248/DAUN/LAB-SMARTRI/IV/2021 dated 20 April 2021

Parameter analysis in leaf sampling included dry elements of macro nutrients (N, P, K, Mg and Ca) and micro nutrients (B, Cu, Zn).

##### Soil analysis

- Document Ref. No. 118/TANAH/LAB-SMARTRI/OUT-18/II/2019 dated 20 February 2019.
- Document Ref. No. 122/TANAH/LAB-SMARTRI/OUT-18/II/2019 dated 25 February 2019.
- Document Ref. No. 120/TANAH/LAB-SMARTRI/OUT-18/II/201 dated 23 February 2019
- Document Ref. No. 43/TANAH/LAB-SMARTRI/III/2020 dated 23 March 2020.

Parameters analyzed in soil sampling include soil type, soil group, sampling depth, pH, CEC, C-Org, N, C/N ratio, available P, Total P, soil nutrient content (Ca, Mg, K) and soil nutritional status. In addition to LSU and SSU considerations, a visual

assessment of the condition of oil palm vigor by the Agronomist is also carried out annually to monitor changes in nutrient status for some special corrections in fertilization calculations

### 7.4.3

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

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

### POME Application

Unit of certification has shown POME application document in 2021 as follows.

Plan : 110,002 m<sup>3</sup> (880.02 Ha) = 125 m<sup>3</sup>/Ha/Year

Realization : 228,786,00 m<sup>3</sup> (1,830.29 Ha) = 125 m<sup>3</sup>/Ha/ Year

### Empty Bunch Application

Unit of certification has shown fronds application document in 2021 as follows.

Plan : 43,593.60 Ton (1,453.12 Ha) = 30 Ton/Ha/ Year

Realization : 58,535.00 Ton (1,951.17 Ha) = 30 Ton/Ha/ Year

### 7.4.4

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

Fertilizer	Volume of Application (ton)		
	SBYE	GALA	MSJA
Urea	446.41	2,561.30	2,366.75
DAP	0.15	-	-
MOP	963.12	3,242.50	3,112.10
HGFB	-	31.68	-
Super Dolomite	-	854.35	1,428.17
Kieserite	23.45	31.65	3.45
TSP	339.12	332.10	59.00
Egyptian RP	620.83	890.25	856.65
NPK 12.12.17.2	35.41	-	-
NPK 15.15.6.4	3.77	-	-
Agroblend	0.48	-	-
Bayfolan	-	-	-
Kaptan	121.79	-	-
CuSO <sub>4</sub>	16.72	-	-
Land Application	228.78	-	-
EFB	58.53	-	-

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

**Status: Comply**

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

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

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

Based on explanation above, it could be concluded that in general fragile and marginal areas were mainly due to presence of peat with various depth. Furthermore, another marginal limitation was mainly due to presence sandy soil texture areas and low soil fertility.

**7.5.2**

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

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

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

**7.5.3**

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

**Status: Comply**

**7.6**
**Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.**
**7.6.1**

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

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

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

### 7.6.2

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

#### Peat area

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

#### Sandy texture area

To enhance organic matters on sandy areas, as well as nutrient cycle strategy, estate management has conducting by-product application through EFB mulching with dosage about 30 ton/ha/year (or about 220 kg/palm/year), as observed to Division 2 Block I10 SBYE and through land application with dosage 375 m<sup>3</sup>/ha/year, as observed to Division 2 Block G15 SBYE.

#### Low soil fertility

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

### 7.6.3

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

- To install drainage system along main road and collection road, included field drain with pattern 1:4. Desilting has also carried out for water discharge thus expected to minimize acidity level.
- To install water gate as observed in Block E29 SBYE for water supply in main drain. Water level management on collection drain is conducted through sandbag where the level is monitored on the measurement stick on the collection drains.

To install piezometer, logger and subsidence pole as observed to Division 2 Block H18 SBYE. The subsidence poles are installed on harvesting lines and between rows

<b>Status: Comply</b>
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### 7.7

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

#### 7.7.1

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

#### 7.7.2

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

Land Usage Category	Certified Area (ha)	Non-Certified Area (ha)
Total planted area	8,459.13	-
Total planted on peat area	2,316.25	-
Infrastructure on peat area	189,40	-
Conservation on peat area	-	-
Peat rehabilitation area	-	-

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

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

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

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

The realization of replanting planting activities in peat areas at PT Sumber Indah Perkasa (SIP) has been carried out since 2019 and will be completed in 2023. Replanting is carried out with several considerations:

- PT Sumber Indah Perkasa (SIP) has completed a drainability assessment (DA) in 2021 using a Tier 2 approach referring to the Drainability Assessment Procedure (DAP) in 2019;
- Based on the results of the study, it was obtained that DLT > 40 for all blocks so that the recommendations made were Go-Replanting Area;
- Currently, the process of submitting DA to RSPO will be carried out in stages and starting from Sinarmas plantations in Riau (2 PT) while waiting for RSPO approval regarding approval of the methodology used for DA analysis which for the duration required for the review process of the previous document is L-2 years ;
- And for information that all peat areas in PT SIP are cultivated areas and there are no protected areas

PT SIP is currently making adjustments and re-detailing the 2021 DA report regarding the update of PT SIP's area statement in 2022 and will soon submit the report to the RSPO at the end of April 2022. Based on interviews from the company's management unit, it has documented and inventoried peat areas located within the managed areas and reported to the RSPO Secretariat

### 7.7.3

Monitoring on subsidence is conducted every month. Form of monitoring inform location, number and position of poles,

coordinates, date of checking and measurement table. In total, there are 22 subsidence poles within SBYE operational areas, installed nearby piezometer logger.

The company has shown monitoring of peat subsidies in 2021-2022, monitoring is done monthly. The document explains the area of monitoring, the number and position of the measuring device, the coordinates, the date of check, and the height. The examples are as follows: The SBYE D33 block has 3 monitoring points, namely top, middle and bottom with gauges located on circle path, the internal path and the inter-row. Based on the results of monitoring on 5 Januari 2022 it was found that there was no peat reduction (initial height 300 mm and final height 300 mm).

The company has monitored the ground water level data (TMAT) of the Ministry of Environment and Forestry which is carried out every week for the period 2021 at the SBYE unit. Peat subsidence monitoring points are carried out in blocks D33, E29, E32, F24, F26, F31, F33, G25, G27, D31, H18, H21.. Based on the monitoring results on January 5, 2022, it is known that there is no peat subsidence (initial height 300 mm and final height 300mm), it was known that average subsidence rate on these areas was about 1 cm/year. The subsidence pole installed on the harvesting path and inter-row. Just nearby subsidence pole, there was piezometer logger which the location of installation was recommended by Department of Environment and Forestry of Indonesia. Total logger installed in SBYE was 11 units. This indicates that water management on peat areas in Division 5 is considered satisfactory. Furthermore, for water level control on the main drain, estate management has installed Water Gate in Division 5 Block D33. At the time of field visit, it was found that after rain water level in main drain was 30 cm.

#### **7.7.4**

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

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

There is a peat area water management program for 2021-2022 with the following activities: Water management program on peatlands. Subsidence monitoring which is carried out once a week is carried out every Monday. Measurement and monitoring of the KLHK piezometer which is carried out once a week on every Monday. Monitoring groundwater level measurements (Pal Scale) Water level monitoring is available. Peat subsidence monitoring points are carried out in blocks D33, E29, E32, F24, F26, F31, F33, G25, G27, D31, H18, H21. The company also shows documents related to monitoring ground water levels at compliance points on a monthly basis in each estate. Land cover planting in peat areas is available in the form of legume cover crop planting. The example is the realization of planting beans for the December 2021 period in Division II covering an area of 41.45 Ha and Division IV SBYE covering an area of 531.15 ha.

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

#### **7.7.5**



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

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

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

Replanting realization activities in peat areas at PT Sumber Indah Perkasa (SIP) have been carried out since 2019 and will be completed in 2023. Replanting is carried out with several considerations:

- PT Sumber Indah Perkasa (SIP) has completed a drainability assessment (DA) in 2021 using a Tier 2 approach referring to the Drainability Assessment Procedure (DAP) in 2019;
- Based on the results of the study, it was obtained that  $DLT > 40$  for all blocks so that the recommendations made were Go-Replanting Area;
- Currently, the process of submitting DA to RSPO will be carried out in stages and starting from Sinarmas plantations in Riau (2 PT) while waiting for RSPO approval regarding approval of the methodology used for DA analysis which for the duration required for the review process of the previous document is L-2 years ;
- And for information that all peat areas in PT SIP are cultivated areas and there are no protected areas

PT SIP is currently adjusting and re-detailing the 2021 DA report regarding the update of the PT SIP area statement on 2022 and will immediately submit the report to the RSPO at the end of April 2022. Therefore, the unit of certification is encouraged to ensure that a revised drainage assessment process to the RSPO is prepared and planned for delivery in April 2022. **OFI**

Based on interviews with company management units in handling peat areas, plantation managers have carried out several peat and water management such as monitoring water levels through floodgate management, monitoring water levels through peat logger and/or logger measurements, monitoring peat subsidence, selective weeding. and installation. field drainage in a 1:4 patter over all peat areas.

#### **7.7.6**

Based on information from management unit interviews that there are peatlands in Division 5, it was known that several peat management strategy that had carried out by estate management is summarized as follows:

- To conduct drainability assessment before replanting. Replanting is stop when analysis shows status for “No-Go”.
- To adopt drainage system on the main road and collection road, included field drain system with pattern 1:4 with palm density during replanting about 160 palms/ha.
- To conduct water management which aims to retain water as much as possible on the plantation areas through monitoring of water level on water gate, monitoring of water table by piezometer checking and monitoring of peat

subsidence as main indicator of water management success. Water level is setted between 50 to 70 cm.

- To implement selective weeding which aims to retain soil moisture on the planting areas

### 7.7.7

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

Status: Comply

## 7.8

### Practices maintain the quality and availability of surface and ground water

#### 7.8.1

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

#### Ground Water Testing

Ground water quality testing is conducted by Testing Laboratory (KAN Reg. No. LP-001-IDN) in September 2021 and refers to Minister of Health Regulation (*Permenkes*) No. 32 in 2017. There were 12 parameters tested. For example, result of parameter BOD<sub>5</sub>, pH, Cd, Pb and Zn is presented as follows:

Parameter	Threshold	Semester II 2021 Results				
		Block H14	Block G14	Block G16	Housing 1	Housing 2
BOD <sub>5</sub> (mg/l)	-	5.16	34.7	11.4	3.63	4.68
pH	6.5 – 8.5	6.55	6.55	6.54	6.64	6.67
Cd (mg/l)	0.005	<0.0015	<0.0015	<0.0015	<0.0015	<0.0015
Pb (mg/l)	0.05	<0.0014	<0.0014	<0.0014	<0.0014	<0.0014
Zn (mg/l)	15.00	0.16	0.16	< 0.0023	< 0.0028	< 0.0028

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

#### Surface Water Testing

Surface water quality testing is conducted by Testing Laboratory (KAN Reg. No. LP-001-IDN) in September 2021 and refers to Water Quality Class II in Government Regulation (PP) No. 22 in 2021. Parameters tested has covered physics, inorganic chemistry, microbiology and organic chemistry criteria. For example, result of parameter pH, BOD<sub>5</sub>, COD, total coliform, oil and fat, in Buaya River (upstream and downstream), as follows:

Parameter	Threshold	Semester II 2021 Results	
		Buaya River (upstream)	Buaya River (downstream)
pH	6 – 9	6.87	6.75
BOD <sub>5</sub> (mg/l)	3	2.61	2.9
COD (mg/l)	25	18.2	22.6
Total coliform (Qty/100 ml)	5,000	700	1600
Oil and fat (mg/l)	1	0.40	0.30

Parameter	Threshold	Semester II 2021 Results	
		Pidada River (upstream)	Pidada River (downstream)
pH	6 – 9	6.88	6.87
BOD <sub>5</sub> (mg/l)	3	2.13	2.67

COD (mg/l)	25	11.0	16.3
Total coliform (Qty/100 ml)	5,000	110	280
Oil and fat (mg/l)	1	0.30	0.30

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

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

### 7.8.2

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

### 7.8.3

There is effluent Plant (WWTP) in SBYM. The company has implementing land application with permit No. B/411/I.02/HK/MSJ/2017 dated 03 October 2017, valid for 5 years. Monitoring of effluent outlet is conducted on monthly basis as refers to the Decree of Minister of Health (*Kepmen LH*) No. 29 in 2003. Nine parameters measurement and analysis are conducted by Testing Laboratory (KAN No. LP-833-IDN). For example, results of testing during September 2021 – February 2022 are presented as follows:

Parameter	Unit	Threshold	Results in September 2021 – February 2022					
			Sep	Oct	Nov	Dec	Jan	Feb
pH	-	6.0 – 9.0	7.0	7.4	7.5	7.4	7.8	7.4
TSS	mg/l	-	4380	2016	546	380	448	586
BOD	mg/l	5,000	388	1023	347	698	215	157
COD	mg/l	-	1295	1678	1158	2329	716	976
Oil & Grease	mg/l	-	2	3	7	3	4	5
Cu	mg/l	-	0.02	0.02	<0.01	0.01	0.03	0.03
Pb	mg/l	-	<0.1	<0.1	<0.1	<0.1	0.03	0.2
Zn	mg/l	-	1	0.01	0.05	1	1	1
Cd	mg/l	-	<0.003	<0.003	<0.003	0.01	0.02	0.01

Standard: *Kepmen LH* No. 29/2003

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

### 7.8.4

PT SIP has permit of water resources usage (mining) for oil palm processing which presented in Decree of Minister of PUPR No. 513/KPTS/M/2017 dated 27 July 2017, valid for five (5) years. Total volume permitted is 8.9 llt/sec or 23,068.80 m<sup>3</sup>/month in 24 hours/day. According of water usage records, it was known that water usage in PT SIP is less than permitted volume. SBYM is able to shows water usage for oil palm processing in 2021, presented as follows:

Month (2021)	Total Water Used		
	FFB	(m <sup>3</sup> )	(m <sup>3</sup> /tonFFB)
Januari	27,904.78	22,731.7	0.8
Februari	20,693.05	20,867.6	1.0
Maret	19,981.89	22,296.2	1.1
April	18,200.04	22,081.9	1.2
Mei	19,770.69	22,741.4	1.2
Juni	23,505.75	22,320.9	0.9
Juli	15,844.72	23,590.1	1.5
Agustus	17,442.83	23,228.4	1.3
September	22,500.61	23,064.2	1.0
Oktober	23,704.59	23,956.9	1.0
November	23,751.88	20,942.5	0.9
Desember	23,442.43	23,027.6	1.0
Total	256,743.26	270,849.4	1.1

According to the table above, some of water used ratio for oil palm processing in 2021 are above was about company budget which projected about 1.20 m<sup>3</sup>/ton FFB which are in May, July, and August 2021. Unit of certification has evaluated the cause which is due to large number of washing equipment/machinery/tank factory so that it consumes more water in July, August and October 2021. Based on field observation to WTP station in SBYM, it was found that flowmeter for domestic and processing (in Boiler Station) purposes were in good condition

**Status: Comply**

## 7.9

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

### 7.9.1

Mill management has reused fiber and kernel shell as alternative of energy sources, replacing fossil fuels. Potential energy 1 kg of kernel shell and 1 kg of fibre in SBYM are 4,105 kCal and 2,637 kCal, respectively. Furthermore, energy needs for processing and non-processing were 1,000 kW and 200 kW, respectively. Estimation of 1 litre of Diesel could produce 3.50 kW or 9,063 kCal. For example, recapitulation efficiency during period January to December 2021 is presented as follows:

Parameter	Number
Total Volume of Shell Used (kg)	14,983,414
Total Volume of Fibre Used (kg)	32,092,908
Total Energy Produced (kCal)	146,135,910,783
Energy Used (kCal/ton CPO)	13,251
Saving Diesel Usage (lt)	1,438,611.14
Saving Cost (IDR)	10,134,931,374
Saving of Diesel (lt/ton CPO)	338.17

According to the table above, it could be concluded that within one year, mill management has calculated that efficiency of by-products usage as energy source could reduce production cost for about IDR 10,134,931,374 per year or 338.17 litre/ton CPO. Based on document verification, there is plan of biogas plant development which has been captured in addendum of environmental permit in 2020.

**Status: Comply**

## 7.10

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

### 7.10.1

The company also has conducted GHG emission calculations period 2021 (January–December) use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of Net GHG Emissions

Emissions per product	tCO <sub>2</sub> e/tProduct
CPO	2.30

PK 2.30

Description	Unit	Value
Oil palm planted on mineral soil	Ha	18213.15
Oil palm planted area on peat	Ha	1102.48
Total oil palm planted area	Ha	19315.63
Conservation area (Forested)	Ha	0.00
Conservation area (Non-Forested)	Ha	80.20
FFB Production per hectare	t/Ha	21.70
OER	%	20.39
KER	%	4

#### Mill Emissions and Credits

Description	tCO2	tCO2e/t FFB
Emission Sources		
POME	50326.04	0.20
Fuel Consumption	311.53	0.00
Grid Electricity Utilization	0.00	0.00
Credits		
Export of Excess Electricity to Housing & Grid	0.00	0.00
Sale of PKS	0.00	0.00
Sale of EFB	0.00	0.00
Total	50850.55	0.20

#### Summary of field emission and Sinks

Emissions Sources	Own crop		Group		3rd	Total
	tCO2e	tCO2e/t FFB	tCO2e	tCO2e/t FFB	tCO2e	
Emission Source						
Land conversion	40401.17	0.16	0.00	0.00	0.00	0.00
CO2 emissions from fertilizer	16239.32	0.06	0.00	0.00	0.00	0.00
N2O emissions from peat	5877.29	0.02	0.00	0.00	0.00	0.00
N2O from Fertilizer	14636.87	0.06	0.00	0.00	0.00	0.00
Fuel consumption	5168.08	0.02	0.00	0.00	0.00	0.00
Peat oxidation	42868.05	0.17	0.00	0.00	0.00	0.00
Sinks						
Crop sequestration	-23286.84	-0.09	0.00	0.00	0.00	0.00
Sequestration in Conservation area	0.00	0.00	0.00	0.00	0.00	0.00

<b>Total</b>	<b>101903.94</b>	<b>0.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Production</b>	<b>t/yr</b>					
FFB Processed	256,743.32					
CPO Production	52347.72					
<b>Palm Oil Mill Effluent (POME) Treatment</b>						
Divert to compost						0
Divert to anaerobic digestion						100
<b>POME Diverted to Anaerobic Digestion</b>						
Divert to anaerobic pond						100
Divert to methane capture (flaring)						0
Divert to methane capture (electricity generation)						0
Based on document verification, GHG emission for CPO and PK production from previous assessment is 2.30 tCO <sub>2</sub> e/tProduct, while GHG emission for CPO and PK production from previous assessment is 2.51 tCO <sub>2</sub> e/tProduct. GHG emission for this assessment has been decreased than previous assessment. This happened due to reduction of fossil fuel used by mill in period of 2021.						
<b>7.10.2</b>						
Based on document verification and management interview, there is no new operational areas have been added until ASA-1.3.						
<b>7.10.3</b>						
The company has identified sources of GHG which further explained in Indicator 7.10.1 Management plan and monitoring of GHG mitigation procedure was presented in document No. SOP/SMART/CERS-EHSD/SADV/II/005 dated 01 July 2014. Among GHG mitigation plan which agreed by SPO Officer, PC and RC Lampung in 12 January 2019, which already implemented is presented as follows:						
<ul style="list-style-type: none"> <li>Efficiency of fuel consumption and measures efficiency of by-products (kernel shell and fiber) usage as renewable energy sources in Boiler. For example, monitoring of efficiency is described in Indicator 7.9.1</li> <li>Fertilizer application as recommended by Agronomist, which considering an optimum dosage, time and place of application. Soil fertility improvement due to land application and EFB mulching shall be monitored.</li> <li>Pesticide consumption as refers to integrated pest management principle and adoption of biological method for pest population control. Pesticides used shall be recognized by Pesticide Commission.</li> <li>Efficiency of electric consumption. For example, monitoring of electricity efficiency is described in Indicator 7.9.1</li> </ul>						
<b>Status:</b>						
<b>7.11</b>						
<b>Fire is not used for preparing land and is prevented in the managed area.</b>						
<b>7.11.1</b>						
Based on observation in estate operational areas and information from village representatives, as well as representatives from Environmental Agency and Agriculture/Plantation Agency of Tulang Bawang and Mesuji Regency, it was known that there is no use fire for land preparation and replanting activities.						
<b>7.11.2</b>						
Unit of certification has established the preventive and control fire cases in the year of 2021 with several activities, such as: socialization of forest fire prevention to employees on check roll; therefore to the surrounding village, installing the signboard for prohibits of burning on the strategic places, basic training to the all of staff, adding firefighting tools, hotspot and fire spot monitoring from towers and patrols, giving permission to several cow breeders to take grass as partners in case of an incident fires, daily monitoring of forest fire by public metrology center (satellite). Based on the results of monitoring in 2021, it was known that there have never been any fire cases. It was also strengthened by interview result from related agencies in Tulang Bawang Regency and Mesuji Regency.						



**7.11.3**

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

- Socialization to contractor on 16 Februari 2022 which was attended by 4 participants.
- Socialization to surrounding community from Village of Tri Tunggal Jaya on 15 March 2022 which was attended by 3 participants
- Socialization to communities from Villages of S Asri, K Mulya, Karya B, G Harapan, B Rejo, P Rajawali, Ps Balang, Binabumi, Sukarame dated 15 February 2021.

Besides, company has also established and developed *Masyarakat Siaga Api* (MSA) as one of proof of stakeholders' engagement for fire prevention and control measures. This establishment was conducted on 10 November 2021 and participated by surrounding communities including representatives of Village of Sidomukti, Sidoharjo, Talang Batu, Tritunggal Jaya, Wiratama, Bandar Aji Jaya, etc.

Based on interview result with several workers, worker union, surrounding community' representatives, it was known that the company has disseminated information about the prohibition of burning and effort to prevent forest fires on a regular basis, besides that there were also warning sign installed in the strategic places.

**Status: Comply**

**7.12**

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

**7.12.1, 7.12.2, 7.12.5 & 7.12.8**

There is no new planting after November 2005 and 01 January 2010. Reporting of zero liability (disclosure) or submission to RSPO has conducted on 29 August 2014. HCV assessment of PT SIP is carried out by Environment Department Staff of PT SMART from 08 June 2010 to 10 November 2011, with report finalization in December 2011. The certification unit did not do land clearing after 15 November 2018. Therefore, the company has no obligation to conduct an HCS study. There is four Assessors which all were RSPO-Approval HCV Assessor, lead by ALS Licensed Assessor No. ALS140217NM). Peer review of report is conducted by Resit Sözer, an independent consultant in December 2010, while public consultation had been carried out in 10 November 2011, attended by 51 stakeholders. Based on report study it was informed that HCV area is presented as follows:

**SBYE**

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

**MSJA**

Type of HCV	Identification Results	Location	Hectarage (ha)
1.1 1.3 4.1	Lake zone	Dasiem Lake	5.42
1.2	Protected Fauna: <ul style="list-style-type: none"> <li>• <i>Ardeola speciosa</i> (Blekok Sawah)</li> </ul>	MSJA Area	-

	<ul style="list-style-type: none"> <li>• <i>Bubulus ibis</i> (Kuntul Kerbau)</li> <li>• <i>Ardea purpurea</i> (Cangak Laut)</li> <li>• <i>Ardea sumatrana</i> (Cangak Merah)</li> <li>• <i>Elanus caeruleus</i> (Elang Tikus)</li> <li>• <i>Alcedinidae</i> spp.</li> <li>• <i>Felis bengalensis</i> (Macan Akar)</li> </ul>		
6	Cemetery of elders: <ul style="list-style-type: none"> <li>• Mbah Mul</li> <li>• Mbah Setajim</li> <li>• General Cemetery Sidodadi</li> </ul>	Block D04 Block C07 Block B 20	-
<b>Total</b>			<b>5.42</b>

**GALA**

Type of HCV	Identification Results	Location	Hectarage (ha)
1.2	Protected Fauna: <ul style="list-style-type: none"> <li>• <i>Ardeola speciosa</i> (Blekok Sawah)</li> <li>• <i>Bubulus ibis</i> (Kuntul Kerbau)</li> <li>• <i>Ardea purpurea</i> (Cangak Laut)</li> <li>• <i>Ardea sumatrana</i> (Cangak Merah)</li> <li>• <i>Elanus caeruleus</i> (Elang Tikus)</li> <li>• <i>Alcedinidae</i> spp.</li> <li>• <i>Felis bengalensis</i> (Macan Akar)</li> <li>• <i>Lariscus insignis</i> (Tupai Tanah)</li> <li>• <i>Crocodilus porosus</i> (Buaya Muara)</li> </ul>	GALA area	-
6	General Cemeteries: <ul style="list-style-type: none"> <li>• Old Cemetery Bangunrejo</li> <li>• General Cemetery Rejomulyo</li> <li>• General Cemetery Karyamakmur</li> <li>• General Cemetery Pasang Batang</li> <li>• General Cemetery Bangunrejo</li> <li>• General Cemetery Panca Tunggal Jaya</li> <li>• General Cemetery for babies</li> </ul>	Block A19 Block B26 Div 5 Block C41 Div 6 Block C06 Div 1 Block D12 Div 3 Block A29 Div 4 Block A59 Div 9	-
<b>Total</b>			<b>-</b>

The total HCV is 52.72 ha with details of 26.51 ha (SBYE) outside the planted area and 26.21 ha (SBYE and KKPA) still in the planted area.

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

**7.12.3**

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

**7.12.4, 7.12.6 & 7.12.7**

Unit of certification has established HCV management program which is presented in the annual HCV management plan based on the previous result of HCV management and monitoring. Result of HCV management and monitoring in 2021 is presented in Report of HCV Management and Monitoring PT SIP 2021 document. Based on document review, it is shown

that result of HCV management and monitoring in 2021 has been implemented in accordance with management plan, e.g., HCV socializations to employee and local communities has been done, flora and fauna monitoring has been conducted, and HCV area in PT SIP is maintained. Besides, unit of certifications has established follow-up action towards HCV monitoring results in 2021, e.g., to maintain socialization of HCV to employees and to improve the performance of management and monitoring of HCV. These results have been fed back into the management plan 2022.

HCV management and monitoring plan 2022 is established in each estate and KKPA. For example, HCV management plan for period 2022 in SBYE was issued on 30 December 2021. Among the programs are monthly monitoring in riparian area of Tapa River, quarter monitoring of primary and secondary fauna, annual HCV socialization to employees and surrounding communities, weekly monitoring patrol, monitoring and maintenance of HCV attributes in several locations.

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

- Signboard of protected fauna and UU No. 05/1990 installation and/or maintenance 2020 in SBYE, MSJA and GALA totalling for about 10, 11 and 18 pcs, respectively.
- Fauna monitoring results in 2021 in all PT SIP consist of 1 species of Aves and 1 herpetofauna.
- Update List of fauna revision status from Government Regulation (PP) No. 7 in 1999 to Minister of Forestry and Environment Regulation (*Permen LHK*) No. 106 in 2018.
- Monitoring of soil erosion, degradation, sedimentation rate and debit rate, as well as its evaluation is available and presented in HCV management and monitoring report 2021.

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

- HCV socialization in SBYE has been conducted on 17 March 2022 which were attended by 5 participants from surrounding communities.
- HCV socialization in GALA has been conducted on 18 June 2021 which were attended by employees of 14 participants.
- HCV Socialization in MSJA has been conducted on 27 December 2021 which were attended by 5 participants. Besides, HCV socialization to smallholders has been conducted on 15 January 2022 which were attended by 24 participants.

Unit of certification has already integrated management plan which is documented in Resume of Master Plan of HCV Management and Monitoring of 2019 – 2024. Furthermore, for improvement and input from stakeholders, it also has been delivered to relevant institution, e.g., Conservation and Natural resources Board (BKSDA) of Lampung Province on 1 April 2022.

Based on field observation, HCV management has been implemented in form of HCV signboard in each location and no spray signboard in riparian instalment. Based on interview with employees and surrounding communities, it was known that they had known that there is RTE species and HCV area in the company operational area

<b>Status: Comply</b>
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3.2. Conformity Checklist of Certificate and Trademark Use

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-1.3</b>	The company does not use RSPO trademark.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA-1.3</b>	The company does not use RSPO trademark.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA-1.3</b>	The company does not use RSPO trademark.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-1.3</b>	The company does not use RSPO trademark.	√
	<b>Status: Comply</b>	

### 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 17 January 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.

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><i>Company Group/Holding Statement:</i> 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"> <li>1. PT Sawitakarya Manunggul – Sawita Mill: Pre-Audit 2015, Compliance Audit 24 - 31 May 2021</li> <li>2. PT Smart Tbk – Bukit Kapur Mill: Pre-Audit 2015, Compliance Audit 15 November 2021</li> <li>3. PT Sinar Kencana Inti Perkasa – Kasuari Mill: Pre-Audit 2015, Compliance Audit 11 October 2021</li> <li>4. PT Agrolestari Mandiri – Pekawai Mill: Pre-Audit 2015, Compliance Audit 01 March 2021</li> <li>5. PT Binasawit Abadi Pratama – Perdana Mill: 14 June 2021</li> <li>6. PT Agrokarya Prima Lestari – Kuayan Mill: Pre-Audit 2014, Compliance Audit 13 September 2021</li> <li>7. PT Mitrakarya Agroindo – Tangar Mill: Pre-Audit 2015, Compliance Audit 27 September 2021</li> <li>8. PT Paramita Internusa Pratama – Belian Mill: Pre-Audit 2015, Compliance Audit 28 June 2021</li> </ol>

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



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>16. PT Adi Tunggal Mahajaya (Sako Mill and supply base) compliance audit on 8 November 2021.</p> <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"> <li>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.</li> <li>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.</li> <li>3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit plan on 17 May 2022.</li> <li>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.</li> <li>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.</li> <li>6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari Persada) that has been certified with an internal audit plan on 8 August 2022.</li> <li>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.</li> </ol> <p><i>Notes:</i>  <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.</i></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><b>Company Group/Holding Statement:</b>  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</p>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>and Zero Liability reporting to the RSPO via email on 29 August 2014.</p> <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"> <li>1. PT Kencana Graha Permai (Delima Estate) – Kalimantan Barat</li> <li>2. PT Agrolestari Sentosa – Kalimantan Tengah</li> <li>3. PT Sumber Indah Perkasa – Papua</li> <li>4. PT Kresna Duta Agroindo – Kalimantan Timur</li> </ol> <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"> <li>1. PT Kencana Graha Permai (Delima Estate) – Kalimantan Barat</li> <li>2. PT Sumber Indah Perkasa – Papua</li> <li>3. PT Kresna Duta Agroindo – Kalimantan Timur</li> </ol> <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"> <li>1. PT Kartika Prima Cipta – Kalimantan Barat</li> <li>2. PT Agrolestari Mandiri – Kalimantan Barat</li> </ol> <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"> <li>1. PT Cahaya Nusa Gemilang – Kalimantan Barat</li> <li>2. PT Paramitra Internusa Pratama – Kalimantan Barat</li> <li>3. PT Bangun Nusa Mandiri – Kalimantan Barat</li> <li>4. PT Persada Graha Mandiri – Kalimantan Barat</li> <li>5. PT Satya Kisma Usaha (Medan Sari Estate) – Kalimantan Tengah</li> <li>6. PT Binasawit Abadi Pratama – Kalimantan Tengah</li> <li>7. PT Aditunggal Mahajaya – Kalimantan Tengah</li> <li>8. PT Mitrakarya Agroindo – Kalimantan Tengah</li> <li>9. PT Agrokarya Primalestari – Kalimantan Tengah</li> <li>10. PT Buana Adhitama – Kalimantan Tengah</li> <li>11. PT Sinar Kencana Inti Perkasa – Kalimantan Selatan</li> <li>12. PT Sawita Karya Manunggul – Kalimantan Selatan</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>d) The LUCA (Land Use Change Analysis) report has been approved is PT Satya Kisma Usaha (Batang Gading Estate) – Jambi.</p> <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"> <li>1. PT Kruing Lestari Jaya</li> <li>2. PT Harapan Rimba Raya</li> <li>3. PT Rimbaraya Tamajaya</li> <li>4. PT Agrolestari Subur Sejahtera</li> <li>5. PT Agrolestari Hijau Sentosa</li> <li>6. PT Kharisma Riau Sentosa Prima</li> <li>7. PT Mitranusa Permata</li> </ol> <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"> <li>• Submission of Disclosure and LUCA on semester 1 of 2022</li> <li>• Submission of Concept Notes on Semester 2 of 2022</li> <li>• Approval RaCP Proposal on Semester 1 of 2023</li> </ul> <p>For the RaCP process, smallholders scheme will be adjusted to the 2023 timebound along with the new acquisition company.</p> <p><b>Auditor Verification:</b></p>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>Based on auditor verification, not all uncertified unit conduct new clearing after Nov 2005, but for uncertified unit with land clearing after Nov 2005 has follow RaCP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> <li>1. PT Kencana Graha Permai - Kalimantan Barat (Delima 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.</li> <li>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.</li> <li>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.</li> <li>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</li> <li>5. PT Kartika Prima Cipta – Kalimantan Barat (Muara Tawang Estate), the LUCA report which is still in the RSPO review process.</li> <li>6. PT Agrolestari Mandiri – Kalimantan Barat (Pekawai Mill and supply bases), the LUCA report which is still in the RSPO review process.</li> <li>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.</li> <li>8. PT Paramitra Internusa Pratama – Kalimantan Barat (Belian Mill, Belian Estate and Tengkwang Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>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.</p> <p>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.</p> <p>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.</p> <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 (Sajiri 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 Manunggul – 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 Manunggul Estate). The company is still collecting information and documentation regarding the fulfillment of RaCP obligations.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b></p> <p>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"> <li>1. PT Satya Kisma Usaha – Jambi</li> <li>2. PT Kresna Duta Agroindo – Kalimantan Timur</li> <li>3. PT Mitra Karya Agroindo – Kalimantan Tengah</li> <li>4. PT Binasawit Abadi Pratama – Kalimantan Tengah</li> <li>5. PT Aditunggal Mahajaya – Kalimantan Tengah</li> <li>6. PT Agrolestari Sentosa – Kalimantan Tengah</li> <li>7. PT Agrokarya Primalestari – Kalimantan Tengah</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<ol style="list-style-type: none"> <li>8. PT Buana Adhitama – Kalimantan Tengah</li> <li>9. PT Agrolestari Mandiri – Kalimantan Barat</li> <li>10. PT Paramitra Internusa Persada – Kalimantan Barat</li> <li>11. PT Persada Graha Mandiri – Kalimantan Barat</li> <li>12. PT Bangun Nusa Mandiri – Kalimantan Barat</li> <li>13. PT Kartika Prima Cipta – Kalimantan Barat</li> <li>14. PT Kencana Graha Permai – Kalimantan Barat</li> <li>15. PT Cahaya Nusagemilang – Kalimantan Barat</li> </ol> <p><i>Auditor Verification:</i> 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"> <li>1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base): there is no new land clearing after January 2010</li> <li>2. PT Agrolestari Mandiri (Pekawai Mill and supply base): NPP on 26 April 2014</li> <li>3. PT Binasawit Abadi Pratama (Perdana Mill and supply base): NPP on 8 July 2014</li> <li>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.</li> <li>5. PT Mitra Karya Agroindo (Tangar Mill and supply base): NPP on 26 April 2014</li> <li>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.</li> <li>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.</li> <li>8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): there is no new land clearing after January 2010.</li> <li>9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): NPP on 26 April 2014</li> <li>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.</li> <li>11. PT SMART (Bukit Kapur Mill and supply base): there is no new land clearing after January 2010.</li> <li>12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014.</li> <li>13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and</li> </ol>



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>supply base): NPP on 8 July 2014.</p> <p>14. PT Sawitakarya Manunggul (Sawita Mill and supply base): there is new land clearing after January 2010 in Sawita KKPA and company not conduct NPP. This is become subject of sanction.</p>
2.1.4	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><b>Company Group/Holding Statement:</b></p> <p>No land conflicts. The company has a land conflict resolution mechanism in accordance with the RSPO criteria 4.2, 4.6, 4.7 and 4.8. This procedure is contained in the SOP for handling social conflicts with the registration number SOP/SMART/SCRD/NSDV/II/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/II/001 revision 2 dates April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/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"> <li>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).</li> <li>2. Complaint on 2 March 2020 to GAR (Central Kalimantan Region) from Forest Peoples Program &amp; 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 &amp; practices, the company rejected the ToR for Legal Review on March 26, 2021. Until now</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>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.</p> <p>3. Complaint on 19 October 2018 to GAR (Kapuas Hulu Region, West Kalimantan) from the Forest Peoples Program (FPP) &amp; Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding legality. On 26 August 2021, the RSPO 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) &amp; 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><b>Auditor Verification:</b> 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"> <li>1. PT Sawitakarya Manunggul (Sawita Mill and supply base)</li> <li>2. PT SMART (Bukit Kapur Mill and supply base)</li> <li>3. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base)</li> <li>4. PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>5. PT Binawit Abadi Pratama (Perdana Mill and supply base)</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>6. PT Agrokarya Prima Lestari (Kuayan Mill and supply base)</p> <p>7. PT Mitra Karya Agroindo (Tangar Mill and supply base).</p> <p>8. PT Paramitra Internusa Pratama (Belian Mill and supply base)</p> <p>9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base).</p> <p>10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base).</p> <p>11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base)</p> <p>12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</p> <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><b>Company Group/Holding Statement:</b></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>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<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><i>Auditor Verification:</i> There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>
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><i>Company Group/Holding Statement:</i> 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/I/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"> <li>1. PT Djuandasawit Lestari (Muara Kandis Estate &amp; Muara Tawas Estate)</li> <li>2. PT Sawit Mas Sejahtera (Sawit Mas Estate)</li> <li>3. PT Bumi Sawit Permai (Bumi Sawit Estate)</li> <li>4. PT Forestralestari Dwikarya (Tanjung Rusa Estate)</li> <li>5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate)</li> <li>6. PT Ivo Mas Tunggal (Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate, Nenggala Estate)</li> <li>7. PT Buana Wiralestari Mas (Kijang Estate, Nagamas Estate, Nagasakti Estate)</li> <li>8. PT Ramajaya Pramukti (Ramarama Estate)</li> <li>9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate)</li> <li>10. PT Agrokarya Prima Lestari (Muara Tawang Estate, Kuayan Estate, Bukit Sentuhai Estate, Tajur Beras Estate, Seranau Estate)</li> <li>11. PT Buana Adhitama (Sapiri Estate)</li> <li>12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate)</li> <li>13. PT Mitra Karya Agroindo (Sungai Nusa Estate)</li> <li>14. PT Aditunggal Mahajaya (Sungai Ayawan Estate)</li> <li>15. PT Satya Kisma Usaha (Medang Sari Estate)</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>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)</p> <p>Beside that, there are some units still on process the land certificate (SHM) consists of:</p> <ol style="list-style-type: none"> <li>1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma)</li> <li>2. PT Ramajaya Pramukti (Ramarama Plasma)</li> <li>3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma)</li> <li>4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma)</li> <li>5. PT Djundasawit Lestari (Pandawa Plasma)</li> <li>6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma)</li> <li>7. PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma)</li> <li>8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma)</li> <li>9. PT Sawitakarya Manunggul (Sawita Plasma)</li> <li>10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma)</li> <li>11. PT Kresna Duta Agroindo (Rantau Panjang Plasma)</li> <li>12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma)</li> <li>13. PT Paramitra Internusa Pratama (Belian Plasma)</li> <li>14. PT Paramitra Internusa Pratama (Muara Tawang KKPA)</li> <li>15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA)</li> <li>16. PT Mitrakarya Agroindo (Sulin Plasma)</li> <li>17. PT Agrokarya Prima Lestari (Sapiri Plasma)</li> <li>18. PT Adi Tunggal Mahajaya (Sako Plasma)</li> <li>19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma)</li> <li>20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)</li> </ol> <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"> <li>1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate)</li> <li>2. PT Sumber Indah Perkasa (Mambruk Estate)</li> <li>3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate)</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate)</p> <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"> <li>1. PT Kruing Lestari Jaya</li> <li>2. PT Harapan Rimba Raya</li> <li>3. PT Rimbaraya Tamajaya</li> <li>4. PT Agrolestari Subur Sejahtera</li> <li>5. PT Agrolestari Hijau Sentosa</li> <li>6. PT Kharisma Riau Sentosa Prima</li> <li>7. PT Mitranusa Permata</li> </ol> <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><b>Auditor Verification:</b></p> <p>Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- PT Binawit Abadi Pratama (Perdana Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- 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 is PT Agrokarya Prima Lestari and PT Buana Adhitama.</li> <li>- PT Mitrakarya Agroindo (Tangar Mill and supply base, doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Sawit Mas Sejahtera (Sungai Kikim Mill and supply base), there is a legal non-compliance. Supply base for Sungai Kikim Mill is PT Sawit Mas Sejahtera and PT Bumi Sawit Permai. The legal non compliance which still on process is EIA revision.</li> <li>- PT Agrolestari Sentosa (Jalemo Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Adi Tunggal Mahajaya (Sako Mill and supply base), there is a legal non-compliance. Supply base for Sako Mill is PT Adi Tunggal Mahajaya, PT Mitra Karya Agroindo and PT Agrokarya Prima Lestari. The legal non</li> </ul>



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>compliance which still on process is Land Use Title (HGU).</p> <ul style="list-style-type: none"> <li>- PT SMART Tbk (Bukit Kapur Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- 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 community's plantation.</li> <li>- PT Bangun Nusa Mandiri (Kenari Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Djuanda Sawit Lestari: there is an area is still in process for HGU in Muara Wahau Estate (574.58 Ha)</li> <li>- PT Satya Kisma Usaha – Kalimantan Tengah: there is an area is still in process for HGU in Medang Sari Estate (24,41 Ha)</li> <li>- PT Sawit Mas Sejahtera: there is an area is still in process for HGU in Sawit Mas Sejahtera Estate (2,291 Ha)</li> <li>- PT Bumi Sawit Mas: there is an area is still in process for HGU in Bumi Sawit Mas Estate (773 Ha)</li> <li>- 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)</li> <li>- 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)</li> <li>- 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)</li> <li>- PT Ramajaya Pramukti: there is an area still in process for HGU Rama Rama Estate (318.76 Ha)</li> <li>- PT Bumipalma Lestari Persada: there is an area still in process for HGU Bumi Palma Estate (39.21 Ha)</li> </ul> <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"> <li>1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA.</li> <li>2. PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA.</li> <li>3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya).</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>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.</p> <p>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.</p> <p>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.</p> <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"> <li>1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate)</li> <li>2. PT Sumber Indah Perkasa (Mambruk Estate)</li> <li>3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate)</li> <li>4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate)</li> </ol> <p>There are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> <li>1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma)</li> <li>2. PT Ramajaya Pramukti (Ramarama Plasma)</li> <li>3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma)</li> <li>4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma)</li> <li>5. PT Djundasawit Lestari (Pandawa Plasma)</li> <li>6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma)</li> <li>7. PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma)</li> <li>8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma)</li> <li>9. PT Sawitakarya Manunggul (Sawita Plasma)</li> <li>10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma)</li> <li>11. PT Kresna Duta Agroindo (Rantau Panjang Plasma)</li> <li>12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma)</li> <li>13. PT Paramitra Internusa Pratama (Belian Plasma)</li> <li>14. PT Paramitra Internusa Pratama (Muara Tawang KKPA)</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA)</p> <p>16. PT Mitrakarya Agroindo (Sulin Plasma)</p> <p>17. PT Agrokarya Prima Lestari (Sapiri Plasma)</p> <p>18. PT Adi Tunggal Mahajaya (Sako Plasma)</p> <p>19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma)</p> <p>20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)</p> <p>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.</p>

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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.1 and ASA-1.2 Assessment

<b>NCR No.</b>	:		<b>Issued by</b>	:	
<b>Date Issued</b>	:		<b>Time Limit</b>	:	
<b>NC Grade</b>	:		<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:				
<b>Evidence observed</b> (filled by auditor):					
<i>There is no Non-conformity identified</i>					
<b>Non-Conformance Description</b> (filled by auditor):					
<b>Root Cause Analysis</b> (filled by organization audited):					
<b>Correction</b> (filled by organization audited):					
<b>Corrective Action</b> (filled by organization audited):					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):					
<b>Verified by</b>	:				

**3.4.2 Identification of Findings, Corrective Actions and Observations at ASA-1.3 Assessment**

<b>NCR No.</b>	:		<b>Issued by</b>	:	
<b>Date Issued</b>	:		<b>Time Limit</b>	:	
<b>NC Grade</b>	:		<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:				
<b>Evidence observed</b> (filled by auditor): <p style="text-align: center;"><i>There is no Non-conformity identified</i></p>					
<b>Non-Conformance Description</b> (filled by auditor): 					
<b>Root Cause Analysis</b> (filled by organization audited): 					
<b>Correction</b> (filled by organization audited): 					
<b>Corrective Action</b> (filled by organization audited): 					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): 					
<b>Verified by</b>	:				

**3.4.3 Opportunity for Improvement**

No	Ref. Std.	Description
1	7.7.5	Companies are encouraged to ensure the process of sending the revised drainability assessment to the RSPO which was previously prepared and planned to be sent in April 2022.

**3.4.4 Noteworthy Positive Components**

No	Ref. Std.	Description
1	-	Commitment to implement principles of sustainable oil palm plantation management.
2	-	Company has competent human resources in their respective fields.
3	-	Company has presented of documents quite good
4	-	Company has obtained a <i>PROPER</i> certificate with a Blue rating in 2020-2021.





**3.5 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Tritunggal Village Representative</b> <ul style="list-style-type: none"> <li>• The company has good relations and communication with the village</li> <li>• There are no issues such as overlapping land with mining, land disputes / conflicts, environmental pollution or land fires.</li> <li>• The company has provided socialization regarding the existence of conservation areas along with protected flora and fauna which are routinely carried out every year.</li> <li>• The company has provided equal employment opportunities for both local residents and non local residents.</li> <li>• The company has also realized CSR such as teacher operational funds, school children assistance, religious assistance, etc.</li> </ul>	<p>There's no negative issues need to further observation.</p>
<b>Wiraagung Village Representative</b> <ul style="list-style-type: none"> <li>• The company has a good relationship with the village community.</li> <li>• The company has CSR programs and realizations that really help the surrounding community.</li> <li>• There are no issues related to pollution in the company's operational environment or the area around the company.</li> <li>• The company creates job opportunities for the surrounding community.</li> <li>• Some communities cooperate with the company such as transporting FFB and empty fruit bunches.</li> <li>• There is no burning activity either in the village or around the company.</li> </ul>	<p>There's no negative issues need to further observation.</p>
<b>Land Agency of Mesuji District</b> <ul style="list-style-type: none"> <li>• There are no issues related to land disputes</li> <li>• All areas controlled by the company have been clean and clear.</li> <li>• There have been no complaints from the community or any parties regarding the land issue owned by the company</li> </ul>	<p>There's no negative issues need to further observation.</p>
<b>Environment Agency of Mesuji Regency</b> <ul style="list-style-type: none"> <li>• The company has permits of hazardous waste management and liquid waste utilization for land application which are still valid.</li> <li>• The company has submitted mandatory environmental management reports such as reports on liquid waste management, reports on every hazardous waste management, and reports on the implementation of RKL-RPL on a regular basis to Environment Agency of Mesuji Regency.</li> <li>• There is no environmental pollution from operational of the</li> </ul>	<p>There's no negative issues need to further observation.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
company has been reported to Environment Agency of Mesuji Regency.	
<b>EFB Transporter</b>  Each work is agreed upon in the work agreement. So far, the company has made payments according to what is stated in the work agreement and there has been no practice of bribery to get tenders. Regular socialization regarding compliance with the RSPO is always carried out, for example in terms of minimum wages, Employment and Health Insurance, and OHS aspects. PPE is provided for each employee	In general, there are no negative issues that need further clarification.
<b>Mechanical Contractor</b>  Each work is agreed upon in the work agreement. So far, the company has made payments according to what is stated in the work agreement and there has been no practice of bribery to get tenders. Regular socialization regarding compliance with the RSPO is always carried out, for example in terms of minimum wages, Employment and Health Insurance, and OHS aspects. PPE is provided for each employee	In general, there are no negative issues that need further clarification.
<b>Staff of the Manpower and Transmigration Office of the Mesuji Regency Government:</b> <ul style="list-style-type: none"> <li>PT SIP has implemented a minimum wage according to the Mesuji Regency drinking wage, because it is higher than the Bone Bawang Regency minimum wage</li> <li>PT SIP is orderly in submitting employment reports <ul style="list-style-type: none"> <li>During 2021 to 2022 there were no negative reports related to industrial relations</li> <li>PT SIP has reported the work agreement document for a certain time in February 2022</li> <li>In general, the facilities for employees and workers are quite decent</li> </ul> </li> <li>PT SIP is a company that complies with applicable laws and is very cooperative with the direction of the Manpower and Transmigration Office</li> </ul>	In general, there are no negative issues that need further clarification
<b>Gender committee representative (SBYE, SBYM, GALA, MSJA)</b> <ul style="list-style-type: none"> <li>During 2021 to 2022 there were no reports of sexual harassment of female workers</li> <li>There has been socialization regarding the rights of women workers, including menstrual leave, the right to breastfeed children at work, pregnancy check-ups,</li> <li>There is no discrimination in employment opportunities and promotion opportunities for female workers</li> </ul>	In general, there are no negative issues that need further clarification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>4, women's types of work are adapted to women's nature and have minimal risk to reproductive health</li> <li>The gender committee routinely identifies pregnant and lactating women, to ensure that female workers can work properly</li> </ul>	
<p><b>Labour union representatives</b></p> <ol style="list-style-type: none"> <li>1. During 2021 to 2022 there were no complaints regarding the fulfillment of workers' rights</li> <li>2. The wages of workers are in accordance with applicable regulations, using the Mesuji Regency minimum wage, because it is higher than the Bone Bawang Regency minimum wage</li> <li>2. There has been a collective work agreement, which is an agreement between the company and the workers and unions</li> <li>3. So far employee complaints can be responded to by the company according to applicable procedures and regulations</li> <li>4. Trade unions regularly hold meetings with workers to solicit workers' aspirations and complaints related to work, worker protection and workers' rights</li> </ol>	<p>In general, there are no negative issues that need further clarification</p>
<p><b>Agriculture Agency of Mesuji Regency</b>  Interviewee: Division Head of Plantation (<i>Kabid Perkebunan</i>)  Date of interview: 28 March 2022</p> <ul style="list-style-type: none"> <li>The company has Plantation Class I which authorized by Agriculture Agency of Lampung Province</li> <li>The company has submitted mandatory reports on time, such as Semester LKUP, Fire Monitoring Report and Land Use Report.</li> <li>The company has involved local community in arranging annual CSR program.</li> <li>There is no overlapping area with forest and/or customary area.</li> <li>There is no issues or reports from local and NGO related to fire incidences in PT SIP. Company facilities on fire management has considered satisfactory.</li> </ul>	<p>In general, there are no negative issues that need further clarification.</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Sumber Indah Perkasa Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><b><u>Yahya Mustakim</u></b> Friday, 15 April 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Briyogi Shadiwa</u></b> Friday, 15 April 2022</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	KUD Krida Sejahtera of GALA	Regency of Tulang Bawang	-	Via telephone	28 March 2022	√	-
2	Surrounding Village representatives from the Village of: • Tritunggal • Wiraagung	Regency of Tulang Bawang	-	Via telephone	28 March 2022	√	-
3	Gender Committee of GALA	Regency of Tulang Bawang	-	Via telephone	28 March 2022	√	-
4	EFB and Mechanical Contractor	Regency of Tulang Bawang	-	Via telephone	28 March 2022	√	-
5	Agricultural Agency	Mesuji Regency	-	Via telephone	28 March 2022	√	-
6	Environmental Agency	Mesuji Regency	-	Via telephone	28 March 2022	√	-
7	National Land Agency	Mesuji Regency	-	Via telephone	28 March 2022	√	-
8	Manpower and Transmigration Agency	Mesuji Regency	-	Via telephone	28 March 2022	√	-
9	Wahana Lingkungan Hidup Indonesia	South Jakarta City, Special Region of Jakarta Province, 12790	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Questionnaire via email	25 March 2022	-	√
10	World Wide Fund for Nature	West Jakarta City, Special Region of Jakarta Province, 12540	wwf-indonesia@wwf.or.id	Questionnaire via email	25 March 2022	-	√
11	Sawit Watch	Bogor, West Java Province, 16121	info@sawitwatch.or.id	Questionnaire via email	25 March 2022	-	√
12	AMAN	Special Region of Jakarta Province	rumahaman@cbn.net.id	Questionnaire via email	25 March 2022	-	√
13	<b>Sungai Buaya Mill</b> • 1 Sterilizer Station operator • 1 FFB Grading Station • 1 Boiler Station Operator • 1 operator engine • 1 WTP Operator • 1 WWTP Operator • 1 Warehouse Operator • 1 Hazardous Waste Storage Operator	PT SIP	-	Via telephone	30 March 2022	√	
14	<b>Sungai Buaya Estate</b> • 1 FFB harvesting employee • 1 Harvest foreman • 1 Fruit picker employee	PT SIP	-	Via telephone	30 March 2022	√	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> <li>• 1 Pesticide application employee</li> <li>• 1 plant weeding employee</li> <li>• 2 maintenance foremen</li> <li>• 1 Warehouse Operator</li> <li>• 1 Resident of Housing Complex</li> <li>• 1 Childcare Worker</li> </ul>						
15	<b>Gedung Aji Lama Plasma</b> <ul style="list-style-type: none"> <li>• 1 FFB harvesting employee</li> <li>• 1 Harvest foreman</li> <li>• 1 Fruit picker employee</li> <li>• 1 Pesticide application employee</li> <li>• 1 plant weeding employee</li> </ul>	PT SIP	-	Via telephone	31 March 2022	√	
16	<b>Mesuji Plasma (MSJA)</b> <ul style="list-style-type: none"> <li>• 1 FFB harvesting employee</li> <li>• 1 Fruit picker employee</li> <li>• 1 Pesticide application employee</li> <li>• 1 plant weeding employee</li> <li>• 1 Resident of Housing Complex</li> <li>• 1 Warehouse Operator</li> </ul>	PT SIP	-	Via telephone	31 March 2022	√	



**Appendix 2. Assessment Program**

DATE	27 - 31 March & 4 - 5 April 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Sunday, 27 March 2022</b>		
08.00 – 09.00	Coordination related technique, networking test method and process audit as well as document presentations.	All Auditor
<b>Monday, 28 March 2022</b>		
08.00 – 09.00	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	All Auditor
09.00 – 12.00	<b>Virtual Field observation to Sungai Buaya POM:</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Dispatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>Implementation of Employment Procedure and Mechanism Aspect.</li> <li>Implementation of Environmental Aspect.</li> </ul>	All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone</li> <li>Presentation of Daily Progress.</li> </ul>	All Auditor
<b>Tuesday, 29 March 2022</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>Public consultation with stakeholder to relevant agency in Mesuji Timur &amp; Tulang Bawang Regency by Phone</li> <li>Stakeholder consultation to affected communities surrounding the plantations and previous land owner by phone</li> </ul>	All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Continue interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone</li> <li>Presentation of Daily Progress.</li> </ul>	All Auditor
<b>Wednesday, 30 March 2022</b>		

DATE	27 - 31 March & 4 - 5 April 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<b>Virtual Field Observation to Sungai Buaya Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Implementation of Occupational Health &amp; Safety Aspect</li> <li>- Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>- Interview with related personnel during field observation via telephone.</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>• Continue Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone</li> <li>• Document review and completing audit checklist.</li> <li>• Presentation of Daily Progress.</li> </ul>	<b>All Auditor</b>
<b>Thursday, 31 March 2022</b>		
08.00 – 12.00	<b>Virtual Field Observation to KKPA Gedung Aji Lama &amp; KKPA Mesuji</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Implementation of Occupational Health &amp; Safety Aspect</li> <li>- Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>- Interview with related personnel during field observation via telephone.</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>• Continue Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone</li> <li>• Document review and completing audit checklist.</li> <li>• Presentation of Daily Progress.</li> </ul>	<b>All Auditor</b>
<b>Monday, 4 April 2022</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Presentation of Daily Progress.</li> </ul>	<b>All Auditor</b>
<b>Tuesday, 5 April 2022</b>		
	<b>Closing Meeting:</b>	

DATE	27 - 31 March & 4 - 5 April 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
09.00 – 10.00	<ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>• Comments, Responses and Questions</li> </ul>	<b>All Auditor</b>