



# PT MUTUAGUNG LESTARI

## ASSESSMENT REPORT

### *Roundtable on Sustainable Palm Oil Certification RSPO*

#### **[ ✓ ]** Surveillance

Name of Management Organisation : **Semilar Mill, PT Tapan Nadenggan subsidiary of Golden Agri Resources Ltd.**  
Plantation Name : PT Tapan Nadenggan: Semilar Estate and Sei Rindu Estate  
PT Buana Artha Sejahtera: Mandang Estate and Puri Estate  
Location : Rungau Raya Village, Sub District of Danau Seluluk, District of Seruyan, Kalimantan Tengah Province, Indonesia  
Certificate Code : **MUTU-RSPO/028**  
Date of Certificate Issue : 22 July 2018                      Date of License Issue : 22 October 2022  
Date of Certificate Expiry : 21 July 2023                      Date of License Expiry : 21 July 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 1.4	15, 16, 18 - 20 August 2022	Moh Arif Yusni, Yudhi Yuniarto Tallutondok, Radytio Puspanjana; Fauzi Prima Sanusi	Hasiholan Sihombing	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.4	19 September 2022

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on March 12<sup>th</sup>, 2014 with registration number *ASI-ACC-055*

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Figure 1. Location Map of PT Tapian Nadenggan and PT Buana Artha Sejahtera

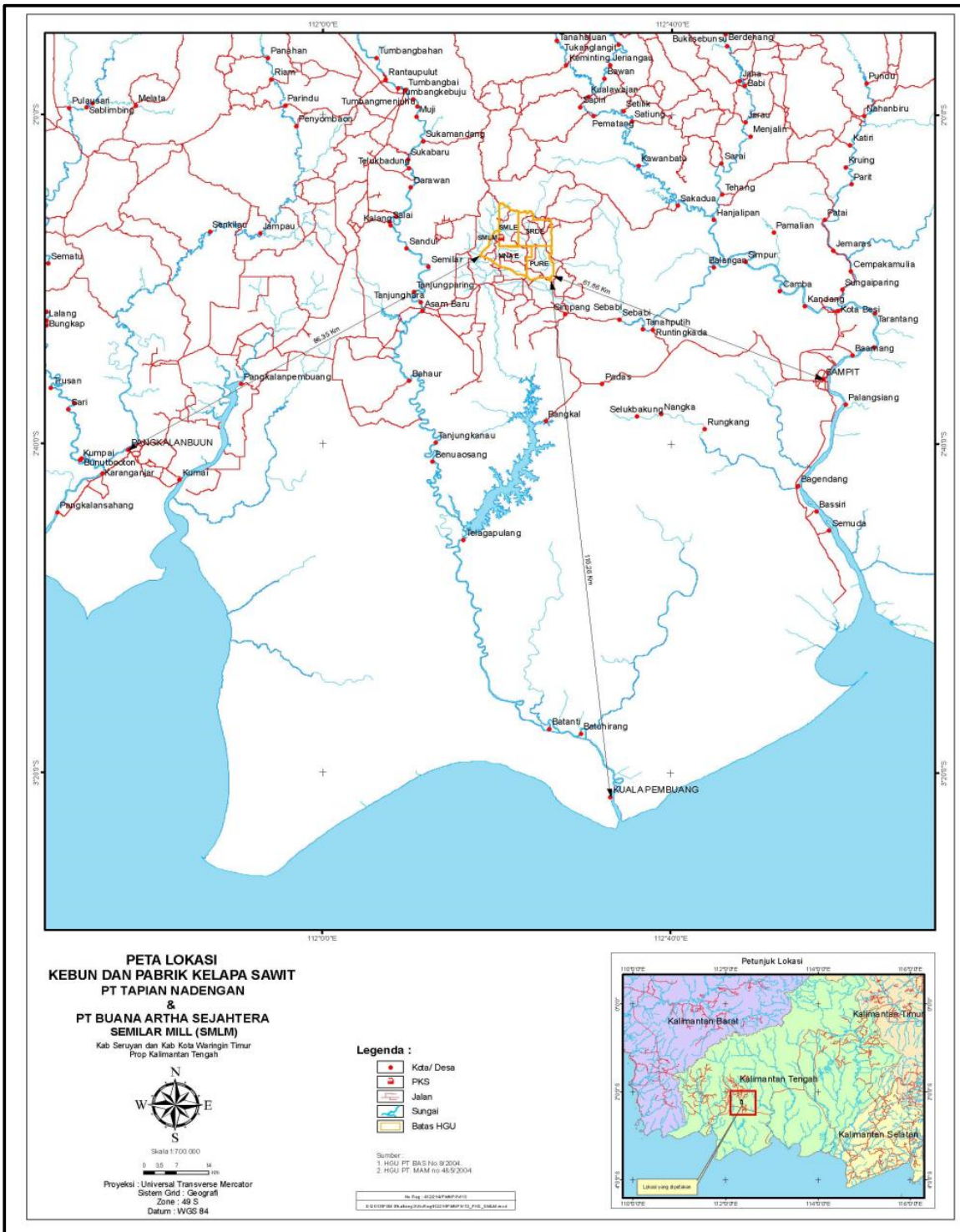


Figure 2. Operational Map of PT Tapian Nadenggan – Semilar Estate

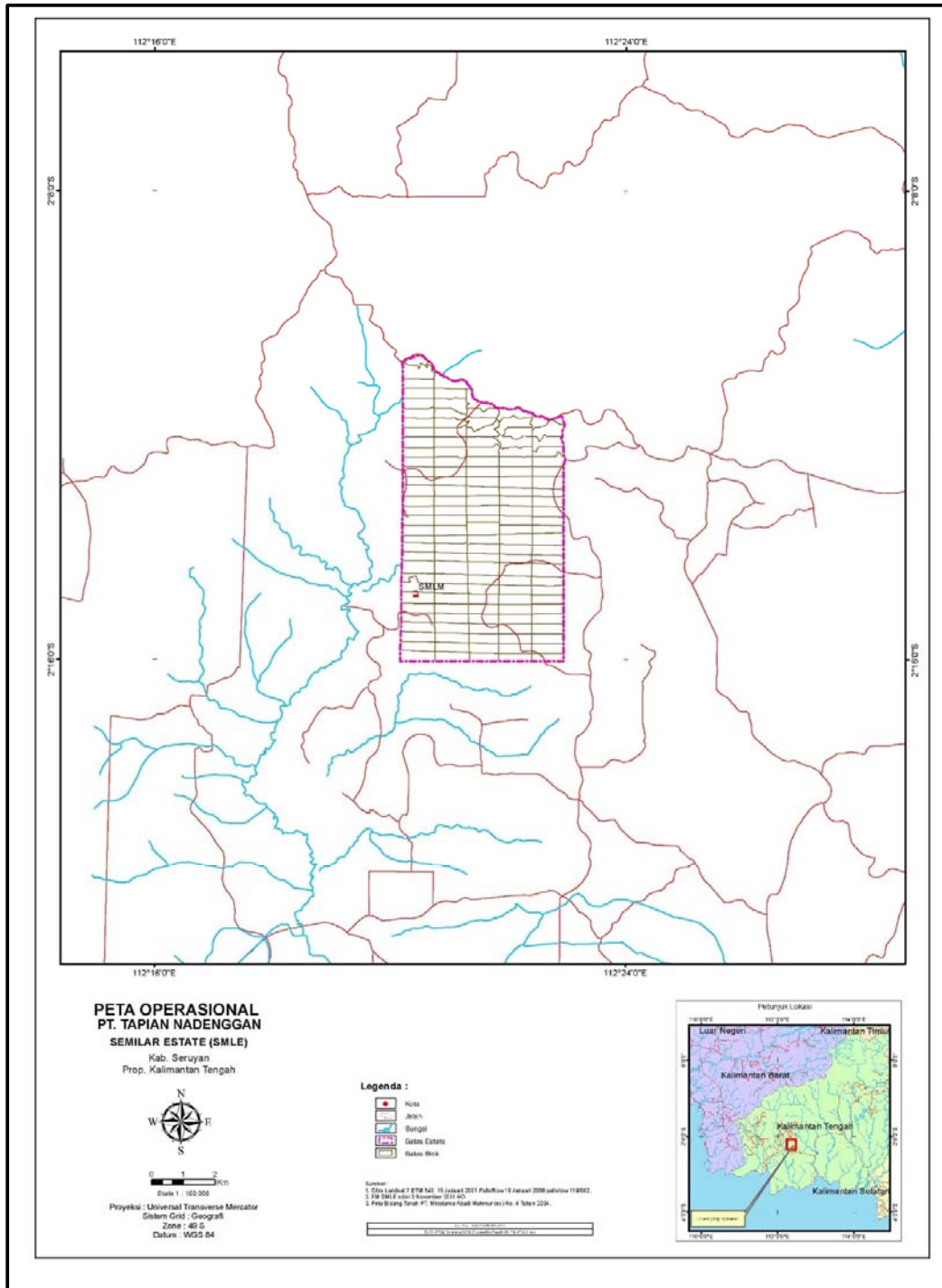


Figure 3. Operational Map of PT Tapian Nadenggan – Sei Rindu Estate

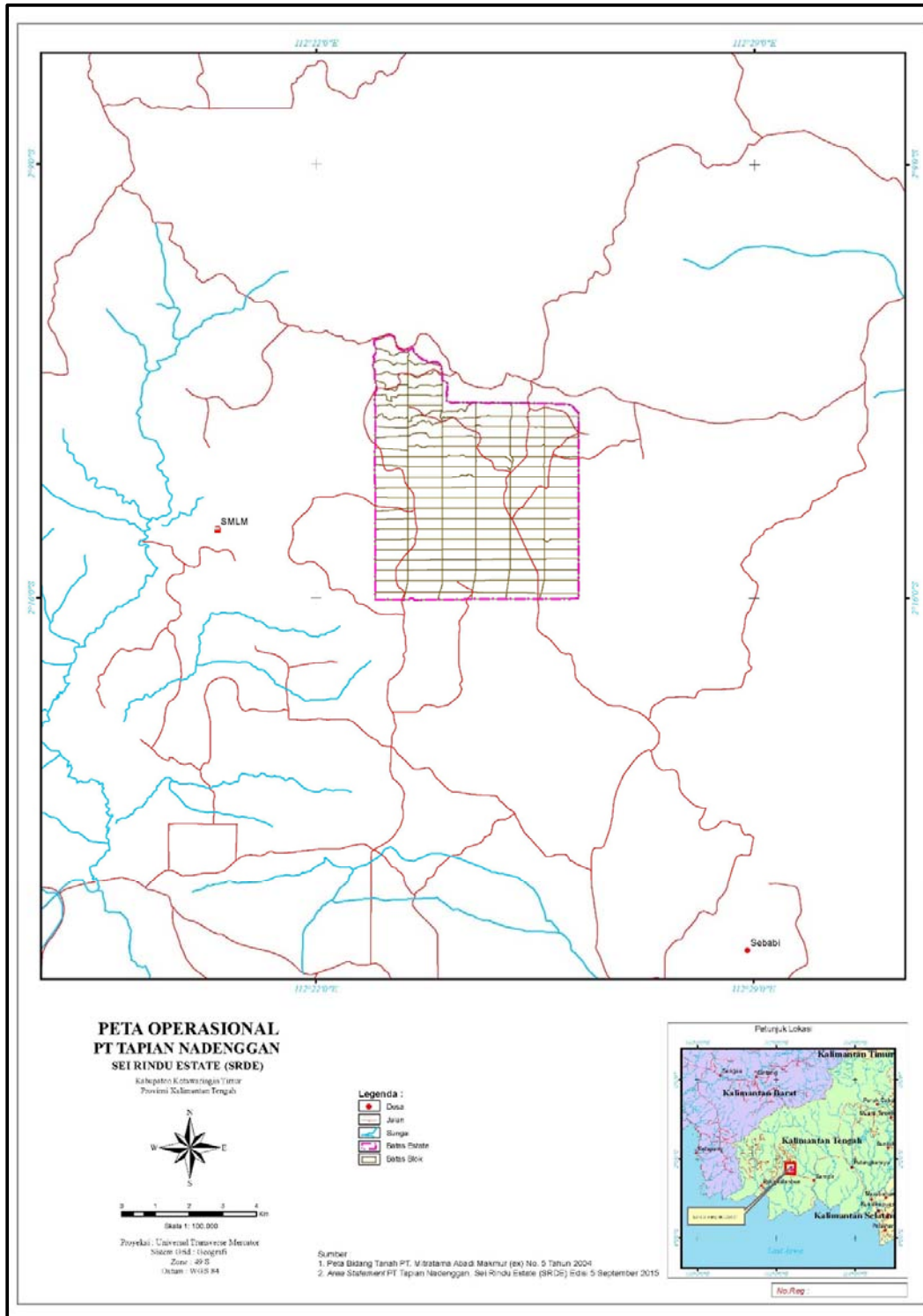
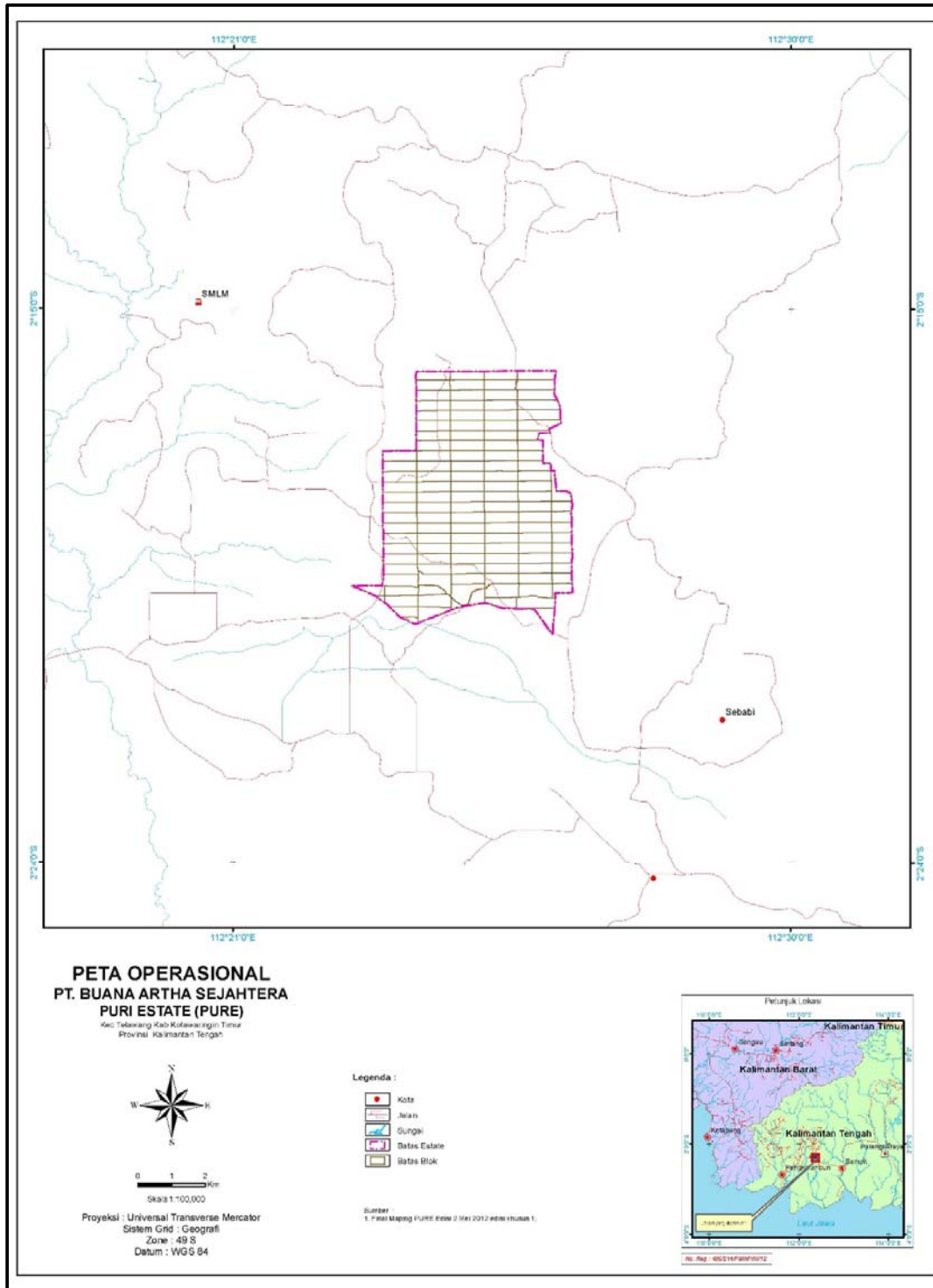
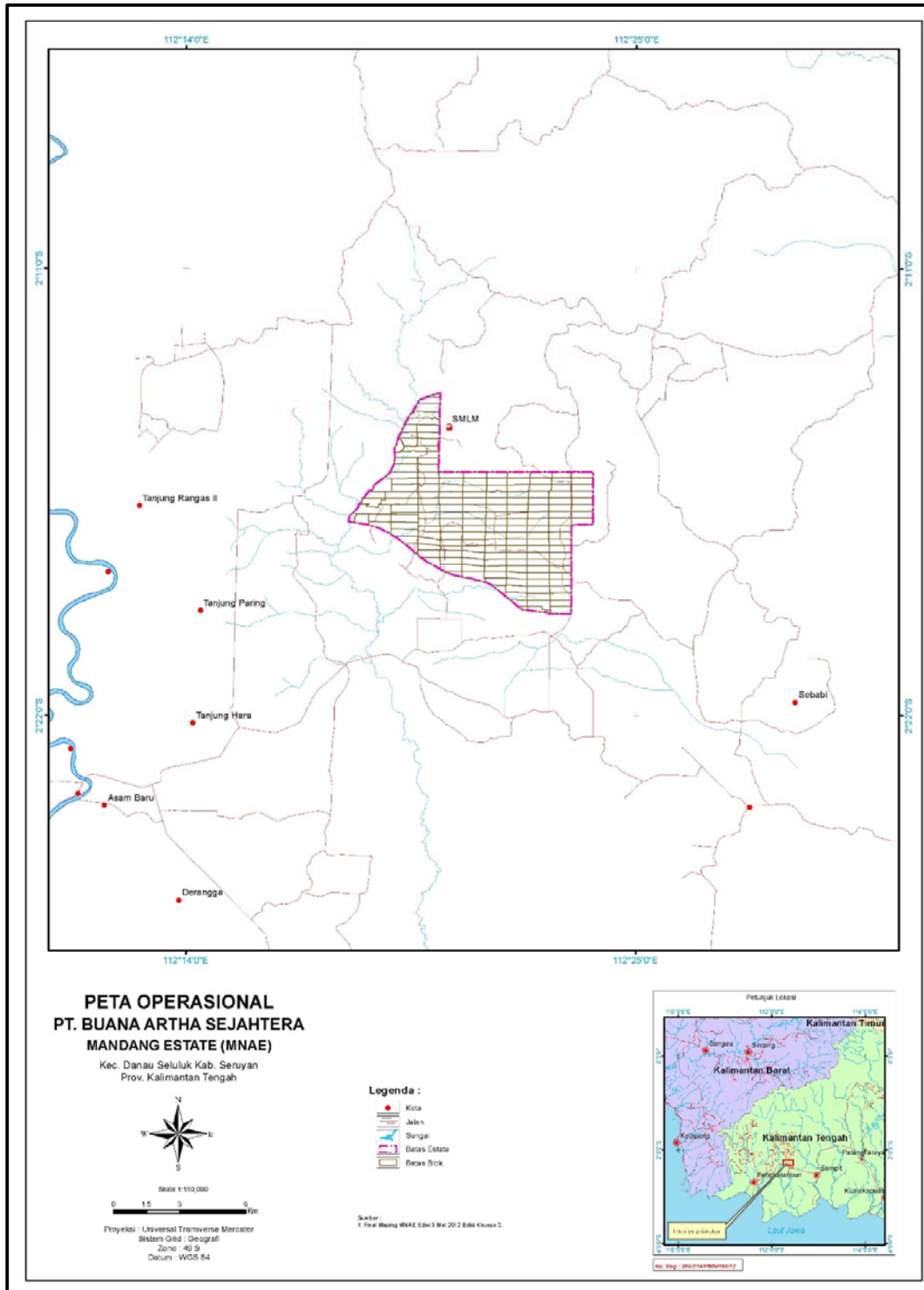




Figure 4. Operational Map of PT Buana Artha Sejahtera – Puri Estate



**Figure 5. Operational Map of PT Buana Artha Sejahtera – Mandang Estate**



Abbreviations Used

ASA	:	Annual Surveillance Assessment
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
BAP	:	Binasawit Abadi Pratama
BAS	:	Buana Artha Sejahtera
BOD	:	Biological Oxygen Demand
BPA	:	Balai Penitipan Anak / Daycare
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Assurance of Labor)
BPN	:	<i>Badan Pertanahan Nasional</i>
CITES	:	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CLA	:	Collective Labor Agreement
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty fruit bunch
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed and Consent
FR	:	Frequency Rate
GAR	:	Golden Agri Resources
GHG	:	Greenhouse Gas
GSEP	:	Golden Agri Resources Social Environment Policy
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> / land use tittle
HIRAC	:	Hazard Identification and Risk Assesment
HRD	:	Human Right Defender
HROPS	:	Human Resources Operational
IP	:	Identity Preserved
IPM	:	Integrated Pest Management
ISBPR	:	<i>Identifikasi Sumber Bahaya dan Potensi Risiko</i>
ISCC	:	International Sustainability & Carbon Certification
ISPO	:	Indonesian Sustainable Palm Oil
KTP	:	<i>Kartu Tanda Penduduk</i> / Identity Card
LSU	:	Leaf Sampling Unit
LUCA	:	Land Use Change Analysis
MCAR	:	Management Committee Agronomy and Research
MCMD	:	Management Committee for Mill Development
MHS	:	Micron HerbySprayer
MNAE	:	Mandang Estate
MSDS	:	Material Safety Data Sheets
NGO	:	Non-Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OHSMS	:	Occupational Health and Safety Management System
OIA	:	Operational Internal Audit
P2K3	:	<i>Panitia Pelaksana Kesehatan dan Keselamatan Kerja</i> (OHS Guiding Committee)
PIC	:	Person In Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i>
PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i> / Certain Time Work Agreement.
PMNP	:	Plantation Monitoring and Planning



POME	:	Palm Oil Mill effluent
PPE	:	Personal protective equipment
PT	:	<i>Pekerja Tetap</i> / Permanent Workers
PT3	:	<i>Pekerja Tetap Golongan 3</i> / Permanent Workers Level 3
PT TN	:	PT Tapian Nadenggan
PT BAS	:	PT Buana Artha Sejahtera
PURE	:	Puri Estate
RaCP	:	Remediation and Compensation Plan
RAT	:	<i>Rapat Anggota Tahunan</i> (The Annual Meeting of Members)
RC	:	Regional Control
RKL/RPL	:	<i>Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	:	Roundtable Sustainable Palm Oil
RSUD	:	<i>Rumah sakit umum daerah</i> / regional hospital
RTE	:	Rare trade endangerous
SAP	:	Sistem Application in Product in Data Processing Unit
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SMARTRI	:	SMART Research Institute
SMLE	:	Semilar Estate
SMLM	:	Senilar Mill
SOP	:	Standart Operating System
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SRDE	:	Sei Rindu Estate
SSA	:	Social Security Administrator
SSU	:	Soil Sampling Unit
TN	:	Tapian Nadenggan
UPDKS	:	Ulat Pemakan Daun Kelapa Sawit (Oil Palm Leaf Eating Caterpillar)
UPT	:	<i>Unit Pelaksana Teknis</i>
VPA	:	Vice President Agronomy
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• RSPO Certifications Systems for Principles &amp; Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020)</li> <li>• Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO BOG on 20<sup>th</sup> April 2020</li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	PT Tapian Nadenggan subsidiary of GAR	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	Organisation address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535  Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia	
1.2.4	Telephone	(+62-21) 50338899	
1.2.5	Fax	(+62-21) 50389999	
1.2.6	E-mail	<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, 31 March 2004	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Semilar Mill, Semilar Estate, Mandang Estate, Sei Rindu Estate and Puri Estate.	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Semilar Mill (PT TN)	Rungau Raya Village, Danau Siluluk Sub-District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 14' 54"      E 112° 20' 26"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Semilar Estate (PT TN)	Rungau Raya Village, Danau Siluluk Sub-District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 15' 06"      E 112° 20' 59"
	Sei Rindu Estate (PT TN)	Pantap Village, Mentaya Hulu Sub-District, Kotawaringin Timur District,	S 02° 15' 13"      E 112° 24' 29"

	Kalimantan Tengah Province, Indonesia		
Mandang Estate (PT BAS)	Rungau Raya Village, Danau Siluluk Sub-District, Seruyan District, Kalimantan Tengah Province, Indonesia	S 02° 16' 28"	E 112° 20' 17"
Puri Estate (PT BAS)	Biru Maju Village, Telawang Sub-District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 18' 22"	E 112° 25' 13"

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	17,088.00 Ha
	<i>CH has had the land rights in the form of Land Use Title (HGU) for an area of 8,279.23 hectares which consist of 2 certificate HGU and HGU progress of PT BAS for an area of 8,808.77 Ha</i>	
	• Community	- Ha

**1.5.2 Area Statement**

		PT TN	PT BAS	Total	
• Total area		8,279.23	8,808.77	17,088.00	Ha
• Mature area		7,568.17	8,111.21	15,679.38	Ha
• Mill and Building		126.01	62.72	188.73	Ha
• Road		355.31	302.93	658.24	Ha
• Drain, swamp and river		60.34	46.44	106.78	Ha
• Others Area		169.40	285.47	454.87	Ha
*Total HCV area is 742.58 Ha included in planted area.					

**1.6 Planting Year and Cycles**

1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Semilar Estate	Sei Rindu Estate	Mandang Estate	Puri Estate	Total
	1998	-	-	16.40	-	16.40
	2000	-	-	176.35	323.19	499.54
	2001	-	-	157.95	-	157.95
	2004	-	-	106.66	-	106.66
	2005	2,998.59	-	480.77	1,202.35	4,681.71
	2006	1,006.28	3,272.85	2,945.06	655.60	7,879.79
	2007	-	290.45	822.64	733.04	1,846.13
	2008	-	-	46.22	407.04	453.26
	2011	-	-	37.94	-	37.94
	<b>Sub Total Mature</b>	<b>4,004.87</b>	<b>3,563.30</b>	<b>4,789.99</b>	<b>3,321.22</b>	<b>15,679.38</b>
	-	-	-	-	-	-
	<b>Sub Total Immature</b>	-	-	-	-	-
	<b>TOTAL</b>	<b>4,004.87</b>	<b>3,563.30</b>	<b>4,789.99</b>	<b>3,321.22</b>	<b>15,679.38</b>

1.6.2	New Planting area after January 2010	- Ha					
1.6.3	Planting Cycle	1 <sup>st</sup> Cycle					
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/two year)</b>	<b>CPO</b>		<b>Palm Kernel</b>	
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>
	Semilar Mill	80	411,306.48	93,356.83	22.70	25,056.71	6.09
	<i>*Production data of 12 months before assessment (August 2021 – July 2022)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted / Production Area (Ha)</b>	<b>FFB (tonnes/two year)</b>	<b>Yield (tonnes/ha/yea r)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/two year)</b>	<b>%</b>
	Semilar Estate	4,288.63	4,004.87	105,118.80	26.25	105,118.80	100.00
	Sei Rindu Estate	3,990.60	3,563.30	113,507.80	31.85	109,424.97	96.40
	Mandang Estate	5,170.35	4,789.99	113,698.76	23.74	113,698.76	100.00
	Puri Estate	3,638.42	3,321.22	83,077.23	25.01	83,077.23	100.00
	<b>TOTAL</b>	<b>17,088.00</b>	<b>15,679.38</b>	<b>415,402.59</b>	<b>26.59</b>	<b>411,319.76</b>	<b>99.02</b>
	<i>*Production data of 12 months before assessment (August 2021 – July 2022)</i>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organis ation (RSPO certified / non-certified)</b>	<b>Type of Organisation</b>	<b>number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	-	-	-	-	-		
	<b>TOTAL</b>					-	
	<i>*Production data of 24 months before assessment (August 2021 – July 2022)</i>						
1.7.4	Product categories	<b>FFB, CPO, PK</b>					
<b>1.8</b>	<b>Tonnage of Product</b>						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (August 2021 to July 2022) (MT)		
	FFB Processed	IP	486,362	411,319.76			
		MB	83,001	-			
	CPO Production	IP	111,562	93,356.83			
		MB	19,300	-			
	Palm Kernel (PK) Production	IP	29,463	25,056.71			
		MB	5,000	-			
	<i>Note: The Mill available in IP and MB module. However, since previous assessment the Mill only implement IP module.</i>						
1.8.2	Product selling						
	Type of selling product	Actual selling product for last year (August 2021 to July 2022) (MT)					

	CSPO sold as RSPO certified product										92,585.28
	CSPK sold as RSPO certified product										24,739.76
	CSPO sold under other scheme										0
	CSPK sold under other scheme										0
	CSPO sold as conventional										0
	CSPK sold as conventional										0
	<i>Note: The Mill available in IP and MB module. However, since previous assessment until ASA 1.4 the Mill only implement IP module.</i>										
1.8.3	Estimate of Certified FFB Claim										
	<b>Name of Estate(s)</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>						
	Semilar Estate	4,288.63	4,004.87	110,000	27.47						
	Sei Rindu Estate	3,990.60	3,563.30	119,000	33.40						
	Mandang Estate	5,170.35	4,789.99	119,000	24.84						
	Puri Estate	3,638.42	3,321.22	87,000	26.20						
	<b>TOTAL</b>	<b>17,088.00</b>	<b>15,679.38</b>	<b>435,000</b>	<b>27.74</b>						
	<i>*Projected FFB production for 12 months of next license</i>										
1.8.4	Estimate of Certified Palm Product Claim										
	<b>Name of Mill</b>	<b>Capacity (tonnes/hour)</b>	<b>FFB Processed (tonnes/year)</b>		<b>CPO Out put (tonnes)</b>		<b>Extraction (%)</b>	<b>Palm Kernel Out put (tonnes)</b>		<b>Extraction (%)</b>	<b>Supply Chain Module</b>
			<b>IP</b>	<b>MB</b>	<b>IP</b>	<b>MB</b>		<b>IP</b>	<b>MB</b>		
	Semilar Mill	80	348,000	87,000	83,520	20,880	24	17,400	4,350	5	IP / MB
	<i>*Projected CSPO and CSPK production for 12 months of next license</i>										
1.9	<b>Other Certifications</b>										
	ISCC				ISCC ( <i>International Sustainability Carbon Certification</i> ) Certificate No. EU-ISCC-Cert-ID218-20210190 valid until 26 November 2022						
	RSG				Based on buyer request						
	ISPO				MUTU-ISPO/059, issued by PT Mutuagung Lestari valid until 19 July 2026						
1.10	<b>Time Bound Plan</b>										
1.10.1	<b>Time Bound Plan for Other Management Units</b>										
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>					
	<b>Mill</b>	<b>Time Bound Plan</b>									
	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	2013	Muara Tawas Estate	2013	Sumatera Selatan	Certified					



Djuanda Sawit Lestari)		Muara Kandis Estate	2013	Province	Certified
		Muara Kandis Estate (HGU on progress – 418.49 Ha)	2022		-
		Muara Tawas Estate (HGU on progress – 57.7 Ha)	2022		-
		Smallholder (KKPA Pandawa)	2024		-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Kalimantan Tengah Province	Certified
		Sungai Seruyan Estate	2013		Certified
		Terawan Estate	2013		Certified
		Tangar Estate	2013		Certified
		Bukit Tiga Estate	2013		Certified
Bukit Perak Mill (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung Province	Certified
		Bukit Permata Estate	2013		Certified
		Bukit Permai Estate (PT Agrolestari Subur Sejahtera)	2024		-
		Bukit Lestari estate (PT Agrolestari Hijau Sentosa)	2024		-
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Bangka Belitung Province	Certified
		Tanjung Rusa Estate	2013		Certified
		Tanjung Rusa Estate (HGU on process 48.81 Ha)	2022		-
		Tanjung Sawit Estate (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Sawit Plasma (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Rusa KKPA	2024		-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung Province	Certified
		Sungai Buaya Estate (HGU on process – 155.46 Ha)	2022		-
		Smallholder (KKPA Gedung AJi Lama)	2014		Certified
		Smallholder (KKPA Mesuji)	2014		Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung Province	Certified
		Sungai Merah Estate (HGU on process – 241.54 Ha)	2022		-

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

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

Sako Mill (PT Adi Tunggal Mahajaya)	2025	Mentaya Estate	2025	Kalimantan Tengah Province	ST-1
		Kuayan Estate	2025		ST-1
		Sako Plasma	2025		-
		Sungai Ayawan Estate	2025		-
		Sungai Nusa Estate	2025		-
Padang Halaban Mill (PT SMART Tbk)	2011	Padang Halaban Estate	2011	Sumatera Utara Province	Certified
		Pernantian Estate	2011		Certified
		Adipati Estate	2011		Certified
		Kanopan Ulu Estate	2011		Certified
Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	Kalimantan Selatan Province	Certified
		Batu Mulia Estate	2012		Certified
		Sungai Panci Estate	2012		Certified
		Sungai Panci KKPA	2012		Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	Kalimantan Selatan Province	Certified
		Kintapura Estate	2012		Certified
		Kintapura Estate (HGU on process - 636.33 Ha)	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)	2025		-
Semilar Mill (PT Tapian Nadenggan)	2013	Semilar Estate	2013	Kalimantan Tengah Province	Certified
		Sei Rindu Estate	2013		Certified
		Mandang Estate (PT Buana Arta Sejahtera)	2013		Certified
		Puri Estate (PT Buana Arta Sejahtera)	2013		Certified
		Sei Rindu Estate (203.89 Ha)	2023		-
Jak Luay Mill (PT Tapian Nadenggan)	2015	Pantun Mas Estate	2015	Kalimantan Timur Province	Certified
		Jak Luay Estate	2015		Certified
		Jak Luay KKPA	2023		-
		Long Buluh Estate	2015		Certified
		Long Buluh Estate (HGU on progress - 329.66 Ha)	2023		-

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



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

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

	Sungai Tohan Plasma	2024	
	Sungai Pahu Plasma (PT Rimba Rayatama Jaya)	2024	

*TBP revised on 19 May 2022 and approved by RSPO on 14 June 2022*

There is revision of timebound plan on 19 May 2022 made by Head of Operations Sustainability. There are justification for mills and estates that postpone, with explanation:

- Pandawa KKPA supply base of Muara Kandis Mill is postponed to 2024 due to the SHM process.
- Tanjung Rusa KKPA supply base of Tanjung Kembiri Mill is postponed to 2024 due to the SHM process.
- Tanjung Sawit Estate dan Tanjung Sawit KKPA (PT Palmindo Biliton Berjaya) are postponed to 2024 due to still in process for HGU and land rights (SHM)
- Kasuari Mill and supply bases are postponed to 2023 due to still in process of EIA (AMDAL) revision and permit for hazardous waste warehouse
- Pekawai Mill and supply bases are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented
- Kayung KKPA supply base of Pekawai Mill are postponed to 2024 due to still in process for land rights (SHM).
- Kenanga Estate (PT Cahaya Nusa Gemilang) dan Delima Estate (PT Kencana Graha Permai) are postponed to 2024 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented.
- Kencana KKPA and Kenanga KKPA supply base of Kenanga Mill are postponed to 2024 due to still in process for land rights (SHM).
- Perdana Mill and supply bases are postponed to 2025 due to still in process for HGU
- Kuayan Mill and supply bases are postponed to 2025 due to still in process for HGU
- Belian Mill and supply bases are postponed to 2022 due to pandemic covid-19 so that on-site audit in 2021 cannot be implemented.
- Belian KKPA, Muara Tawang KKPA and Kapuas Hulu KKPA supply base of Belian Mill are postponed to 2024 due to still in process for land rights (SHM).
- Sungai Kupang KKPA supply base of Sungai Kupang Mill are postponed to 2024 due to still in process for land rights (SHM).
- Sungai Kikim Mill and supply bases are postponed to 2022 due to still in process of EIA (AMDAL) revision.
- Tangar Mill and supply bases are postponed to 2025 due to still in process for HGU.
- Sungai Magalau Mill and supply bases and supply bases are postponed to 2023 due to still in process for HGU and RaCP (LUCA review).
- Jalemo Mill and supply bases are postponed to 2023 due to still in process for HGU and RaCP (LUCA review).
- Sako Mill and supply bases are postponed to 2025 due to still in process for HGU.
- Medang Sati Estate (PT Saya Kisma Usaha) supply base of Hanau Mill are postponed to 2025 due to still in process for HGU.
- Jak Luay KKPA and Bukit Subur KKPA supply base of Jak Luay Mill are postponed to 2023 due to still in process for land rights (SHM).
- Gunung Kombeng KKPA supply base of Gunung Kombeng Mill are postponed to 2023 due to still in process for land rights (SHM).
- Rantau Panjang KKPA supply base of Rantau Panjang Mill are postponed to 2023 due to still in process for land rights (SHM).
- Tiga Serumpun KKPA supply base of Pelakar Mill are postponed to 2024 due to still in process for land rights (SHM).
- Batang Gading Estate supply base of Langling Mill are postponed 2023 due to still in process for RaCP (LUCA review).
- Batang Gading KKPA supply base of Langling Mill are postponed to 2024 due to still in process for land rights (SHM).
- Kilis KKPA supply base of Sungai Bengkal Mill are postponed to 2024 due to still in process for land rights (SHM).
- Bukit Kapur Mill and supply bases are postponed to 2025 due to still in process for HGU.
- Rama-Rama KKPA are postponed to 2023 due to still in process for land rights (SHM).

- Sawita Mill and supply bases are postponed to 2022 due to still in process for HGU.
- Sawita KKPA supply base of Sawita Mill are postponed to 2024 due to still in process for land rights (SHM).
- Kenari Mill and supply bases are postponed to 2025 due to the process for RaCP (LUCA review).
- Sungai Air Jernih Mill and supply bases are postponed to 2023 due to still in process for legality documents.

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

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

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

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

1.10.2

**Progress of Associated Smallholders and Out growers for Certifiable Standard**

The company has no scheme smallholder.

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA 1.4</b>	<p>1. <b>Moh Arif Yusni (Lead Auditor)</b>. Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor course in 204, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO and ISPO Lead auditor refresher course in 2021 etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verifies Legality, Social and transparency.</p> <p>2. <b>Yudhi Yuniarto Tallutondok (Auditor)</b>. Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation company in Indonesia. Training have been followed including Lead Auditor of ISO 9001:2015, Lead Auditor of ISO 14001:2015, ISPO Auditor Training, RSPO P&amp;C Lead Auditor Training Course, RSPO SCC Lead Auditor Course, Social Accountbilty 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness of OHS aspects, ISO 45001:2018, ISO 22000:2009, ISO 19011:2011, ISO 17021:2011, dan ISO 17065:2012. Has participated in audit activities for ISPO and RSPO scheme since 2017 for BMP, OHS, labour, social and legal aspects. In this audit activity performs the assessment of best management practices, OHS, worker welfare, social, legality and SCCS.</p> <p>3. <b>Radytio Puspanjana (Auditor)</b>. Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training in 2018. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. Aspect audit: long term management plan, Environment, HCV, GHG.</p> <p>4. <b>Fauzi Prima Sanusi (Trainee Auditor)</b>. Indonesian citizens. Bachelor of Forestry. Has work experience in HSE for 8 years, Environmental NGO for 4 years. Trainings he has attended include Proper Training, General OHS Expert, Biodiversity Study, HCV, Water and Air Monitoring Management, ISO 14001:2004 Auditor, FSC Auditor, PHPL Auditor 2014, ISPO Auditor 2018, Forest and Land Fire Control Training 2014, has participated in audit activities for PHPL Since 2016 FSC Audit 2017, ISPO Audit 2019. In this ASA 1.4 audit activity, verification in the field of OHS and BMP under supervision of 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 1.4</b>	<p>Number of auditors: 3 auditors and 1 auditor trainee          Number of days for onsite audit ASA 1.4: 4.5 days          Number of working days for onsite audit ASA 1.4: 13.5 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA 1.4</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Tapan Nadenggan to the requirements of:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</li> </ul> <p>the scope of certification of consist of one (1) mill and four (4) oil palm estates. The audit program is included as</p>



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

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

Team of auditor started their trip from Jakarta to Pangkalan Bun and continued to site on 14 August 2022. Next day on 15 August 2022, team auditor conducted Opening Meetings in the Meeting Room of Region office of PT Tapan Nadenggan. Opening meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

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

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates through teleconference. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III. Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel.

Closing Meeting conducted in the region office of PT Tapan Nadenggan on 19 August 2022. Closing meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

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

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

The assessment program please find Appendix 2

<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA 1.4</b>	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 that visited and respondent that interviewed by team auditor are:

**Semilar Mill**

- **Sortation and Grading.** Observation regarding the quality of FFB, OHS aspect, and worker welfare.
- **Engine room.** Observation related work process, OHS and environment aspect.
- **Sterilizer Station.** Observation related work process, OHS and environment aspect.
- **Boiler Station.** Observation related work process, OHS and environment aspect.
- **Press Station.** Observation related work process, OHS and environment aspect.
- **Loading Ramp Station.** Observation related work process, OHS and environment aspect.
- **Weighbridge.** Observation regarding FFB administration, Supply chain aspect, and worker welfare aspect.
- **Security.** Observation regarding emergency response aspect and supply chain verification.
- **Mill Laboratory.** Field observations and interview related procedure and the quality of product measurements
- **Mill Drainage.** Observations mill effluent lines, sanitation mill and flow of leaching mill.
- **Solid Waste.** Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.
- **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent.
- **Methane capture/ Biogas Plan.** Observations and interviews related to POME management, employment, health checks, OHS, PPE and biogas utilization management. The installation can processes 800 – 1.100 of kilowatt power / month.
- **Workshop.** Observations dan interview related workshop operational, completed operator license (SIO), employment, PPE, OHS, First aid kit,
- **Chemical warehouse.** Observations dan interview related storage operational, MSDS, employ, OHS, First Aid Kit, fire extinguisher, training.
- **Temporary storage of hazardous and Toxic Waste.** Observations dan interview related storage operational, MSDS, employ, OHS, First Aid Kit, fire extinguisher, training, emergency situation and respon
- **Hydrant no 5.** Observation and interview related hydrant use and inspection, OHS, emergency situation and simulation

**Semilar Estate**

- **HGU Pole No. 3,4,5,6,7** Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties.
- **Fertilizer warehouse.** Observations related to safe working practices and environmental aspects.
- **Chemical warehouse.** Observations related to safe working practices and environmental aspects.
- **Material warehouse.** Observations related to safe working practices and environmental aspects
- **Fuel warehouse.** Observations related to safe working practices and environmental aspects
- **Hazardous waste storage.** Observations related to safe working practices and environmental aspects
- **Workshops.** Observations related to safe working practices and environmental aspects
- **Pesticide Mixing Area,** Observations related to safe working practices and environmental aspects
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Pesticide mixing area.** Observation the conditions body shower room and PPE handling.
- **Diesel Tank.** Observation of OHS, environment aspect, emergency response and fire facilities.
- **HCV Rungau River Riparian Area, Block J75 division I.** Observation the implementation of management in HCV of riparian area.
- **HCV Ruko River Riparian Area, Block J58 division III.** Observation the implementation of management in HCV of riparian area.
- **Housing complex Division 2.** Observation related facilities for workers, sanitation, water, electricity, and domestic

waste management.

- **Clinic**, observation related worker and medical facility.
- **Spraying, Block I62, Division IV.** Observations and interviews related to work systems, pesticide filling, OSH and employment aspects.
- **Harvesting, Block J57, Division III.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.
- **Loose Fruit Picker, Block I68, Division II.** Observation and interview related to procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.

#### Sei Rindu Estate

- **Land demarcation aspect and HGU poles No. 26, 27, 28** Observation of land demarcation aspect and maintenance of HGU pole, as well as land dispute potency.
- **Uncertified Area Block Z**, observation related uncertified area and FFB separation mechanism
- **HCV Tajahan River Riparian Area, Block D66 division III.** Observation the implementation of management in HCV of riparian area.
- **Harvest Activities Block D 56 Division 5.** Observation of harvest activities, interviews with harvest workers and quoting loose fruit related to employment, PPE, health checks, BPJS TK and Health, employee facilities, submission of complaints.
- **Spray Activities in Block C 54 Division 4.** Observation and Interview with workers related to employment, PPE, workload, health checks, worker facilities, training, OSH, gender committee and special leave rights for female workers
- **Road Maintenance activities in Block A 50/51 division 4.** Observation of road maintenance activities
- **Landfill 13 Block A 48 Division 4.** Location observation, types of waste disposed
- **Beneficial plan maintenance activities Block B1/B2 Division 4.** Field observations and interviews with workers related to employment, technical work and K3
- **Location of Tyto Alba Block D54 Division I.** Observation of gupon location and traces of Owl's presence
- **EFB Application Block F 56 Division I.** Observations and interviews with workers related to technical work, manpower, K3, and welfare facilities
- **Fertilizer warehouse.** Observations related to safe working practices and environmental aspects.
- **Chemical warehouse.** Observations related to safe working practices and environmental aspects.
- **Material warehouse.** Observations related to safe working practices and environmental aspects
- **Fuel warehouse.** Observations related to safe working practices and environmental aspects
- **Hazardous waste storage.** Observations related to safe working practices and environmental aspects
- **Workshops.** Observations related to safe working practices and environmental aspects
- **Pesticide Mixing Area,** Observations related to safe working practices and environmental aspects
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Pesticide mixing area.** Observation the conditions body shower room and PPE handling.
- **Diesel Tank.** Observation of OHS, environment aspect, emergency response and fire facilities.

#### Mandang Estate

- **Land demarcation aspect and HGU poles No. 26, 29,30,31** Observation of land demarcation aspect and maintenance of HGU pole, as well as land dispute potency.
- **Fertilizer warehouse.** Observations related to safe working practices and environmental aspects.
- **Chemical warehouse.** Observations related to safe working practices and environmental aspects.

- **Material warehouse.** Observations related to safe working practices and environmental aspects
- **Fuel warehouse.** Observations related to safe working practices and environmental aspects
- **Hazardous waste storage.** Observations related to safe working practices and environmental aspects
- **Workshops.** Observations related to safe working practices and environmental aspects
- **Pesticide Mixing Area,** Observations related to safe working practices and environmental aspects
- **Clinics,** Observation related medical facility, infectious waste management and environmental aspect
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Pesticide mixing area.** Observation the conditions body shower room and PPE handling.
- **Diesel Tank.** Observation of OHS, environment aspect, emergency response and fire facilities.
- **HCV Rungau River Riparian Area, Block N43 division 5.** Observation the implementation of management in HCV of riparian area.
- **HCV Sei Rindu River Riparian Area, Block L43 division 5.** Observation the implementation of management in HCV of riparian area.
- **Land Application Block J42 division 4 (Mandang Estate).** Observations related to implementation management procedures of POME for land application, OHS and labor aspect.
- **Harvest Activities Block D G40 Division 5.** Observation of harvest activities, interviews with harvest workers and quoting loose fruit related to employment, PPE, health checks, *BPJS TK* and Health, employee facilities, submission of complaints.
- **Spray Activities in Block 43 Division 5.** Observation and Interview with workers related to employment, PPE, workload, health checks, worker facilities, training, OSH, gender committee and special leave rights for female workers
- **Beneficial plan maintenance activities Block E45/46 Division 3.** Field observations and interviews with workers related to employment, technical work and K3
- **Location of Tyto Alba Block G 42.** Observation of gupon location and traces of Owl's presence
- **EFB Application Block H41 Division I.** Observations and interviews with workers related to technical work, manpower, K3, and welfare facilities
- **Landfill 13 Block G 43 Division 5.** Location observation, types of waste disposed

#### Puri Estate

- **Riparian Biru River Block C37 division 2.** Observations marking of HCV areas and RTE information signboard, prohibition of burning, hunting and illegal logging of natural trees.
- **Housing complex Division 2.** Observation related facilities for workers, sanitation, water, electricity, and domestic waste management.
- **Spraying, Block B31, Division I.** Observations and interviews related to work systems, pesticide filling, OSH and employment aspects.
- **Harvesting, Block D43, Division IV.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.
- **Loose Fruit Picker, Block C36, Division III.** Observation and interview related to procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.
- **Fertilizer warehouse.** Observations related to safe working practices and environmental aspects.
- **Chemical warehouse.** Observations related to safe working practices and environmental aspects.
- **Material warehouse.** Observations related to safe working practices and environmental aspects
- **Fuel warehouse.** Observations related to safe working practices and environmental aspects

	<ul style="list-style-type: none"> <li>• <b>Hazardous waste storage.</b> Observations related to safe working practices and environmental aspects</li> <li>• <b>Workshops.</b> Observations related to safe working practices and environmental aspects</li> <li>• <b>Pesticide Mixing Area,</b> Observations related to safe working practices and environmental aspects</li> <li>• <b>Hazardous waste temporary warehouse.</b> Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.</li> <li>• <b>Fertilizer Warehouse.</b> Observations relating to the implementation of storage hazardous material, Health safety and labor management.</li> <li>• <b>Chemical material warehouse.</b> Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.</li> <li>• <b>Fire Fighting Equipment Storage.</b> Simulation the function of fire extinguishers and team readiness.</li> <li>• <b>Workshop.</b> Observations and interviews with workers related to the management and implementation of health safety, and social worker.</li> <li>• <b>Pesticide mixing area.</b> Observation the conditions body shower room and PPE handling.</li> <li>• <b>Diesel Tank.</b> Observation of OHS, environment aspect, emergency response and fire facilities.</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA 1.4</b>	<p>Summary of stakeholder consultation process            Consultation of stakeholders for PT Tapan Nadenggan.was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on PT Mutuagung Lestari Website on 01 August 2022</li> <li>• Public consultation meeting with government institution (Environmental Agency, Plantation Agency, Manpower Agency, and Land National Agency of Seruyan Regency and Kotawaringin Timur) on 15 August 2022</li> <li>• Public consultation meeting with community(s) including previous land owner (Pantap Village, Sebabi Village, Biru Maju and Sumber Makmur Village) on 15 August 2022</li> <li>• Public consultation meeting with internal stakeholders and contractor (Worker Union, gender committee, FFB transporter and CPO / PK Tranporter) on 15 August 2022</li> <li>• Public consultation to NGO (Sawit Watch, WALHI, WWF, AMAN) on 09 August 2022</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Tapan Nadenggan.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit (Recertification) will be conducted eight (8) months to twelve (12) month this assessment.



**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Semilar Mill – PT Tapian Nadenggan subsidiary of Golden Agri Resources operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were one (1) Nonconformity were assigned against Major Compliance Indicator, one (1) Nonconformity were assigned against Minor Compliance Indicator and five (5) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action that had been reviewed and accepted by Auditor in form of documentation evidence e.g. *(document record/photographic/etc)*. Those corrective action taken that consist of *one (1)* Major non-conformity had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Semilar Mill – PT Tapian Nadenggan subsidiary of Golden Agri Resources complied with 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 20th April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020**

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>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.</b>		
<p><b>1.1.1</b> The company has an SOP to respond to stakeholders contained in the SOP communication and consultation with no. SOP / SMART / UMUM/ SADV / 1 / 004 revision 00 dated July 1, 2014. In the SOP it explains:</p> <ul style="list-style-type: none"> <li>a. Explanation of delivery and Aspiration Responses</li> <li>b. Submission and Response of Inbox</li> <li>c. Flow Chart for Periodic Information Submission</li> <li>d. Provision of Periodic Information</li> <li>e. Flow Chart of Internal Communication Mechanisms</li> <li>f. Internal Communication Mechanism</li> <li>g. Flow Chart of External Communication Mechanisms</li> <li>h. External Communication Mechanism</li> </ul> <p>The company can demonstrate list of stakeholders such as: surrounding village, organization of worker and community (<i>Muspika</i>, worker union, Environmental Agency, Labour Agency, Local Contractors, Plantation Agency, Environment Agency, National Land Agency, Etc. Ensure the existence of environmental and social NGOs and be included in the stakeholder list.</p> <p>The company has list of information for stakeholder, which consist of 16 kind of information such as environment document, HCV report, SIA report, CSR report, OHS Committee report, company policy, details of complaint, negotiation</p>		



procedures, etc. In the socialization record, there were also several types of information that could be requested to the companies.

**Environment Aspect**

- Hazardous waste management report of PT Tapian Nadenggan and PT Buana Artha Sejahtera for Quarter 2 of 2022 submitted to Environment Agency of Seruyan & Kotawaringin Timur Regency and Kalimantan Tengah Province on 9 August 2022.
- Land Application Management Report of PT Tapiang Nadenggan for 1<sup>st</sup> Quarter of 2022 submitted to Environment Agency of Seruyan Regency on 2 August 2022.
- Environment Management and Monitoring Report of PT Tapian Nadenggan and PT Buana Artha Sejahtera for Semester 1 of 2022 submitted to Environment Agency of Seruyan & Kotawaringin Timur Regency and Kalimantan Tengah Province on 1 August 2022.
- The receipt of reports on Air Pollution management, Water management Control, hazardous Pollution management and environmental management and monitoring reports (RKL-RPL) PT TN to Ministry of environment and forestry with electronic receipts 16600486297-3322 dated 14 August 2022.
- The receipt of reports on Air Pollution management, Water management Control, hazardous Pollution management and environmental management and monitoring reports (RKL-RPL) PT BAS to Ministry of environment and forestry with electronic receipts 16600486297-3324 dated 15 August 2022.

**Employment Aspect**

- Employment mandatory report with the number 74271.20220314.0002 on behalf of PT Tapian Nadenggan - Semilar Mill dated March 14, 2022 and is required to report back on March 14, 2023.
- Employment mandatory report with the number 74271.20220608.0001 on behalf of PT Tapian Nadenggan – Semilar Estate dated June 08, 2022 and is required to report back on June 08, 2023.
- Employment mandatory report with the number 74356.20220816.0002 on behalf of PT Tapian Nadenggan – Sei Rindu Estate dated August 16, 2022 and is required to report back on August 16, 2023.
- Employment mandatory report with the number 74353.20211012.0001 on behalf of PT Buana Artha Sejahtera – Puri Estate dated October 12, 2021 and is required to report back on October 12, 2022.
- Employment mandatory report with the number 74271.20220816.0001 on behalf of PT Buana Artha Sejahtera – Mandang Estate dated August 16, 2022 and is required to report back on August 16, 2023.
- Semester 1 LKS Bipartite report of Semilar Mill which was sent to the Manpower and Transmigration Office of Kotawaringin Timur and Seruyan Regencies on July 08, 2022.
- Semester 1 LKS Bipartite report of Semilar Estate which was sent to the Manpower and Transmigration Office of Kotawaringin Timur and Seruyan Regencies on July 01, 2022.
- Semester 1 LKS Bipartite report of Sei Rindu Estate which was sent to the Manpower and Transmigration Office of Kotawaringin Timur and Seruyan Regencies on July 03, 2022.
- Semester 1 LKS Bipartite report of Puri Estate which was sent to the Manpower and Transmigration Office of Kotawaringin Timur and Seruyan Regencies on July 29, 2022.
- Semester 1 LKS Bipartite report of Mandang Estate which was sent to the Manpower and Transmigration Office of Kotawaringin Timur and Seruyan Regencies on July 04, 2022.
- Preparedness Report of PT Tapian Nadenggan Plantation Land Fire Control Systems, Facilities and Infrastructure for Semester 1 of 2022 which was sent to the Regents of Kotawaringin Timur and Seruyan on July 25, 2022.
- Preparedness Report of PT Buana Artha Sejahtera Plantation Land Fire Control Systems, Facilities and Infrastructure for Semester 1 of 2022 which was sent to the Regents of Kotawaringin Timur and Seruyan on July 25, 2022.

**OHS Aspect:**

- P2K3 report, control and prevention of fires, work accidents to the Department of Manpower and Transmigration of Central Kalimantan Province UPT Sampit Labor Inspection Center, April-June Period, 29 July 2022.
- P2K3 report, control and prevention of fires, work accidents to the Department of Manpower and Transmigration of Seruyan Regency, dated July 8, 2022,
- P2K3 report, fire control and prevention, work accidents to the Department of Manpower and Transmigration of Seruyan Regency, dated July 1, 2022, completed with signature and wet stamp of the agency, received on July 24,

2022

**1.1.2**

Based on the results of document review and interviews with agencies, such as the Kotawaringin Timur Regency Plantation Service, the Environment Service, Land Office and Manpower Office, it is known that the information presented by the certification unit has been presented in an appropriate language and can be accessed by the agency.

The unit of certification has provided evidence that the information has been received in an appropriate form and language for the relevant stakeholders, such as reports on the implementation of environmental management & monitoring (RKL-RPL) semester 1 year of 2022 by the Environment Agency of Kotawaringin Timur and Seruyan dated 14 August 2022.

**1.1.3**

The procedure of Consultation and Communication No: SOP/SMART/UMUM/SADV/II/004 dated 1 Juli 2014. This procedure mentioned that all the information requests will be responded by unit of certification not more than 3 weeks after the incoming letter. According to Regional/Production Controller Decree it was known that PIC on information and communication was carried out by Manager Unit.

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

The unit of certification records requests for information from stakeholders which are recorded in the communication and consultation logbook and the book People's Aspirations and Responses. Based on those Logbook for Period 2021 review, it was known that there is no letter related to information request, most of the letter mentioning assistance, support or donation for some activities proposed by surrounding stakeholders. However, all proposal letter has responded by unit of certification less than 3 weeks.

There is a letter from the District of Telawang regarding the invitation to the national immunization month socialization meeting for (PURE) on June 14, 2022 No. Letter 055/121/TWL/VI/2022. and has been followed up by attending the invitation on June 15, 2022.

**1.1.4**

The unit of certification has shown records regarding the consultation and communication procedure socialization to stakeholders. The socialization was conducted on July 14, 2021 and July 27 until 29, 2021 and to employees and stakeholders. The socialization was delivered by SPO Officer and approved by the Estate Manager.

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

**1.1.5**

Based on the results of the verification of the stakeholder list document, updated on August 2, 2022, compiled by the SPO K3 coordinator, it is known that there are several stakeholders, namely, legal entities 21 stakeholders, indigenous peoples 1 stakeholder, local communities 7 stakeholders, worker organization 10 stakeholders, contractors 11 stakeholders and other stakeholders 3.

Based on the results of document verification and interviews, the company already has information on stakeholders that has not been included in the list, but is documented separately according to their respective PICs, for example NGOs, hazardous waste transporters, schools, partner local entrepreneurs, testing laboratories, and OHS training institute.

The company has the opportunity to determine the mechanism for collecting stakeholder data as a whole in the company's operational activities in accordance with the capacity and interests of each stakeholder. **OFI**

	<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**  
 The certification unit is committed to ethical behavior in all transactions and business operations that are guided by the certification unit's shared values, namely, integrity, positive attitude, commitment, continuous improvement, innovation, and loyalty as well as in accordance with the principles of sustainable oil palm plantation management.  
 The policy is implemented by:

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

The certification unit shows documentation of socialization of policies and regulations that apply in unit certification to relevant stakeholders, some examples include:

1. Socialization of the code of ethics to FFB Transporter Hasan Basri and Abdul Rasyid on August 10, 2022, which took place in the meeting room. The certification unit can show documentation and attendance list for the socialization.
2. Socialization of the code of ethics to Sei Rindu Estate employees on May 09, 2022, at the Sei Rindu main office. The certification unit can show documentation and attendance list for the socialization.
3. Socialization of the code of ethics to Puri Estate employees on February 16, 2022, which took place at the office page. The certification unit can show documentation and attendance list for the socialization.

Based on interview with worker union and gender committee in each unit, it is known that the certification unit has conducted socialization related to the code of ethics applicable in the certification unit 's operational area, which includes the following: prohibition on employing children, prohibition of forced labour and human trafficking, protection of reproductive rights, as well as fair treatment without discrimination to all employees.

**1.2.2**  
 The certification unit has PIC, which was appointed as the controller of the document, namely the SPO Region of *Kalimantan Tengah 3*. The certification unit has a list of regulations that are separated into several parts, namely regulations related to employment, Social, OHS, Licensing and others. The certification unit has a list of regulations for compliance with the law in each plantation and mill unit consisting of regulations on a regional, national, and international scale. The section that helps identify the legal regulations that exist in the certification unit is the Document & Legal Department. Documents are available for all levels of management and are available in each business unit in hardcopy and softcopy.

The certification unit has regulatory evaluation mechanism listed in the SOP Other Regulations & Requirements with document No. SOP/SMART/UMUM/SADV/II/002 dated 1 July 2014 Evaluation of compliance with regulations is conducted regularly by the SPO Region of *Kalimantan Tengah 3*, assisted by Assistant/ Document Controller.

Based on interviews with mill, estate and contractor workers known that there was no charge to employees or deductions to employee wages. In addition, the average employee who enters the certification unit is done individually without going through the agent/ labor supplier.

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

The unit of certification can demonstrate compliance with these laws and regulations, for example: have land title (HGU), have environmental documents, conduct factory wastewater testing, conduct river water quality testing, conduct groundwater quality testing, conduct air quality testing, perform noise, and noise testing, pay employee wages, pay employee overtime, etc.

**Legality Compliance**

Regarding the legality compliance, the company has shown the legal compliance toward Indonesia law such as land title (HGU) and plantation business permit (IUP) that described in more detail in indicator 4.4.1. furthermore, regarding legal aspect based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia dated 31 May 2019 No S.356/Menlhk/Setjen/PLA.2/5/2019 about principal permit exchange of Forest areas for palm oil plantation on behalf of PT Buana Artha Sejahtera. on this decree mentioned if the company burdened with the obligation to reserve for developing smallholder's plantation for community covering 1546 Ha and or 20% in forest area that released. related to this, companies are encouraged to realize the development of smallholders when the release of forest areas has been obtained (OFI)

**Environmental**

- ANDAL PT Tapian Nadenggan covering area 9,300 Ha and mill capacity 90 tonnes FFB/hour which ratified by Environment Agency of Kalimantan Tengah Province through decree No. SK.660/014/KPA-DLH/II/2020 on 21 February 2021.
- Revision of RKL RPL of PT Tapian Nadenggan about additional activity of Methane Capture and waste transfer which ratified by ratified by Environment Agency of Kalimantan Tengah Province through decree No. SK.660/014/KPA-DLH/II/2020 on 21 February 2021.
- ANDAL of PT Buana Artha Sejahtera which ratified by Kalimantan Tengah Governor on 23 January 2006 with ratified number 06.a/2006.
- Environmental Feasibility of Palm Oil Plantation and Processing Mill Activities of PT Buana Artha Sejahtera based on Decree of Kalimantan Tengah Governor on 23 January 2006 No. 06.a/2006.
- Permit for the Temporary Storage of Hazardous and Toxic Wastes (PT BAS) from Kalimantan Tengah regent Number 188.45/379/2017 dated 28 Agustus 2017 and is valid for 5 years
- Permit for the Temporary Storage of Hazardous and Toxic Wastes (PT BAS - PURE) by Decree of the Head of Investment and One Stop Services of Kotawaringin Timur Regency number 015/DPMPSTP-PT/LB3/IX/2018 dated 4 September 2018, the permit is valid for 5 years
- Permit for the Temporary Storage of Hazardous and Toxic Wastes (PT TN - SRDE) by Decree of the Head of Investment and One Stop Services of Kotawaringin Timur Regency number 078/DPMPSTP-PT/LB3/IX/2020 dated 2 September 2020, the permit is valid for 5 years
- Decree of the Head of Investment and One Stop Services of Seruyan Regency number 503-H.E/08.001/DPMPSTP/IV/2021 concerning Permit for disposal domestic liquid waste PT TN dated 14 April 2021, the permit is valid for 5 years
- Decree of the Head of Investment and One Stop Services of Seruyan Regency number 503-H.C/08.011/DPMPSTP/X/2020 concerning Permit for Utilization of POME to land application PT TN dated 1 October 2020, the permit is valid for 5 years.
- The permit to use surface water based on the Decree of the Head of the Office of Investment and One Stop Services of Central Kalimantan Province Number. 570/8/PU-AIR/II/DPMPSTP-2021 concerning Permit for Concession of Surface Water in Ruko Rivers, dated January 4, 2021, valid for 3 years.

**Employment Aspect**

- Employee wages have been referred to the Central Kalimantan Governor Decree No. 188.44/445/2021 dated November 30, 2021 regarding the District/ City Minimum Wage in 2022. The decree explains that the minimum wage for East Kotawaringin Regency is IDR 3,014,732.66 while the minimum wage for Seruyan Regency is IDR 3,317,667.50. It is further explained in point 6 that for workers with a working period of 1 (one) year or more, the amount of wages is guided by the structure and scale of wages.
- The certification unit has implemented a structure and scale of employee wages based on years of service and work assessment of each employee.

- All employees have been registered in the Health and Employment insurance programs.

**Compliance with OHS Regulation:**

- Has a P2K3 structure that refers to the Decree of the Head of the Central Kalimantan Province Manpower and Transmigration Office No: KEP.69/DISNAKERTRANS/VII/2021 dated 13 July 2021.
- Providing free PPE to all workers and regulating the use of PPE according to the type of work based on the free HIRAC that has been determined, Update Februari 2020
- Have permits for all factory operating machines such as boiler 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, hiperkes, boiler operators, diesel engine operators, welder, wheel loader operators and others in accordance with the requirements contained in the legislation.
- Has carried out a general health check (Medical Check Up) every year for all workers and special checks (cholinesterase, spirometry, and audiometry) according to the level of risk / danger for certain jobs (update Fenruari and May 2022)

**2.1.2**

The company has SOP Compliance with regulations & other requirements (SOP/SMART/GENERAL/SADV/II/002, dated July 1, 2014) which discusses: procedures for fulfilling requirements, completeness and flowchart which explain in detail in evaluating compliance with laws and regulations invitation, SPO requirements and others). The officers responsible for updating the list of regulations according to the SOP are: Identification of regulations at the national level by PCDV and at the regional level by regional SPO Officers and SPO Officer units.

The implementation of this procedure is the issuance of a law register document containing regulations that must be fulfilled and relevant to the company's operational activities, including for third parties working with the company (contractors). The law register is divided into several aspects, namely: Occupational safety and health, the environment, employment, and plantations. To ensure whether there are additions and subtractions to relevant regulations, a review is conducted every once a year. The list of laws/regulations listed has covered several aspects such as land permit and legality, manpower, occupational health and safety, best management practices, and environment. with the latest updated in 22 January 2022

To ensure compliance with the Company and third-party laws in the Company, routine monitoring is carried out once a year by means of compliance audit / internal audit. The last internal audit for RSPO and SCCS was conducted on 07 – 14 march 2022. In addition to going through a compliance audit / internal audit, the company conducts monitoring and evaluation of third parties (contractors) through contractor evaluation activities which are conducted at least once a year. The types of evaluations carried out include contract compliance, contractor quality and performance, accuracy of work completion, compliance with labor regulations, OHS, housekeeping and the environment.

In addition, the Company has carried out an evaluation of each contractor and routine inspections every year to see the performance of the contractor. There are several important indicators in the annual evaluation including work quality, stipulated completion time, compliance with laws, implementation of OHS and housekeeping. Meanwhile, for annual inspections, there are seven main criteria, namely work environment, PPE, emergency response, work equipment, safety signs, contractor competence, and work in hazardous areas.

The Company has proven that all contracts have their own clauses regarding the fulfillment of applicable legal obligations, and are shown by the relevant third party.

**2.1.3**

Legal (HGU) boundaries are clearly demarcated and maintained based HGU Map issued by National Land Agency. Based on field observation on HGU poles Semilar Estate (No. 3, 4, 5 and 7), Puri Estate (No 26, 29,30 and 31) and Sei Rindu (No 26, 27 and 28), was known that HGU poles has observed were available in the coordinates, and other boundaries such as boundary drain, and road were maintained.



Based on field observations, documents verifications it was known there are planting beyond the boundaries covering ± 203 Ha in Blocks Z Sei Rindu Estate. Regarding those issue managements of PT Tapan Nadenggan has been disclosure to CB on 12 Augusts 2022 where the area was excluded from scope of certifications, while the FFB delivered to uncertified mill since January 2022 and planned to be certified in next following year (2023) as described in the time bound plan.

Moreover, the company has had SOP of HGU Poles Installation and Maintenance (No. SOP/SMART/CERS-EHSD/SADV/II/004), set that the poles maintenance will be conducted twice a year. The company has shown the latest documentation of semesterly HGU monitoring, described that all HGU are well maintained.

Status: Comply

**2.2**

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

**2.2.1**

List of contractors is presented in document “Contractor Monitoring” that updated on 08 January 2022, which informs stakeholder category, name of PIC, relation, address and contact number. Currently the certification unit has 8 contractors, of which the FFB transporter and suppliers have been included in the 2022 list of stakeholders. Based on the verification document of 2022 Stakeholder List document show that all third parties, including transporters of toxic and hazardous waste and contractors machine maintenance in mill.

**2.2.2**

Based on verification to several work agreements, for example with FFB transporter, such as through agreement No. 001/Juanda/II/2022-Angkut TBS dated 01 January 2012 with Juanda and Agreement No. 014/Abdul Rasyid/VI/2022-Angkut TBS dated 10 June 2022 with Abdul Rasyid, it was known that several clauses related to regulation compliance, as follows:

- a. Implementation of sustainability certification system.
- b. Personal protective equipments (PPE).
- c. Prohibition on hazardous material disposal.
- d. Manpower protection.
- e. Law puruance and human rights.

Monitoring of law or regulation pursuance by contractors is presented in document of evaluation of contractor and form of evaluation and contractor. Sighted contractors evaluation dated 06 July 2022.

Based on the document verification of employee salary slip documents for Hasan Basri (FFB Transporter) for the period of July 2022, it is known that each employee has received wages in accordance with applicable regulations, for example, employees with initial DK receive wages with a value of IDR 4,728,592

**2.2.3**

Based on verification to several work agreements with FFB Transporter, for example through agreement No. 001/Juanda/II/2022-Angkut TBS dated 01 January 2012 with Juanda and Agreement No. 014/Abdul Rasyid/VI/2022-Angkut TBS dated 10 June 2022 with Abdul Rasyid, it was known that clauses of dissallowing child, forced and trafficked laor is presented in Article 12 about manpower protection Point 1.

Based on interview with both suppliers as mentioned above, it was known that socialization towards pursuance regulation on safety and manpower has delivered during contract agreement.

Status: Comply

**2.3**

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

**2.3.1, 2.3.2**

Based on document verification and stakeholder consultation, since the Remote Audit (12-month data previous the audit) until On-site Audit, the Mill did not received FFB that was supplied from directly or indirectly FFB supplier.



<b>Status: Comply</b>	
<b>PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE</b>	
<b>3.1 There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.</b>	
<b>3.1.1</b>	
<p>The company shows a long-term planning document that is described in the 5 (five) annual plan for the period 2020 – 2025. The plan includes:</p> <ol style="list-style-type: none"> <li>1. FFB Production per year per estate,</li> <li>2. Production of CPO and PK (tonnes),</li> <li>3. Estate costs (upkeep, manuring, harvesting, transport, overhead, depreciation),</li> <li>4. Mill costs (processing, repair &amp; maintenance, overhead, depreciation),</li> <li>5. Gross profit (IDR), gross profit margin (%), selling cost (transportation cost) of CPO &amp; PK, total selling cost, pump cost of CPO, profit/loss and net profit/loss, FFB processed and Mill production.</li> <li>6. Distribution of FFB to POM from SMLE and SRDE</li> <li>7. Regarding replanting, there is no replanting plan for the next 5 years</li> </ol>	
<b>3.1.2</b>	
<p>According to the long term plan document for the periode 2020 – 2025, there is no replanting plan for the next five (5) years</p>	
<b>3.1.3</b>	
<p>Evaluation is carried out every year to ensure the continuity of the plantation business, which is shown in the recording of the management review meeting on 22 April 2022, with the RSPO Certification Management Review Meeting Agenda, ISPO, ISCC, SMK3, OIA Audit semester I 2022. Some of the information discussed included, among others, :</p> <ol style="list-style-type: none"> <li>1. Factory start, and acceptance need to be considered</li> <li>2. The potential for excess shells needs to be increased</li> <li>3. Need to follow up on the progress of the plantation business class assessment</li> </ol>	
<b>Status: Comply</b>	
<b>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.</b>	
<b>3.2.1</b>	
<p>For continuous improvement evaluation and monitoring, unit of certification has conducting internal and external audit, as well as periodic performance report by unit management. The action plan for continues improvement is implemented base on consideration of the main social and environment impact for example as shows through several documents, as follows:</p>	
<b>1. Environmental Aspects:</b>	
<ul style="list-style-type: none"> <li>• The POME Management for Biogas plan</li> <li>• Maximize the use of renewable fuels.</li> <li>• Enrichment and maintenance of woody plants in river border areas.</li> <li>• Implementation of monitoring and monitoring of EIA in semester 2 of 2021 and semester 1 of 2022 in accordance with the monitoring and management matrix owned and reporting it to the relevant agencies.</li> <li>• Record the use of GHG sources and Perform GHG calculations using the RSPO GHG. explained in more detail in indicator 7.10.1</li> <li>• Management of HCV areas by monitoring, enrichment, and periodic socialization to the surrounding community.</li> </ul>	
<b>2. BMP :</b>	
<ul style="list-style-type: none"> <li>• Utilization of beneficial plans for the control of pests and diseases of oil palm plantations</li> <li>• Utilization of EFB for plant nutrition</li> </ul>	

**3.2.2**

Formerly there are opportunity for improvement where the unit of certification shows the RSPO P&C Metrics Template just before the closing meeting. During this audit the unit audit presented metric template a week prior the audit assessment. Based on document verification, for The RSPO metric template known annual data 12-month period use on year 2021 for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

**Status: Comply**

**3.3**

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

**3.3.1**

Based on the results of the document review and interviews with management regarding the SOP, it is known that there have been changes/revisions to the SOP Best Management Practice, updated on July 15, 2020. The procedure has been cover all elements in plantations aspects starting from new planting, replanting, nursery, land preparation, integrated pest management., weeding management. And FFB transportation and delivery. Furthermore, for mill there are Procedure of oil palm processing is presented in document procedure No. 04-09/MCMD-SOP/438 (Rev. 04) dated 01 September 2010. Procedure has covers technical mechanism in all processing Stations, i.e. Weighbridge, Sortation, Sterilization, Threshing, Press, Clarification, Sub Stasiun Oil Recovery Tank, Nut and Kernel, Boiler, Engine Room, Water Treatment, Final Effluent and Storage Tank.

Based on the results of field observations to all estate (Semilar Estate, Sei Rindu Estate, Puri Estate and Mandang Estate) it is known that the SOPs have been implemented and understood by workers. For example, related to spraying work, employees can show how to work according to existing procedures.

**3.3.2**

Internal supervision has been carried out, for example, audits conducted by the OIA Department as well as field reviews and inspections carried out by internal controls starting from the foreman level to managers to monitor field implementation consistent with SOPs. Audits are carried out on a regular basis including the implementation of all SOPs. Based on the results of interviews with management and review of the OIA Department's internal audit report documents, audit activities are carried out twice a year.

Internal Audit SOP (Document No. SOP/SMART/UMUM/SADV/009) which explains the work procedures that form the basis for plantation and mill operational activities that refer to SOP principles. The Repair and Prevention Plan is as follows:

- Unit Head determines and implements corrective and preventive actions and determines the timing of their implementation.
- Follow-up on non-conformance findings is detailed in the SOP for Actions and Prevention of Non-conformances

**3.3.3**

The Internal supervision has been carried out, for example for audits conducted by OIA Department as well as field inspections and inspections carried out by internal supervision starting from the level of the foreman to managers to monitor field implementation consistent with the SOP. For example, the Internal Audit Report No. 03/VI-MNAE/04/22, inspection on February 26, 2022 to March 07, 2022, with the scope of the inspection namely Cash, Bank and Memorial Administration, Goods Inventory, Non-Plant Fixed Assets and Plant Product Processing, plant maintenance and plantation area (road maintenance), crop production

**Status: Comply**

**3.4**

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

**3.4.1**

The company has had SEIA related documents divided in Environmental Impact Document/EIA (AMDAL), Social Impact Assessment (SIA) documents, and High Conservation Value (HCV) document. The Environment Impact Assessment consist of:

**PT Tapian Nadenggan**

- ANDAL PT Tapian Nadenggan covering area 9,300 Ha and mill capacity 90 tonnes FFB/hour which ratified by Environment Agency of Kalimantan Tengah Province through decree No. SK.660/014/KPA-DLH/II/2020 on 21 February 2021.
- Revision of RKL RPL of PT Tapian Nadenggan about additional activity of Methane Capture and waste transfer which ratified by Environment Agency of Kalimantan Tengah Province through decree No. SK.660/014/KPA-DLH/II/2020 on 21 February 2021.
- Environmental Permit issued by OSS for PT Tapian Nadenggan covering area 8,279.23 Ha.

**PT Buana Artha Sejahtera**

- ANDAL of PT Buana Artha Sejahtera which ratified by Kalimantan Tengah Governor on 23 January 2006 with ratified number 06.a/2006.
- Environmental Feasibility of Palm Oil Plantation and Processing Mill Activities of PT Buana Artha Sejahtera based on Decree of Kalimantan Tengah Governor on 23 January 2006 No. 06.a/2006.

The social impact assessment of PT Tapian Nadenggan and Buana Artha Sejahtera arrange in 2012. Social impact assessment was made with participation from stakeholders and identified the impact raised from operational activity of PT TN and PT BAS. The report is accompanied by the following evidence:

- Attendance list for the implementation of the Social Impact Assessment, from 8 - 1- 2011 in Pantap Village
- Documentation in the form of photographs
- Attendance for Public Consultation, Social Impact Assessment, HCV, Environmental impact analysis of PT. Tapian Nadenggan & PT. Buana Artha Sejahtera, dated 19 October 2012
- Minutes of Public Consultation on Social Impact Assessment of PT Tapian Nadenggan & PT. Buana Artha Sejahtera, dated 19 October 2012
- Conclusion and Recommendation of Public Consultation on Social Impact Assessment of PT Tapian Nadenggan & PT. Buana Artha Sejahtera, dated 19 October 2012
- Photos of PT Tapian Nadenggan & PT's Social Impact Assessment Public Consultation. Buana Artha Sejahtera, dated 19 October 2012.

Meanwhile the HCV identification has been conducted in may 2012 by RSPO Approved Assessor, the identification result has been reviewed by independent peer reviewer and has been consulted to affected parties on 19 October 2012. Assessment held using HCV toolkit 2008.

**3.4.2**

The Company shown evidence that the SEIA related documents has been arranged through participatory manner, involving affected stakeholders. For instance, in SIA document attached minutes of meeting and questionnaire from Villages of Rungau Raya, Pantap, Biru Maju, Sumber Makmur and Sehabi.

Based on interview with stakeholders (Labor Union, Gender Committee, Sumber Makmur Village, and Biru Maju village), known that SEIA conducted in participatory manner. Those assessments have identified the positive and negative impacts for internal and external stakeholder, as well as biodiversity, caused by company's operational activities, among others in aspects of livelihood, health, land tenure, employment, education, economy, social, cultural and religious, etc. Based on document review, and stakeholder consultation, known that the SEIA documents has covered all operational area and impacts of its activities.

The social impact management and monitoring plan has been developed with the participation of widely affected stakeholders so that there are several identified, such as: grievance internal & external, social conflict and community satisfaction.

Several representative issues have been covered in the Management and Monitoring implementation report period 2021, such as the absorption of local workers, flooding, and land ownership.

Based on the results of document verification and interviews with relevant stakeholders, the participants for SIA adequately compare their operational activities.

### 3.4.3

PT TN and PT BAS environmental management and monitoring activities are contained in the semi-annual environmental management and monitoring implementation reports that have been reported to the relevant agencies. For example, reports on the implementation and management of the environment for the period of semester 1 of 2021 have been reported to the government with evidence shown as follows, for example electronic receipts 16600486297-3322 (PT TN) and 16600486297-3324 (PT BAS).

Based on the document of the Environmental Management and Monitoring Plan of PT TN and PT BAS, which has been prepared previously, there the significant impacts that are managed and monitored, namely:

#### PT TN

- Air temperature and humidity
- Decreased air quality and noise
- Decrease in soil physical and chemical properties
- Decrease in river water quality
- Potential for hazardous waste pollution
- People's Attitudes and Perceptions
- Public unrest
- Public health quality
- Land Fires
- Labor Absorption & Income Increase

#### PT BAS

- Microclimate
- Dust and gas
- Noise
- Soil Quality
- Surface water quality
- Ground water quality
- River flow
- aquatic biota
- Biological Components
- Generation of hazardous waste
- Labor Absorption & Income Increase
- Public Health
- Land Fires

The company is consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per the sixth month regularly. This report described the realization of monitoring and management of the environment in accordance with environmental parameters in the RKL/RPL based on document verification semester 2 year 2021 dan semester 1 year 2022 no negative effect arising from the monitoring result. Public consultation with the Environmental agency of Kotawaringin Timur indicates that the company has made environmental management and there is no issue of pollution caused by the company's operational activities.

The impact identified in SIA has been managed and monitored through SIA Management and Monitoring Plan for PT TN and PT BAS. The plan describes monitoring indicator, monitoring method, PIC and frequency. The compiled based on the results of reviews of management plan on 22 November 2021, which conducted in a participatory manner. The SIA Management and Monitoring implementation on 2021 has been evaluated and updated, document namely "public consultation social livelihood assessment" on 25 to 26 November 2021.

Regarding the social management and monitoring plan owned by the company, the company has carried out a review that is carried out every two years and monitoring every year the last October 2021 the company carried out a review of impact management for the period 2019 - 2021 and the development of a social management plan for the period 2022 - 2023, in which the process was participatory by involving relevant stakeholders.

Based on the results of the study of the document, the company distributes mapping of external stakeholders by paying attention to women, migrants, local residents, youth leaders, contractors and for internal stakeholders by taking into account the wider representation of workers such as local workers, layoffs of employees, migrants, land compensation, women, new workers.

The companies have been developing a comprehensive social management and monitoring plan by integrating between sections/departments covering all impacts and representative samples of the parties established.

Based on an interview via telephone with the Village Head of the village Sumber Makmur and Biru Maju Village known that SIA, management and monitoring plan has been conducted in an involved manner with affected Village with a Forum Group Discussion (FGD) and no issue raised by the community.

Status: Comply

**3.5**

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

**3.5.1**

The certification unit already has Collective Labour Agreement (CLA) period of 2021-2023 that have been ratified by the relevant manpower office. The CLA regulates the terms and conditions of employment of employees, including regulations regarding recruitment requirements, working hours, wages, social security, leave, termination of employment, work rules and discipline, rules for dispute resolution processes, and other provisions. The results of document verification show that in general the employment system that applies in the company is in accordance with the applicable regulations. It was further explained that this CLA had also been socialized to all plantation and mill employees on January 31, 2022.

In addition, the certification unit also has an employee recruitment procedure which explains the procedures for the recruitment process including job requests based on workforce planning, job vacancies notification, pre-selection and selection process, job interview and fitness, health checks, job offers, hiring decisions and employment agreements

Regarding employee performance appraisal, it is regulated in certification unit policy which is the certification unit's right to improve the quality and productivity of existing human resources by giving awards to employees who excel. Employee promotions are determined according to the results of the work performance assessment and in the interest of the certification unit's strategy and employee career development with the following criteria: having dedication and loyalty in their field of duty, working based on the system and method as well as the stipulated conditions, having the ability to always try to improve abilities and performance and always work with a healthy and dynamic code of ethics.

Based on the foregoing, it is known that the employment system in the certification unit is in accordance with applicable regulations, starting from the acceptance of new workers to retirement or termination of employment.

**3.5.2**

The certification unit shows the implementation documents for the 2021 employment procedure as follows:

**New employees**

- a. Job application letter for prospective employees with the initials RY dated March 11, 2022. The application letter also attaches several documents including identity, birth certificate, high school diploma, police record letter, health certificate, work experience letter and Covid-19 vaccine certificate.
- b. Contract Worker Agreement for new employees with No. 05/SMLE/PKWT-A2/IV/2022 dated March 31, 2022 between PT Tapan Nadenggan and employee initials RY.

**Promotion**

Promotion of employees with Infrastructure Administration jobs who were previously contract worker and subsequently promoted to permanent employees with the PT3 class. The promotion proposal was approved by the PSM-6 VPA and PSM-6 CEO.

**Termination**

- 1. The first warning letter (*SP*) to employees with the initials AZ dated January 29, 2022. A warning is given to employees for being late at work.
- 2. Second warning letter (*SP*) to employees with initials AZ dated February 2, 2022. A warning is given to employees for being late in work.
- 3. The last warning letter (*SP*) to employees with the initials AZ was dated February 10, 2022. A warning was given to employees for being late at work.
- 4. Minutes of termination of employment for employees with the initials AZ dated February 13, 2022.
- 5. Decision Letter from Mill Manager with No. 001/SMLM-PHK/02/2022 dated February 13, 2022 regarding termination of employment with employee initials AZ.

6. Collective Agreement between PT SMART Tbk and employee initials AZ dated February 14, 2022 regarding termination of employment due to disciplinary violations
7. Proof of payment for employee layoffs with the initials AZ on 27 May 2022. The company can show payment transaction documents

**Mutation**

Decision Letter from MNAE Manager with No. 371/MNAE/EM-MTS/VIII/2022 dated August 1, 2022 regarding the transfer of security guard employees with the initials WA from Division 4 to Division 6 Mandang Estate.

Based on the above, it is known that the certification unit has good documentation regarding the implementation of labor procedures.

	<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 certification unit has carried out a risk assessment of all operational activities to identify OHS issues, which are shown in the following documents Hazard Source Identification, Risk Assessment and Control for the period January – December 2022 for mill and estates. The above document describes the identification of potential hazards (source/event, impact), OHS regulations/requirements, and initial risk analysis (likelihood, severity, risk level) of each activity in the Mill and Estate.

The results of field observations for Beneficial Plant maintenance activities and manual maintenance, it is known that the company has provided personal protective equipment (foot protection) in the form of shoes. However, the types of shoes provided are of different types, namely boots and *gambir* shoes.

The results of the verification of the Personal Protective Equipment Management Procedure document, No SOP/SMART/HESS-EHSD/SADV/010/003, it is known that PPE for maintenance activities refers to *ISBPR*. The results of the verification of the *ISPBR* document for the 2022 period, it is known that the company has identified potential hazards and determined control actions for plant maintenance activities with a form of control that refers to the two SOPs. However, it has not specifically led to the type of PPE.

In this case, the company has the opportunity to ensure the type of PPE including uniformity for all operational activities in the field. (OFI)

**3.6.2**  
 The realization of the OHS work program is monitored through OHS Committee meetings, every month and reported to Government Agencies, for example the OHS Comittee Report document for the second quarter (April-June) 2022, the work program is made in general, if it is not effective, it will be evaluated at the next meeting. OHS Committee Report is available to *DISNAKERTRANS* Central Kalimantan Province *UPT* Sampit Labor Inspection Center, April-June Period, July 29, 2022, containing information on the results of the OHS Committee meeting in the Second Quarter 2022,

According to the results of interviews with workers in chemical warehouse operators and boiler operators at SMLM, harvest workers at SRDE, Spray at SMLE and MNAE, they stated that they had received training related to OHS, provided PPE according to their field of work and replaced if there was damage, free of charge, knowing the potential hazards and risks of accidents according to their field of work, for example in spray workers, they stated that the sources of danger from spray work were slipping, inhalation, exposure to and poisoning with pesticide-type chemicals. During a field visit to the POM area for chemical warehouses and workshops, it was discovered that there were first aid kits with 21 types of goods in accordance with applicable laws and regulations, and none of them expired.

During the field visits of workers applying pesticides and harvesting chemicals, the first aid kit is available to the foreman in good and complete condition, according to information, it has been checked every day during the morning circle.



The results of document verification for workers with special skills and competencies, in SMLE it is known that there are lift and transport operators with licenses that will expire on October 20, 2022, and there is a general K3 expert license which has expired on July 24, 2022, the company has made efforts to extend it, as evidenced by a letter statement no. 1492/SK/VII/2022, dated July 17, 2022 PT Tranindo Pratama Mulia, it is stated that the certificate is in process at the Indonesian Ministry of Manpower

Status: Comply

**3.7**

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

**3.7.1**

The certification unit has established the annual training program for each unit, and contractors. The training program covers all operational and RSPO aspects, such as agronomic best practices, chemical/ pesticide handling, OSH, and the environment. Further explained that there is no gender discrimination in the program but based on the operational and previous evaluation.

The certification unit in this case shows the 2022 training program document which is based on an analysis of employee training needs. The training is carried out interactively by the trainer or supervisor through presentations and hands-on practice to increase participants' understanding. The training program covers the following aspects:

1. OHS aspects training which includes pesticide handling training, training for high-risk jobs, fire and hazardous waste management training, first aid, accident investigation and risk assessment.
2. Environmental aspect training which includes air and water pollution control training, and domestic waste management training.
3. Individual development training.
4. Agronomic aspects training which includes training on harvesting, fertilization, spraying, pests & diseases,
5. HCV training.

Based on field observations and interviews with estate and mill employees show that the certification unit always provides regular training to employees to maintain and improve employee competencies in their respective jobs.

Furthermore, according to the results of the verification of the Certificate/License Recap document for special officers and operators for the period of July 2022, it is known that there is a Certificate/License (SIO) that has expired with the following details:

- SMLM: General AK3 certificate/license 1 person, Electrical K3 license 4 people, Role of class D firefighters 8 people,
- SRDE: 4 persons with a K3 electrical license and 1 K3 for lifting and transporting,
- SMLE : General AK3 1 person, lift and transport operator 7 people

The company shows certificate documents no. 1492/SK/VII/2022 and dated no. 1492/SK/VII/2022, dated July 17, 2022 by PT Tranindo Pratama Mulia. It was explained that the officer mentioned above, his certificate and license were in the process of being extended at the Ministry of Manpower of the Republic of Indonesia.

Thus, the company has the opportunity to follow up on this progress so that the certificate/license that is still in process at the Ministry of Manpower of the Republic of Indonesia will be issued soon (OFI)

**3.7.2**

The certification unit shows training documents to employees and the public around the 2021 period as follows:

1. Integrated pest management (IPM) safety training on December 02, 2021 at Sei Rindu Estate. The training was followed by employees and representatives of the surrounding community. The certification unit can show documentation and attendance list for the simulation.
2. Work at a certain height training on February 15, 2022 at Semilar Mill. The training was attended by employees and representatives of the surrounding community. The certification unit can show documentation and attendance list for the training.
3. First aid kit training on April 18, 2022 at Mandang Estate. The training was attended by estate, mill and cooperative employees. The certification unit can show documentation and attendance list for the socialization.
4. Hydrant simulation on June 24, 2022 at a Semilar Mill. The training was attended by employees and representatives

of the surrounding community. The certification unit can show documentation and attendance list for the training.

Based interviews with management revealed that the certification unit compiled a training program based on work units, for example training on first aid kit for maintenance worker which was carried out every month, the last one was on July 07, 2022, which was attended by 18 workers.

Based on field observations and interviews with estate and mill employees show that the certification unit always provides regular training to employees to maintain and improve employee competencies in their respective jobs

**3.7.3**

Company provided an understanding of SCCS to weighbridge operators, sorting, sustainability, security, and laboratory on 28 July 2022. The materials discussed included the definition of RSPO SCCS, new standards for RSPO SCCS, principles for compliance with RSPO SCCS. Based on interviews with weighbridge operators and security, it is known that they understand the supply chain process

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1, 3.8.2**

Based on the RSPO Certificate, the Mill can implement both IP and MB modules. However, previous assessment until current audit the Mill only implement IP module, that only received FFB from certified unit.

**3.8.3**

Estimated certified product recorded in the last Assessment Report and Certificate and has been updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. Since previous assessment until this audit, the Mill only implement IP module, that is only receive FFB from certified unit.

The data are shown in the following table:

Product	Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (August 2021 to July 2022) (MT)		Next Year Projected Certified Volume (12 months) (MT)	
	IP	MB	IP	MB	IP	MB
FFB	486,362	83,001	411,319.76	0	348,000	87,000
CSPO	111,562	19,300	93,356.83	0	348,000	87,000
CSPK	29,463	5,000	25,056.71	0	17,400	4,350

**3.8.4**

The Mill has been registered as RSPO member under GAR (as a parent company) membership number: 1-0096-11-000-00. The mill also has been registered on RSPO IT Platform, with the license ID CB123422 and member ID RSPO\_PO1000001156.

All transaction has been announced to RSPO IT Platform and confirmed shipped. During license it was known there is product sold as RSPO certified and non-certified/conventional as described in indicator 3.8.8 and 3.8.16.

**3.8.5**

The company has had the SOP Supply Chain of Identity Preserve Module (No. TN-SMLM-SCCS/SOP/01 dated 25 May 2020) and SOP Supply Chain of Mass Balance Module (No. TN-SMLM-SCCS/SOP/03 dated 25 May 2020). The procedures established and covering all elements of the supply chain model requirements in the P&C of 2018 such as the announcement in RSPO Palmtrace not later than 3 months after dispatch, receiving and recording that identify the traceability of RSPO certified and uncertified source and products (mass balance record), FFB processing, key persons and job descriptions, internal audit, training, etc. The Mill only has a single processing line. If the Mill want to change the model from IP to MB, and particularly from MB to IP, all the processing line started from loading ramp until clarification will

be flushed to ensure the certified products not contaminated with uncertified products, including the storage tank will be separated completely between IP products and MB products.

The regular dissemination and training of the procedures has been conducted on 28 July 2022. Based on field observation, obtained information that key persons for SSCS implementation (such as weighbridge operators, security, and Head of Administration) have understood the supply chain implementation. The Mill has had a system to differentiate FFB from certified and uncertified sources.

**3.8.6**

The procedure to conduct supply chain internal audit already set in the SOP of supply chain. In the SOP mentioned that internal audit will be conducted annually. Internal audit of RSPO supply chain conducted simultaneously with P&C audit on 07 – 14 March 2022. All of supply chain standard and rules on market communication and claim has been assessed, and the CARs have been complied.

Management Review of RSPO SCCS implementation conducted on 22 April 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

**3.8.7**

The Mill has maintained the record of Mass Balance data, that informed amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK). Since 1 April 2019 until this audit, the Mill only implement IP module, that is only receive FFB from certified unit. The data is shown as follow:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Aug-21	36,350.92		36,350.92
Sep-21	30,905.89		30,905.89
Oct-21	26,934.14		26,934.14
Nov-21	26,843.81		26,843.81
Dec-21	25,930.36		25,930.36
Jan-22	31,811.61		31,811.61
Feb-22	32,002.51		32,002.51
Mar-22	38,734.73		38,734.73
Apr-22	39,345.79		39,345.79
May-22	39,380.40		39,380.40
Jun-22	44,309.37		44,309.37
Jul-22	38,770.23		38,770.23
<b>Total</b>	<b>411,319.76</b>		<b>411,319.76</b>

Estimated certified product recorded in the last assessment report, Actual certified produced has been verified during this assessment and not exceed the estimate. The data are shown in the following table:

Product	Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (August 2021 to July 2022) (MT)	
	IP	MB	IP	MB
FFB	486,362	83,001	411,319.76	-
CSPO	111,562	19,300	93,356.83	-
CSPK	29,463	5,000	25,056.71	-

Based on the table above, know that there is no FFB overproduction of against credit given in license.

Related for handling non-conforming oil palm products, has been set in the SOP of Complaints and Grievance Handling (No. SOP/SMART/GIMS-SCMD/USDV/I/001 dated 02 June 2016 revised 11 April 2017). This procedure is generally applied to all complaints aspects, including complaints and non-conforming products from customers/buyers. During the audit, there is no written complaint from stakeholders related to nonconforming products.

**3.8.8**

Based on documents verification, it was known that the CSPO and CSPK from the Mill were sold has met the requirements of certified product information. The selling documentations shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, identification number (unique code), certificate number, sender name and address of the seller. For example:

a. CPO

<b>Seller</b> Member Name: PT. Tapian Nadenggan - Semilar Palm Oil Mill Member ID: RSPO_PO1000001156 Country: Indonesia	<b>Buyer</b> Member Name: PT SMART Tbk. (PT Sinar Mas Agro Resources and Technology Tbk.) Marunda Refinery Member ID: RSPO_PO1000000698 Country: Indonesia
<b>Transaction</b> Seller contract number: DIC/1456/300522/0001 Buyer reference number: 4800064168	<b>Confirmation</b> Confirmation date: 04-08-2022
<b>Product Details</b> Product name: CSPO Supply chain model: IP Volume: 2901.73 MT	<b>Traceability</b> Transaction ID: TR-8c0a062d-6ea5 Transaction status: Confirmed Shipping/BL date: 08 June 2022

- The shipping announcement based on CSPK selling contract between PT Tapian Nadenggan – Semilar Mill and PT SMART Tbk. (PT Sinar Mas Agro Resources and Technology Tbk.) Marunda Refinery, with selling contract No DI/1456/300522/0001 dated 30 May 2022
- Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:
  - The name and address of the buyer; PT. Binasawit Abadipratama – Perdana KCP
  - The name and address of the seller; PT SMART Tbk. (PT Sinar Mas Agro Resources and Technology Tbk.) Marunda Refinery
  - The loading or shipment / delivery date; on 08 June 2022 based on Delivery order No 1456/KER/1452/22/012 dated 21 June 2022 with volume 2901.73 MT
  - The date on which the documents were issued. 08 June 2022
  - RSPO certificate number; MUTU-RSPO/28
  - A description of the product, including the applicable supply chain model: Identify Preserved

b. PK

<b>Seller</b> Member Name: PT. Tapian Nadenggan - Semilar Palm Oil Mill Member ID: RSPO_PO1000001156 Country: Indonesia	<b>Buyer</b> Member Name: PT. Binasawit Abadipratama – Perdana KCP Member ID: RSPO_PO1000002957 Country: Indonesia
<b>Transaction</b> Seller reference number: 1456/KER/1456/22/L006 Buyer reference number: 4700073425	<b>Confirmation</b> Confirmation date: <del>09-08-2022</del>
<b>Product Details</b>	<b>Traceability</b>

Product name: CSPK Supply chain model: IP Volume : 967.130 MT	Transaction ID: TR-04560884-77f2 Transaction status: Confirmed Shipping/BL date : 30 June 2022
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- The shipping announcement based on CSPO selling contract between CSPK PT Tapian Nadenggan – Semilar Mill and PT Binasawit Abadipratama – Perdana KCP, with selling contract No 1456/KER/146/22/L006 volume 53000Ton dated 21 June 2022
- Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:
  - The name and address of the buyer; PT. Binasawit Abadipratama – Perdana KCP
  - The name and address of the seller; PT. Tapian Nadenggan - Semilar Palm Oil Mill
  - The loading or shipment / delivery date; on 22 - 30 June 2022 based on Delivery order No 1456/KER/146/22/L006 dated 21 June 2022 with volume 967.130 MT
  - The date on which the documents were issued. 30 June 2022
  - RSPO certificate number; MUTU-RSPO/28
  - A description of the product, including the applicable supply chain model: Identify Preserved

**3.8.9**

The Mill outsources its products transportation to the third party that has had contractual agreement. CSPO and PK transporter handled by PT Satrindo Jaya Agropalma with agreement

- CPO: No. 002/TN/SMLM/01/2022-CPO dated 2 January 20022, valid until 31 December 2024.
- PK: No. 001/BAP/SMLM/10/2020-CPO dated 01 October 2022, valid until 30 September 2024.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Semilar Mill, as well as the willingness to observe by Certification Body to verify the compliance. Other than that, the Mill has had SOP of Contractor Control (No. SOP/SMART/UMUM/SADVI/006 dated 1 July 2014). One of the mechanisms to ensure that the products delivered only from the Mill, in the vehicle is mounted on a seal that can only be opened at the buyer's location. Based on interview with CPO and PK Transporter) it was known they willing to interview about SCCS process in the term of CPO transportation, the transportations of RSPO certified products etc.

**3.8.10, 3.8.11**

The Mill has the record of details of the contractor of PT Satrindo Jaya Agropalma, covers the contractor's company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles. There is no new contractors and transporter since previous assessment.

**3.8.12**

In previous assessment there are an opportunity for improvement regarding the details of the 'Dual ID' of RSPO and ISCC certified CPO sales variable in the supply chain Mass Balance Data. That's OFI has been verify where the Mill has maintained accurate, complete, and up to date records related RSPO Supply Chain implementation that kept at least 2 years in accordance with Mill's procedure. The records variable cover FFB received from certified and uncertified sources, production of CPO and PK (certified, noncertified, total), products dispatch (as RSPO certified, sold in another certified scheme, sold as non-certified, total sold), as well as balance/stock of certified products. The summary of Mass Balance data 12 months previous the audit can be seen on the table below:

**Mass Balance record of CPO**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)			Total
	Cert	Non-Cert		RSPO	Another scheme	Non-Cert	
Aug-21	8,234.57		8,234.57	8,436.40			8,436.40
Sep-21	7,122.59		7,122.59	7,377.05			7,377.05

Oct-21	6,395.49		6,395.49	6,335.18		6,335.18
Nov-21	6,234.23		6,234.23	6,226.25		6,226.25
Dec-21	6,098.59		6,098.59	5,840.59		5,840.59
Jan-22	7,348.85		7,348.85	7,553.27		7,553.27
Feb-22	7,262.23		7,262.23	7,192.55		7,192.55
Mar-22	8,684.96		8,684.96	8,714.09		8,714.09
Apr-22	8,887.29		8,887.29	8,572.41		8,572.41
May-22	8,507.70		8,507.70	8,324.10		8,324.10
Jun-22	10,030.07		10,030.07	9,383.01		9,383.01
Jul-22	8,550.26		8,550.26	8,630.38		8,630.38
<b>Total</b>	<b>93,356.83</b>		<b>93,356.83</b>	<b>92,585.28</b>		<b>92,585.28</b>

**Mass Balance record of PK**

Period	CSPK production (MT)		Total	Cert CSPK Dispatch (MT)			Total
	Cert	Non-Cert		RSPO	Another scheme	Non-Cert	
Aug-21	2,316.50		2,316.50	1,701.95			1,701.95
Sep-21	1,727.67		1,727.67	1,357.41			1,357.41
Oct-21	1,628.15		1,628.15	2,048.29			2,048.29
Nov-21	1,648.82		1,648.82	1,609.46			1,609.46
Dec-21	1,824.94		1,824.94	1,786.62			1,786.62
Jan-22	2,115.13		2,115.13	2,170.46			2,170.46
Feb-22	1,922.74		1,922.74	2,277.85			2,277.85
Mar-22	2,144.18		2,144.18	2,209.10			2,209.10
Apr-22	2,382.89		2,382.89	2,426.01			2,426.01
May-22	2,150.96		2,150.96	1,510.53			1,510.53
Jun-22	2,708.36		2,708.36	2,931.11			2,931.11
Jul-22	2,486.36		2,486.36	2,710.97			2,710.97
<b>Total</b>	<b>25,056.71</b>		<b>25,056.71</b>	<b>24,739.76</b>			<b>24,739.76</b>

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

a. Tonnage Product

Product	Last Year Actual Certified Volume (August 2021 to July 2022) (MT)	
	IP	MB
FFB	411,319.76	-
CSPO	93,356.83	-
CSPK	25,056.71	-

b. Product Selling

Description	Volume (MT)
CSPO sold as RSPO certified product	92,585.28
CSPK sold as RSPO certified product	24,739.76



CSPO sold under another scheme	0
CSPK sold under another scheme	0
CSPO sold as conventional	0
CSPK sold as conventional	0

**3.8.13, 3.8.14**

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

**3.8.15**

The procedure of supply chain IP module has been set the mechanism to ensure the uncertified FFB not mixed with the certified FFB. The Mill only has one line of processing, and since previous assessment until the audit only implement IP module. In the transporter agreements has been set the obligation to keep the purity of IP certified products. One of the mechanisms, in the vehicle is mounted on a seal that can only be opened at the buyer's location.

**3.8.16**

Based on delivery and transaction document review, it was known that announcement is carried out less than three months after delivery date. The status of announcements has been 'confirmed' by the buyer. The supply chain PIC has known that for P&C 2018 (included supply chain standard) the announcement should be conducted within three months after the delivery date. For example,

c. CPO

<b>Seller</b> Member Name: PT. Tapian Nadenggan - Semilar Palm Oil Mill Member ID: RSPO_PO1000001156 Country: Indonesia	<b>Buyer</b> Member Name: PT SMART Tbk. (PT Sinar Mas Agro Resources and Technology Tbk.) Marunda Refinery Member ID: RSPO_PO1000000698 Country: Indonesia
<b>Transaction</b> Seller contract number: DIC/1456/300522/0001 Buyer reference number: 4800064168	<b>Confirmation</b> Confirmation date: 04-08-2022
<b>Product Details</b> Product name: CSPO Supply chain model: IP Volume: 2901.73 MT	<b>Traceability</b> Transaction ID: TR-8c0a062d-6ea5 Transaction status: Confirmed Shipping/BL date: 08 June 2022

- The shipping announcement based on CSPK selling contract between PT Tapian Nadenggan – Semilar Mill and PT SMART Tbk. (PT Sinar Mas Agro Resources and Technology Tbk.) Marunda Refinery, with selling contract No DI/1456/300522/0001 dated 30 May 2022
- Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:
  - The name and address of the buyer; PT. Binasawit Abadipratama – Perdana KCP
  - The name and address of the seller; PT SMART Tbk. (PT Sinar Mas Agro Resources and Technology Tbk.) Marunda Refinery
  - The loading or shipment / delivery date; on 08 June 2022 based on Delivery order No 1456/KER/1452/22/012 dated 21 June 2022 with volume 2901.73 MT
  - The date on which the documents were issued. 08 June 2022
  - RSPO certificate number; MUTU-RSPO/28
  - A description of the product, including the applicable supply chain model: Identify Preserved

d. PK

<b>Seller</b> Member Name: PT. Tapian Nadenggan -	<b>Buyer</b> Member Name: PT. Binasawit Abadipratama -
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Semilar Palm Oil Mill Member ID: RSPO_PO1000001156 Country: Indonesia	Perdana KCP Member ID: RSPO_PO1000002957 Country: Indonesia
<b>Transaction</b> Seller reference number: 1456/KER/1456/22/L006 Buyer reference number: 4700073425	<b>Confirmation</b> Confirmation date: 09-08-2022
<b>Product Details</b> Product name: CSPK Supply chain model: IP Volume : 967.130 MT	<b>Traceability</b> Transaction ID: TR-04560884-77f2 Transaction status: Confirmed Shipping/BL date : 30 June 2022

- The shipping announcement based on CSPO selling contract between CSPK PT Tapian Nadenggan – Semilar Mill and PT Binasawit Abadipratama – Perdana KCP, with selling contract No 1456/KER/146/22/L006 volume 53000Ton dated 21 June 2022
- Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:
  - The name and address of the buyer; PT. Binasawit Abadipratama – Perdana KCP
  - The name and address of the seller; PT. Tapian Nadenggan - Semilar Palm Oil Mill
  - The loading or shipment / delivery date; on 22 - 30 June 2022 based on Delivery order No 1456/KER/146/22/L006 dated 21 June 2022 with volume 967.130 MT
  - The date on which the documents were issued. 30 June 2022
  - RSPO certificate number; MUTU-RSPO/28
  - A description of the product, including the applicable supply chain model: Identify Preserved

Based on documents verification, it was known that the CSPO and CSPK from the Mill were sold has met the requirements of certified product information and there is no product sold as conventional or other schemes.

**3.8.17**

The products were claimed as IP module. The Mill does not use RSPO trademark on product or off product.

<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**  
The unit of certification has social and environmental policy (No. 047/PD/X/2015 dated 29 October 2015), said that the company will respect general statements about human rights, FPIC for indigenous peoples and local communities, handle complaints and dissatisfaction responsibly. The company will also build economic, social and community positively. The company committed to recognizing, respecting, and strengthening all workers' rights.

The unit of certification policy regarding respect to Human Rights described in the GAR of Social and Environmental Policy (GSEP) in point 2.2.3 which stated that the company committed to stand and promote statement of the human right of UN for all workers, contractor, customary society, the local community in all company operation. Furthermore, on those policy also described about prohibiting retaliation against Human Rights Defenders (HRDs) as well as prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.

During the audit carried out, the team auditor has been trying to ensure this policy has been communicated and implemented through stakeholder consultation.

Based on interviews with workers, the surrounding community (village head, community leaders,), and contractors known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in offices, socializing in the housing, and socializing with workers during the morning briefing before

the activities started.

**4.1.2**

Until this assessment there were no conflicts and land disputes within the PT TN & PT BAS area (SMLE, SRDE, SMLM, PURE and MNAE). This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stating that there were no land conflicts in the company's HGU.

**Status: Comply**

**4.2**

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

**4.2.1**

The 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).

The certificate unit has also monitored request for information and complaint from stakeholder in form of book in incoming and outgoing letter. The most of letter is about request of funding, repairing facilities and heavy equipment assisting and it was managed through estate and mill.

Based on interviews with community representatives, it was found that during the land acquisition process, all villagers (landowners) were free to provide their comments or objections regarding the land acquisition process. It was further explained that the community already knew the PIC for each unit in submitting complaints, namely the Estate Manager/ Head of Administration.

**4.2.2**

The certification unit has established a system for handling complaints for all affected parties which is documented in the Grievance Handling and Complaints Procedure. There are additional provisions regarding the implementation of communication and consultation procedures to stakeholders, where the socialization of this procedure is carried out by displaying the procedure in writing or by showing pictures so that it can be understood by stakeholders who cannot read and write. The procedure states that all complaints must be registered in the Complaint Form in clear and easy to understand language. All complaint forms will be collected and registered monthly into the Grievance Register Book. Certification unit will respond to each complaint within 14 days from the date the complaint request was received.

The procedure has been socialized to Estate, Mill and contractor workers as well as to the surrounding community on March 30, 2022. Certification units can show the minutes and attendance lists for the socialization

Based on field observations and interviews with estate, mill and contractor workers, it is known that there were complaints from employees regarding the repair of houses and complaints from the surrounding community regarding the improvement of road access.

**4.2.3**

Based on verification document of internal and external complaint in 2021-2022 revealed that there were complaints from employees and surrounding community with the following explanation:

- a. Semilar Mill employee complaint with the initials KD on June 18, 2022 regarding the damage to the bath tub at home. The certification unit in this case took corrective action on June 20, 2022.
- b. Letter from the Labour Union of PT BAS to the PURI Estate Manager with No. 054/SPP-SKLR/VIII/2022 dated

August 5, 2022 regarding the request for access to the estate exit. The letter explained that the Blok 32/ 33 axis road to F/ G main axis road to gate at Km 98 should be opened every day including holidays because it is an access road to the market to meet the basic needs of employees. The certification unit has responded to the complaint on August 12, 2022 wherein the certification unit has established an access road on the 41/ 42 axle road to facilitate monitoring and anticipate potential security disturbances. Regarding the access road, which is often damaged due to heavy rainfall, the certification unit has tried to make road ditches so that water does not stagnate and fill the road again using stones.

**4.2.4**

The certification unit has Procedure for Handling of Complaints. The document explained that this policy aims to provide assurance to whistleblowers who have a good will to report suspected abuse or divergent practices. Whistleblowers will be protected from retaliation or actions that may harm the whistleblower. Furthermore, it is explained that the certification unit encourages the whistleblower to write a clear and complete identity when reporting irregularities that occur. All forms of reporting irregularities will be guaranteed confidentiality by the certification unit. If the complaint cannot be resolved by consultation, it can follow up the next step or go through the process to the RSPO.

Based on field observations and interviews with Sei Rindu and Mandang Harvester revealed that until now every complaint submitted by employees has always been taken seriously by the certification unit where during the audit activity, all complaints that have entered the office have been responded to by the certification unit in accordance with the procedures it has.

**Status: Comply**

**4.3**

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

**4.3.1**

The results of interviews with management, conveyed that the CSR program was prepared based on the participation of the surrounding community. The company shows examples of forum group discussion on 11 – 12 January 2021, involved nearest community included the Village Heads around the company (Rungau Raya village, Pantap Village, Biru Maju village, Sumber Makmur village and Sebabi village.

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

- Assistance for health activities in Rungau Raya Village on 14 February 2022.
- Assistance for health activities in Pantap Village on 21 June 2021.
- Heavy equipment assistance for Biru Maju village on 30 June 2021.
- Donation for daycare facility in Pantap village date 26 June 2021.
- The clinic equipment assistance in Pantap village date 19 February 2021.
- Etc.

Base on interview results with representative of Biru Maju Village and Sumber Makmur village, it was conveyed that the company had provided CSR assistance to the surrounding community in accordance with the identification needs.

**Status: Comply**

**4.4**

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

**4.4.1**

Scope of certification covering 17,088.00 ha. It is consisting of PT Tapian Nadenggan (Semilar Estate and Sei Rindu Estate) totaled 8,279.23 ha and PT Buana Artha Sejahtera (Mandang Estate and Puri Estate) totaled 8,808.77 ha.

The detail of legality documents is described as follows:

**PT Tapian Nadenggan**

- Location Permit (*Izin Lokasi*) No. 1084.460.42 dated 10 October 1995 amount if 10,000 ha.

- Land Title / HGU Certificate No. 12 dated 5 October 2005, valid until 5 October 2040, amount of **3,561.84 ha**. The certificate was issued based on HGU Decree No. 15/HGU/BPN/2005 dated 18 February 2005.
- Land Title / HGU Certificate No. 29 dated 5 October 2005, valid until 5 October 2040, amount of **4,717.39 ha**. The certificate was issued based on HGU Decree No. 16/HGU/BPN/2005 dated 18 February 2005.
- Plantation Business Permit (IUP) No. 368 of 2004 dated 29 September 2004 for oil palm plantation amount of  $\pm$  7,300 ha area and Mill's capacity of 80-ton FFB/hour.
- Regarding area covering 979.23 Ha in PT Tapian Nadenggan which not included in the IUP area, on 08 May 2012 Head of Plantation Agency Kalimantan Tengah Province make a Note of Consideration through letter No. 525/1234/KSP/Disbun addressed to the Governor of Kalimantan Tengah. On July 19, 2012, the Legal Bureau, Regional Secretariat of Kalimantan Tengah Province issued an official memorandum through letter No. 180/212/HUK to the Head of the Plantation Agency of Kalimantan Tengah Province regarding the review of the concept of the Governor's decision on the revision of the Governor's Decree on the Tapian Nadenggan plantation business permit. In the Memorandum of Service, it is explained that the Decree of the Governor of Central Kalimantan 368 of 2004 concerning the Granting of a Plantation Business Permit to PT Tapian Nadenggan has complied with the applicable provisions, so based on several considerations, there is no need for a revision of the Governor's Decree 368 of 2004.

**PT Buana Artha Sejahtera**

- Location Permit (*Izin Lokasi*) No. 176.460.42 dated 8 April 2004 amount if 14,300 ha.
- Plantation Business Permit (IUP) No. 407 of 2004 dated 22 November 2004 for oil palm plantation amount of  $\pm$  14,300 ha area.
- The land title of PT Buana Artha Sejahtera is being processed of HGU covering an area of 8,808.77 ha. Currently is hampered due to the proposed land is overlapped with the forest area.

Since Initial Certification, PT BAS's HGU is being processed. The HGU process was hampered in 2005 due to changes in regulations regarding forest areas, that some part of the area proposed for obtaining HGU was included in limited production forest areas (*Hutan Produksi Terbatas/HPT*), so it was necessary to implement an area exchange mechanism based on governmental law. The company has shown positive progress regarding the exchange of plantation areas that are included in forest areas for the HGU process. Up to the time of the ASA 1.4 the company presented Decree of the Minister of Environment and Forestry of the Republic of Indonesia ted May 31, 2019 S.356/Menlhk/Setjen/PLA.2/5/2019 concerning Principle Approval of Exchanging Forest Areas for Oil Palm Plantations on behalf of PT. Buana Artha Sejahtera, in the form of Permanent Production Forest (HP) covering an area of  $\pm$  7,728 Ha in East Kotawaringin Regency and Seruyan Regency, Central Kalimantan Province with Prospective Replacement Land covering an area of  $\pm$  7,946 Ha consisting of Convertible Production Forest (HPK) covering an area of  $\pm$  5,418 Ha located in Katingan Regency, Central Kalimantan Province and Other Use Areas (APL) covering an area of  $\pm$  2,528 Ha located in Kapuas Hulu Regency, West Kalimantan Province.

Furthermore, PT Tapian Nadenggan has owned HGU since 2005 with a total area of 8,279.23 ha. In 2012 the Minister of Forestry Decree No. SK.529/Menhut-II/2012 dated 25 September 2012 concerning Amendments to the Decree of the Minister of Agriculture No. 759/Kpts/Um/10/1982 concerning Designation of Forest Areas in the Province of Central Kalimantan with an area of  $\pm$  15,300,000 Ha as Forest Areas. Based on the decree, it is known that the PT TN area consists of HPK covering an area of  $\pm$  1,812 Ha and HPT covering an area of  $\pm$  8,202 Ha. Since 2012 PT TN has carried out the process of exchanging forest areas.

The company has shown positive progress regarding the exchange of plantation areas that are included in the forest area for the HGU process. Until now, the ASA 1.4 audit is in the form of Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number S.566/Menlhk/Setjen/PLA.2/8/2019 dated 19 August 2019 regarding the Principle Approval of Exchanging Forest Areas for Oil Palm Plantations on behalf of PT. Tapian Nadenggan, in the form of a Limited Production Forest (HPT) area of + 8,191 Ha in Kotawaringin Timur Regency and Seruyan Regency, Central Kalimantan Province with a Prospective Replacement Land covering an area of + 8,330 Ha in the form of a Convertible Production Forest (HPK) Converted into a Production Forest Area Still located in Murung Raya Regency, Central Kalimantan Province. This is become an opportunity for improvement related to the follow-up of swap of forest area. **OFI**.



**4.4.2, 4.4.3, 4.4.4, 4.4.5, 4.4.6**

Land map is documented together in the documents of compensation so that it has been known and agreed by the land owner. The land acquisition and compensation process were carried out from August 2006 - 2010 in PT TN and in PT BAS in the period of March 2007 – 2010. Then from the results of verification from HCV document, SIA and environmental documents there was no identification of the land managed by the company from customary land.

Based on sample of land acquisition documentation and consultation with Villages Officials, it was known that the land acquisition has been made in FPIC manner. The documents have been made in Indonesian language, also has involved and witnessed by community representatives such as boundary lands-owner, Village Heads, and Sub-District Heads. The auditor and the auditee have tried to contact available previous land-owner. However, not succeed to gather them regarding many factors, such as ha been passed away, moving to another places, or not willing to be contacted. Therefore, auditor collected information about previous land owner opinion, and stated that by far there is no complaint related land acquisition or FPIC process.

Land compensation was carried out during period of August 2006 – 2010. During audit the unit of certification can presented sample of land acquisition on behalf of TK for area covering 2.00 Ha on 01 March 2007, with supporting documents as follows:

- Receipt of receipt of compensation funds signed by the recipient of compensation, stamped and stamped
- Identity card of recipient of land compensation
- Minutes of land transfer and compensation
- Statement letter for release of cultivated land
- A statement letter as a land cultivator at the same time stating the agreement on the price of land compensation signed by both parties and known by the village head y
- Minutes of attendance/attendance list for the measurement of the area to be compensated, signed by the landowner, village head, and surveyor from the company.

Since the last compensation conducted in 2010, the evaluation of FPIC process has been put in the development of FPIC and compensation procedures. The FPIC mechanism is set in Social Conflict Management Document No. SOP / SMART / SENS-CSR / SADV / I / 002 dated July 1, 2014. Then also available Land / Land Compensation SOP No. SOP / NP / SMART / VII / D & L. 002, published on July 1, 2010 is valid starting July 1, 2010. These SOP will be used as a main guidance for further land identification, acquisition, and compensation.

**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 to 4.5.8**

Based on document review, field observation, and stakeholder consultation, is known that there is no land compensation since 2010. The latest planting was conducted in 2011.

**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**

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



**4.6.3.; 4.6.4**

The land acquisition and compensation process were carried out from August 2006 - 2010 in PT TN and in PT BAS in the period of March 2007 – 2010. Based on sample of land acquisition documentation and consultation with Villages Officials, it was known that the land acquisition has been made before FPIC concept available. However, based on land acquisition documents, interviews with managements as well as village head it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as boundary lands-owner, Village Heads, and Sub-District Heads.

**Status: Comply**

**4.7**

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

**4.7.1, 4.7.2**

In line with Criteria 4.4, 4.5 and 4.6, described that the entire compensation has been completed from August 2006 - 2010 in PT TN and in PT BAS in the period of March 2007 – 2010. In land acquisition process during those periods the company has no FPIC procedure yet, thus the FPIC process also still incompletely and unspecifically, such as no participation mapping of landowner that entitled to compensation.

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

However, if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior and informed consent (No. SOP/SMART/SUST/IV/006 dated 8 November 2017), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated 01 July 2010). Those procedures have covers the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.

**4.7.3**

In land acquisition process during the period of August 2006 - 2010 in PT TN and in PT BAS in the period of March 2007 – 2010, there was no such written agreement that allows previous landowners to have opportunities of benefit from plantation development. However, the company has several policies, as well as SIA management and monitoring plan that has some purposes to improve livelihoods quality of surrounding communities, acceptance of local workers and contractors if needed, economic development program, and any other CSR programs. Those things have been verified through document review, and interviews with managements as well as village head

**Status: Comply**

**4.8**

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

**4.8.1; 4.8.2; 4.8.3 and 4.8.4**

The Company has established the mechanism for conflict resolution and land dispute in the procedure No. SOP/SMART/SCRD/NSDV/II/002 dated 1 April 2017. Based on interview with communities and field observations, there were no land disputes, and no land has been acquired through dispossession or forced abandonment of customary and user rights prior to the current operations.

Based on document review, field observation, and stakeholder consultation, was obtained information that currently there is no land dispute in the company's operational area. The latest land dispute occurred in 2011 and has been resolved in 2016.

**Status: Comply**

<b>PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION</b>	
<b>5.1</b> <b>The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.</b>	
<b>5.1.1 until 5.1.9</b> The unit of certification has no relationship or partnership with farmers (Independent Farmers and Plasma Farmers) and all other local business actors. Based on FFB supplier data period 2021 until 2022, interview with representative company, plantation agency Kotawaringin Timur and Seruyan, the mill does not accept FFB from third parties, so that this indicator cannot be applied.	
	<b>Status: Comply</b>
<b>5.2</b> <b>The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.</b>	
<b>5.2.1 until 5.2.5</b> The unit of certification has no relationship or partnership with farmers (Independent Farmers and Plasma Farmers) and all other local business actors. Based on FFB supplier data period 2021 until 2022, interview with representative company, plantation agency Kotawaringin Timur and Seruyan, the mill does not accept FFB from third parties, so that this indicator cannot be applied.	
	<b>Status: Comply</b>
<b>PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS</b>	
<b>6.1</b> <b>Any form of discrimination is prohibited.</b>	
<b>6.1.1</b> The certification unit already has a non-discrimination and equal opportunity policy which is contained in the policy to protect workers from discrimination, including: <ul style="list-style-type: none"> <li>a. Eliminating discriminatory practices in the work environment is very important for the realization of equality and opportunity and treatment in work and position. The principles of equal employment opportunity with non-discriminatory treatment, respecting the basic needs of everyone to improve themselves in line with their talents, hopes and dignity. Therefore, good and proper behavior in work relations must be implemented to create a harmonious, dynamic and fair work environment and to respond effectively to various forms of discrimination that are found.</li> <li>b. Discrimination prohibition policy is conveyed to all workers through various socialization media</li> <li>c. In carrying out the career development of workers, the certification unit provides training, both internally and externally without discrimination for all workers/laborers</li> </ul> <p>Further explain that the certification unit is committed to complying with all applicable labor laws and regulations relevant to the certification unit's business activities as well as complying with the certification unit's internal procedures. The certification unit is committed to achieving this through providing equal employment opportunities regardless of race, ethnicity, religion, caste, nationality, disability, gender, sexual orientation, union membership, political affiliation, or age.</p> <p>The certification unit explained that non-discrimination policies and equal employment opportunities are available in each unit and can be accessed by all workers, colleagues, and the surrounding community.</p>	
<b>6.1.2</b> The certification unit shows an employee list document that informs religion, ethnicity and gender for the period May – July 2022. From the document it is known that the employees in each unit come from different regions, for example: Medan, Bangka, Banyuwangi, Banjarmasin, Boyolali, Ciamis, Cilacap, Boyolali, Jambi, Jember, Kebumen, Karawang, Kediri, Kupang, Lampung, Lombok, Majalengka, Mojokerto, Purworejo, and Salatiga. From the document it is also known that the employees who work consist of Muslims and Protestant Christians.	

Based on interview with estate and mill workers, worker unions and gender committees revealed that the recruitment of workers was based on certification unit needs regardless of ethnicity, religion, and specific background. All prospective employees have the right to get the opportunity to work in accordance with their scientific background and certification unit needs. During 2021 - 2022 there were no issues regarding discrimination against workers. In addition, based interviews with Rungau Raya Head of Village sighted that so far there have been no acts of discrimination within the certification unit or its surroundings. The certification unit always provides equal opportunities to the surrounding community to work in the certification unit in accordance with the provisions and needs set.

In addition, there are no migrant workers. All recruitment is carried out in accordance with the certification unit's employee recruitment SOP.

Based on the foregoing, it is known that there is no discrimination against religion, ethnicity and class in obtaining employment.

### **6.1.3**

Employee promotions are given based on the results of employee performance appraisals. The certification unit shows a sample of employee promotion documents for 2021-2022 as follows:

#### **New employees**

- a. Job application letter for prospective employees with the initials RY dated March 11, 2022. The application letter also attaches several documents including identity, birth certificate, high school diploma, police record letter, health certificate, work experience letter and Covid-19 vaccine certificate.
- b. Contract Worker Agreement for new employees with No. 05/SMLE/PKWT-A2/IV/2022 dated March 31, 2022 between PT Tapan Nadenggan and employee initials RY.

#### **Promotion**

Promotion of employees with Infrastructure Administration jobs who were previously contract worker and subsequently promoted to permanent employees with the PT3 class. The promotion proposal was approved by the PSM-6 VPA and PSM-6 CEO.

#### **Mutation**

Decision Letter from MNAE Manager with No. 371/MNAE/EM-MTS/VIII/2022 dated August 1, 2022 regarding the transfer of security guard employees with the initials WA from Division 4 to Division 6 Mandang Estate.

Based on interviews with estate and mill employees, it is known that the certification unit has implemented labor procedures properly without discriminating against new employee selection, performance appraisal and employee promotion.

Based on the foregoing, it is known that employment procedures have been carried out based on the skills, abilities, and quality of employees.

### **6.1.4**

The certification unit does not perform a pregnancy test at the time of employee recruitment. Pregnancy checks are only carried out for spray and fertilizer workers on a monthly basis to find out whether workers are pregnant or not. Pregnancy checks are only carried out for female workers who do not use contraception.

Based on interviews with representatives of the gender committee and female employees in the field, it is known that pregnant workers will be transferred to jobs that do not endanger pregnancy, for example as guard officers in daycare centers or manual care workers.

### **6.1.5**

The certification unit has a gender committee. The organizational structure of the gender committee consists of chairman, secretary and treasurer. Based on document verification of the organizational structure of the gender committee document show that the management consists of men and women, for example in the organizational structure of the Semilar Mill gender committee in the shepherd, constructor and treasurer occupied by men

It was further explained that the gender committee provides support for female employees, including protection and maintenance of women's health, maintenance of family life and welfare, protection from sexual harassment and violence, providing continuing education that gender equality exists in the unit of certification.

The certification unit showed the gender committee socialization document which was held on December 09, 2021, which took place in the meeting room. The certification unit can show documentation and attendance list for the event.

**6.1.6**

The certification unit does not discriminate against workers' rights, this is indicated by the payment of equal wages for employees in the same scope of work. The certification unit issued a decision on the payment of salaries for permanent employees in 2022 based on the Governor of Central Kalimantan Decree No. 188.44/445/2021 concerning the 2022 Regency Minimum Wage. The decree stipulated the minimum wage for Kotawaringin Timur Regency with a value of IDR 3,014,732.66 while for Seruyan Regency with a value of IDR 3,317,667.50.

The certification unit has also developed a structure and pay scale that applies to employees with a service period of more than 1 year. It was further explained that the structure and scale of wages were determined based on years of service and an annual performance appraisal by each supervisor.

Based on interviews with estate and mill employees with the same grade show that the certification unit always conducts annual assessments of all employees based on performance and work compliance, which results from the assessment will determine the results for each employee.

	<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**  
**Implementation of Employment Procedures**

- a. Job application letter for prospective employees with the initials RY dated March 11, 2022. The application letter also attaches several documents including identity, birth certificate, high school diploma, police record letter, health certificate, work experience letter and Covid-19 vaccine certificate.
- b. Contract Worker Agreement for new employees with No. 05/SMLE/PKWT-A2/IV/2022 dated March 31, 2022 between PT Tapian Nadenggan and employee initials RY.
- c. Promotion of employees with Infrastructure Administration jobs who were previously contract worker and subsequently promoted to permanent employees with the PT3 class. The promotion proposal was approved by the PSM-6 VPA and PSM-6 CEO.
- d. Decision Letter from MNAE Manager with No. 371/MNAE/EM-MTS/VIII/2022 dated August 1, 2022 regarding the transfer of security guard employees with the initials WA from Division 4 to Division 6 Mandang Estate.

**Collective Labour Agreement (CLA)**

Provisions related to work agreements have been contained in the Collective Labour Agreement (2021-2023), including regulating the rights and obligations of workers listed in detail, workers accepted have a minimum age according to applicable regulations, PPE obligations, working hours, overtime, maternity leave, facilities provided to workers. and BPJS. It was further explained that the work agreement was written in Indonesian and signed by the worker and the certification unit.

The CLA of PT Buana Artha Sejahtera has been registered with the Manpower Office of Central Kalimantan Province based on the Decree of the Head of the Central Kalimantan Province Manpower and Transmigration Office No. KEEP. 22/Hi.03/III/NAKRETRANS/2021 dated March 26, 2021 while the CLA of PT Tapian Nadenggan has also been registered with the Manpower Office of Central Kalimantan Province based on the Decree of the Head of the Manpower and Transmigration Office of Central Kalimantan Province No. KEEP. 07/Hi.03/II/NAKRETRANS/2021 dated 11 February 2021.

Based on interviews with estate and mill workers revealed that each worker had received wages in accordance with applicable regulations. It was further explained that until the audit activity took place, there had never been a violation regarding the payment of employee wages.

Based on field observations and interviews with employees in the estate and mill areas show that each employee has a work agreement with the certification unit and has understood the rights and obligations of being an employee of the certification unit

#### **6.2.2**

The certification unit shows example of work agreement for estate and mill employees which explains the terms of work, working time and wages, permits, social security, leave rights, facilities and PPE, worker obligations, training and development, discipline and sanctions, industrial relations, contract termination, etc. The contents of the work contract are in accordance with applicable regulations.

Based on verification of work agreement documents and employee salary slips for the March – May 2022 period, it is known that all work agreements have been registered to the manpower agency. Regarding employee payroll, the certification unit has implemented a structure and scale of wages for employees with a service period of more than 1 year.

Based on the verification of employee salary slips show that the pay slips provide good information regarding wages, compensation, and deductions for each employee. Based on interviews with estate and mill employees show that the certification unit always provides socialization related to item information in salary slips so that employees are not confused or misinterpreted.

Based on field observations and interviews with estate and mill employees, it is known that the certification unit has implemented labor regulations properly in accordance with applicable regulations. It was further explained that until now, there has never been a case related to employment.

#### **6.2.3**

The certification unit shows documents related to evidence of compliance with labor provisions as follows:

1. Estate employee salary slip for July 2022 period. The salary slip explains that employees get a basic salary in accordance with the prevailing wage structure and scale and receive benefits, attendance incentives and overtime whose calculations are in accordance with applicable regulations. apply.
2. Overtime payment on July 2023 for workers who work more than 7 hours a day which details of overtime calculation is in accordance with applicable regulations. The salary is given by transferring to the bank account of each employee. Thus, the certification unit has carried
3. Menstruation leave document for a day on 22 February 2022.

Based on field observations and interviews with mill and estate employees revealed that the certification unit had paid employee wages and overtime in accordance with applicable regulations, further explained by the employee that there were no difficulties in applying for employee leave.

Based on the above, the certification unit can show good documentation related to regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice.

#### **6.2.4**

The certification unit provides facilities and infrastructure for employee welfare. Based on field observations at Semilar and Puri Estate employee facilities, the following are known:

1. Housing with livable conditions in the form of permanent buildings for workers located in estates. Housing is provided for each family, while single employees occupy a house with 3 occupants.
2. The source of clean water comes from well water with suitable conditions for use. For central housing and mills get water supply from water treatment.
3. Medical services are provided by clinics centered in Semilar Estate. The distance to health facility I is approximately 18 KM (about 20 minute's drive).

4. Educational facilities are available for Early Childhood Kindergarten (*TK*), and Elementary School (*SD*) in Semilar Mill. As a supporting facility for school children, the certification unit has provided transportation facilities in the form of a pick-up bus.
5. Places of worship in the form of Mosque and Church. Sports facilities include soccer fields, volleyball and badminton. In addition, there are employee halls, child care facilities, and canteens that provide basic needs/ staple food for employees.

Based on field observations and interviews with harvesters in Semilar and Mandang Estate, it is known that the certification unit provides shuttle transportation for schools that covers all units.

**6.2.5**

Based on field observations and interviews with estate and mill employees revealed that in the certification unit's environment there are basic food cooperatives, vegetable vendors and stalls in the employees' homes that provide their daily needs at affordable prices.

**6.2.6**

The certification unit has calculated the prevailing wages and in-kind benefits based on the guidelines issued by the RSPO. Prevailing wages are taken from prevailing wages such as basic wages/ minimum wages of Seruyan Regency. Meanwhile, in-kind benefits are taken from all costs incurred by the certification unit for the provision and maintenance of facilities provided by the certification unit to employees, such as electricity, housing, water, schools, health facilities, and baby care. For example, to calculate the in-kind benefit of housing, the costs considered in the calculation include building material costs, construction costs, and including maintenance costs for 25 years (technical considerations of buildings are feasible to use). The calculation result of prevailing wages and in-kind benefits received by employees is IDR. 4,489,256/ month (Minimum wages in 2022, IDR. 3,277,452/ month + in-kind benefit, IDR. 1,211,804/ month). While the results of the calculation of applicable wages and allowances in kind received by employees in Kotawaringin Timur Regency are IDR. 4,258,288/ month (Minimum wage in 2022, IDR 3,022,962/ month + allowance in kind, IDR 1,235,326/ month).

Based on the interview with the management revealed that the DLW calculation was adjusted based on the actual and rational price at certification unit location.

**6.2.7**

All workers working in the certification unit are permanent workers with class T1 to A5 and staff. Since 2020 until now there are no longer contract workers and casual daily worker. For work that is permanent in its entirety by permanent workers. Non-permanent work employed by contractor workers is maintenance workers in the plantation. For the work given to the contractor, it has completed the regulated requirements such as a work agreement, wages that match the minimum wage, providing PPE, being registered as a member of *BPJS*, the contractor has a business license (SIUP), certificate of company registration (TDP) and others.

**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 certification unit has a policy related to Labor Union. The policy stipulates that the management and all employees and its subsidiaries are committed to upholding the values of Human Rights (HAM) which are internationally recognized and stated in the bill of Human rights and the core conventions of the Declaration of the International Labor Organization on Fundamental Principles and Rights in the workplace, as well as Regulations relevant Indonesian.

The document is published in Bahasa which can be understood by all employees. The establishment of the union is in accordance with the applicable laws and regulations and has been recorded at the office.

The certification unit showed the socialization document, which was held on March 29, 2022, which took place in the



meeting room. The certification unit can show documentation and attendance list for the event.

Based on interviews with *LKS Bipartite* administrators who are employee representatives, it is known that the selection of employee representatives in bipartite organizations does not get intervention from the certification unit.

**6.3.2**

The certification unit shows the minutes of the meeting of the worker union and the certification unit, for example the meeting on 25 August 2022 which is in the meeting room of Puri Estate and attended by members of the worker union. The discussions at the meeting included: proposals to improve access to the exit from the estate which is the access road to the market to meet the basic needs of employees. further explained that the road is often damaged due to heavy rainfall.

Based on the foregoing, it is known that the certification unit already has good documentation regarding the internal meeting of the worker union.

**6.3.3**

The certification unit shows a document for the formation of a worker union without any interference from the certification unit as follows Decree of the Head of the Manpower and Transmigration Department of Kotawaringin Timur and Seruyan Regency regarding the Worker Union of estate and mill.

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

**Status: Comply**

**6.4**

**Children are not employed or exploited.**

**6.4.1**

The certification unit has a policy regarding the age requirements of workers in the Letter from HR Director regarding the minimum age limit. The policy explains that the certification unit does not employ children. The certification unit strictly enforces this policy in any case related to work. The certification unit will equate matters relating to the policy of employing children to contractors and related parties in the work process and become an inseparable part of the contract.

The certification unit has proven that in addition to having a child protection policy, it has also included this policy in every work agreement with the contractor. As evidence is in the work agreement No. 001/Juanda//2022-Angkut TBS with FFB Transporter Juanda, where in Appendix 1 regarding General Terms and Conditions, Article 14 has stated that there is a provision regarding the prohibition of contractors to employ children under the age and is committed to safeguarding/protecting children under age.

This policy has been socialized to all employees in each estate, mill and local contractor. The certification unit can show documentation, attendance list and information dissemination of the policy

**6.4.2**

The certification unit shows a list of employees accompanied by date of entry and date of birth. In addition, an example of proof of recruitment is also shown in the form of a copy of the employee's ID card and family card. From these data it is known that there are no employees under 18 years of age when accepted to work at the certification unit.

Based on field observations and interviews with estate, mill, and contractor employees revealed that there were no employees under the age of 18 when they started working.

**6.4.3**

The certification unit shows a list of participants for the Field Work Practice/ Internship where there are 3 students from LPP Enter who are doing internships from June 06 – September 13, 2022. Based on the interviews with management

revealed that these students did internships in the mill office and workshop office. When the audit activity takes place, the students are still doing internship activities in their respective divisions

**6.4.4**

Based on interviews with the gender committee and workers in the field revealed that the workers had understood the rules regarding the prohibition of bringing children to work. The certification unit also showed the news of the socialization and education on child protection and development on May 07, 2022 attended by 43 participants.

**Status: Comply**

**6.5**

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

**6.5.1**

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

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

All reports of discrimination or harassment will be handled properly and kept confidential to obtain a fair statement in reducing the risk of harm. The certification unit will take firm action and immediately address employee harassment by management, co-workers or non-employees regardless of where and when it occurs. This policy has been socialized to all employees in each estate, mill and local contractor. The certification unit can show documentation, attendance list and information dissemination of the policy

**6.5.2**

The certification unit has established a social policy regarding the protection of reproductive rights, especially for women number 724/TQEM-SPM/09 dated 8 November 2010. The policy explains that the certification unit will follow all applicable regulations relating to reproductive rights, including the right to maternity leave, and will provide pregnant and lactating women with tasks that do not pose a health risk to themselves or their children. This policy has been socialized to all employees in each estate, mill and local contractor. Certification unit can show documentation, attendance lists and socialization materials.

This policy has been socialized to all employees in each estate, mill and local contractor. Certification unit can show documentation, attendance lists and socialization materials.

Based on interviews with women workers in estate and mill revealed that the certification unit had given women workers 1 day of menstrual leave and 3 months of maternity leave. Further explained that so far there has never been a problem in applying for menstrual or maternity leave.

**6.5.3**

The certification unit has identified the needs of young mothers through gender committee meeting. Seen in the document of Schedule of Young Mother Needs Year 2022 that prepared by Gender Committee, consist of immunization, *posyandu* and giving break time for breastfeeding.

Furthermore, the certification unit showed the document Identification of the Needs of New Mothers who were pregnant since 2022. From the results of the assessment, several things were known as follows:

- 1. Maternity leave.
- 2. Treatment after childbirth.
- 3. Time to breastfeed.

4. Caring more attention to the baby
5. Don't overwork
6. Slings, clothes and blankets
7. Place for breastfeeding
8. Maternal and infant care including immunization

Based on the identification results that have been carried out, the certification unit evaluates and follows up, for example as follows:

- a. The certification unit has given 3 months of maternity leave to employees.
- b. The certification unit has provided a special place and time to breastfeed children for 30 minutes while working.
- c. The certification unit has provided a routine control schedule for mothers and children.
- d. The certification unit allocates mothers to jobs that are not related to chemicals.
- e. The certification unit provides special time for mothers for consultations related to baby care.

**6.5.4**

Complaint mechanism of workers was contained in Procedure (No. SOP/SMART/GIMS-SCMD/USDV/I/001 dated 02 June 2016 revised 11 April 2017). The procedure aims to accommodate complaints and grievance from employees. In the procedure described that if requested, the certification unit guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower). 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.

Based on interviews with women workers, gender committees and worker union, it is known that they understand the related policies. it was further explained that so far there have been no problems or complaints related to reproduction in the workplace and they all know the mechanism to file a complaint.

**Status: Comply**

**6.6**

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

**6.6.1**

Based on interviews with operational staff revealed that all employees were those who passed the recruitment and selection process according to certification unit procedures and requirements. Certification unit post job vacancies then prospective workers come voluntarily to apply for jobs that are available for free and there is no holding of identity documents. Overtime is monitored by the certification unit and workers are given the freedom to choose overtime. The certification unit also does not force or make it difficult for employees to resign. There is no penalty for termination if they wish to terminate the contract early.

Based on document verifications and field observation in at Estate and Mill operations activities, there were no forms of forced or trafficked labor are used. Besides that, there are no foreign workers who work at PT Tapan Nadenggan and PT Buana Artha Sejahtera.

**6.6.2**

There are no migrant workers who work in the certification unit's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in certification unit regulations, collective labor agreements, and in work agreements. Based on the employee list, it is known that all employees are permanent worker.

**Status: Comply**

**6.7**

**The unit of certification ensures that the working environment under its control is safe and without undue risk to health.**

**6.7.1**

There is a record of periodic meetings in terms of the implementation of OHS, with examples as follows:

- SMLE OHS Committee meeting, on July 5, 2022, attended by 20 participants, discussing the anticipation of fever, diarrhea and dengue fever due to the increasing frequency of rain, controlling compliance with the use of PPE when driving, discussing potential work accidents
- The SMLM OHS Committee meeting, April 23, 2022, attended by 9 participants, discussed the first aid kit and the addition of burn medicine, the first aid worker license extension program, replacement of PPE, purchasing PPE stock, reviewing documents for identifying sources of hazards and risks

The company demonstrates the submission of an OHS implementation report, with examples:

- P2K3 Report to Manpower and Transmigration Agency of Kalimantan Tengah Province UPT Sampit Employment Inspection Center, April-June Period, July 29, 2022, accompanied by the signature and wet stamp of the Agency, the report was made on July 1, 2022, in the report no issues were submitted.
- P2K3 SMLM report, to Manpower and Transmigration Agency Seruyan, dated July 8, 2022, completed with signature and wet stamp of the agency, received July 24, 2022

in each unit there is a person in charge of HSE, who has been equipped with an OHS expert certificate

#### 6.7.2.

The company has the following procedures:

- Emergency Preparedness, Response and Recovery Procedures (SOP/SMART/UMUM/SADV/II/005), Occupational Accidents and Diseases Management Procedures (SOP/SMART/HSS-EHSD/SADV/II/005) have been approved by the Company. Procedures describe the handling of accidents, reporting of accidents and coordination of handling. Simulations are carried out periodically to ensure the readiness of emergency response equipment in the Company.
- Determining and Reviewing OHS Goals and Targets Procedures, No SOP/SMART/HESS-EHSD/SADV/II/003, published July 1, 2014, procedures include:
  - Flowchart of setting and reviewing OHS goals and objectives
  - Setting OHS goals
  - Develop OHS targets and targets
  - Develop OHS Program
  - Evaluation of OHS targets and programs
  - Determine achievement
  - Review of OHS goals and objectives
- SOP for Personal Protective Equipment Management, No. SOP/SMART/SUST/III/010, dated July 1, 2014, revision 1, procedures include:
  - Identification of PPE needs
  - Determination of the type of PPE according to the type of work, and the lifetime of the PPE
  - Agreement
  - PPE orders
  - Purchase of PPE
  - PPE acceptance
  - PPE distribution
  - PPE socialization
  - Monitoring of PPE Completeness
  - Monitoring PPE Condition
  - Checking the results of monitoring the condition of PPE
  - Discipline inspection of the use of PPE Sanctions

The company has personnel in charge of first aid, with examples as follows:

1. SMLM, an HS no. Certificate 560/026/UPT-BPKS/P3K/2019, valid until March 23, 2023
2. SMLE, an KWTN, no. Certificate 566/WAS-KK/P3K/2017, valid until 05 September 2025
3. MNAE, an AR, no. Certificate 560/51/UPT-BPKS/P3K/IV/2019, valid until May 9, 2025

The company provides first aid kits at strategic locations for each unit, according to the First Aid Box Monitoring Form, July 2022 period. First aid kits are available in office areas, vehicle repair shops, press offices, workshops, used oil warehouses. Approved by the Mill Manager, and according to the First Aid Placement Location Data Form, dated July 31,

2022, for example available at the fertilizer warehouse, workshop, Hazardous Waste Material Storage, as well as a portable first aid box brought by the harvest foreman and chemical application (when field visits are checked during activities pesticide application in Block K 43 Division I PURE and harvesting activities in Block D 56 Division 5 SRDE). The Hydrant Installation Monitoring document for the 2022 period includes inspection of Fire Fighting electrical panels, inspection of diesel engines, inspection of pillars and hydrant boxes, inspection of hydrants

There is an example of a work accident case report on January 6, 2022, in the form of being exposed to a midrib on the hand, the accident is immediately followed up with medical treatment and reporting to the authorized government agency

### **6.7.3**

There is evidence of handover of PPE, as follows:

1. Proof of handover of SMLM PPE, on June 24, 2022, the type of ear plug, to the boiler operator, on July 27, 2022, for the type of safety shoes to the workshop staff.
2. Proof of handover of PPE SRDE for harvesters, July 27, 2022, in the form of AP Boots, Helmet + face shield, shoe cloth gloves, Brondol PPE in the form of cloth gloves and boots,
3. Proof of handover of MNAE PPE for sprayers, dated July 25, 2022, in the form of Helmet + Face shield, mask, spray suit, apron, AP Boot and apron shoes

There is a stock record of PPE as follows:

- Material stock list, Sei Rindu Estate, on 30 June 2022, including: spray apron, goggles, respirator masks, face shields, a total of 22 types of PPE on the list
- PPE stock to date August 2022 MNAE, including: respirator mask cartridges, spray aprons, safety helmets, a total of 17 types of PPE on the list,
- Recap of the use of PPE for SMLM in 2022, August 17, 2022, there are 23 types of PPE, provided according to the type and needs of the work in the PKS, the minimum availability of PPE is 10% (safety helmet), the highest is 840% (safety glasses)

At the time of the audit, all workers seemed to have used PPE in accordance with existing standards and levels of risk, such as pesticide applicators using aprons, masks, face shields, gloves, boots, for boiler operator workers using safety glasses, safety shoes, helmets and masks. and gloves, harvest workers use face shield helmets, masks, boots and cloth gloves. Examples of Pesticide Applications. Block I62 semilar estate and Spraying Activities in Block C 54 Division 4 Sei Rindu estate.

Based on the results of field visits to pesticide sanitation facilities in SRDE, SMLE, and PURE, it was found that the available facilities were adequate, clean water was available, bathing areas, washing work tools and PPE, PPE drying areas, work tools storage areas

### **6.7.4**

There are health clinics available in each Estate (SMLE, SRDE, MNAE and PURE), which are equipped with paramedics and certified doctors, for example the company shows the Competency Certificate Recapitulation document, there are Doctors who have the competence of medical examiners and Hyperkes, and medical personnel who have competence hyperkes.

Clinic facilities can be easily accessed by workers and contractors, if there are conditions that cannot be handled by the facilities available at the clinic, the patient will be referred to a more adequate health facility (Public Health Center and or hospital). Workers have been equipped with government employment and health insurance (*BPJS Ketenagakerjaan & BPJS Kesehatan*). Insurance has been paid by the company every month.

According to the results of interviews with harvest workers, pesticide applications, and Hazardous and Toxic Material/Chemistry warehouse officers, it is known that they have complete government employment and health insurance (*BPJS Ketenagakerjaan & BPJS Kesehatan*), and there have never been any problems in using them when checking into health facilities.

As for contractors, the contractor's workers' insurance is paid by the contractor



The company already has a list of workers that also includes the participant numbers of *BPJS employment* and *BPJS Health*. Based on a review of the worker list document on July 2022 and proof of payment of *BPJS Health* and *BPJS Employment* for the same period, it is known that the company has registered and paid all its workers in the *BPJS Health* and *BPJS Employment* programs, which consist of Work Accident Insurance (*JKK*), Death Insurance (*JKM*), Old Age Security (*JHT*) and Pension Guarantee via Bank Transfer, with proof of payment as follows:

- a. Proof of payment of *BPJS Employment Semilar Mill* for the period July 2022 to 160 workers on August 8, 2022.
- b. Proof of payment of *BPJS Employment Semilar Estate* for the July 2022 period to 630 workers on 08 August 2022.
- c. Proof of payment of *BPJS Employment Sei Rindu Estate* for the July 2022 period to 534 workers on 11 July 2022.
- d. Proof of payment of *BPJS health Semilar Mill* for the period of June 2022 to 160 workers on June 9, 2022.
- e. Proof of payment of *BPJS health Semilar Estate* for the period of July 2022 to 617 workers on July 11, 2022.
- f. Proof of payment for *BPJS health Sei Rindu Estate* for the July 2022 period to 534 workers on 11 July 2022

**6.7.5**

There are records of work accidents as follows:

1. Work accident report dated July 26, 2022, at 12.00 WIB, an SMH, slip accident, at Block I.48 Division 5 SMLE, with the results of the investigation estimated that 3 working days were lost.
2. Annual Recapitulation of FR and SR, period January – August 2022, contains information on the number of work accidents, the number of workers, the number of days lost, for example in July 2022, there were 2 accidents, with FR 6.79 and SR 122. (SMLM)
3. Annual Recapitulation of FR and SR, period January – August 2022, containing information on the number of work accidents, number of workers, number of days lost, for example in January 2022, there were 2 accidents, with FR 20 and SR 178 (SMLE)
4. Annual Recapitulation of FR and SR, period January – August 2022, contains information on the number of work accidents, the number of workers, the number of days lost, for example in May 2022, 7 accidents occurred, with FR 14.38 and SR 92.45 (MNAE)
5. SMLM work accident fee claim document, dated August 11, 2022, date of accident March 26, 2022, containing information on costs claimed to the *BPJS Manpower*, details of medical expenses, accompanied by a replacement letter of absence from work as a replacement for workers' wages when not working

**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**

The company has implemented Integrated pest control, including biological and chemical control techniques. Biological control utilizes beneficial plans to develop natural enemies of oil palm leaf-eating caterpillars, and owls to control rats. Availability of beneficial plan utilization documents as an example of application for the period of July 2022, in the form of planting and maintenance of *Turnera subulata* budget 194.41 Ha, actual 194.41 Ha, area per planting location 3.88 m2, *Casia cobanensis* budget 388.82 Ha, Actual 388, 82 m2, area per planting location 25, 921, *Antigonon leptopus* budget 64.80 ha, actual 64.80 ha, area per planting location 34.56 m2.

The use of chemicals is carried out if the attack level exceeds the threshold value, based on the results of the census of rats and caterpillars that eat oil palm leaves, as an example of the results for the rat census, the period of July 2022, for example in block J-70, % sample 5.20 principal amount the sample is 215, the principal is attacked by 3, the % attack is 1.40. Block K 72, % of sample 5,12, subject of sample 189, subject of attack 1, % attack of 0.53. Meanwhile, for the census of caterpillars that feed on oil palm leaves for the period of July 2022, for example in block J-75, an area of 33.54 ha, the type of pest is Metisa saddle, eggs are absent, caterpillar size is medium, the average caterpillar population is 1 percentage 13.6%, block K 63 area 31.27 ha, pest species Mahanasa carbetti, medium size caterpillar, attack area 4 ha, population average 1.75, percentage 6.48%. There are no caterpillars that eat oil palm leaves and rats that exceed the specified quality standards

**7.1.2**



The company shows the "List of Invasive Species in accordance with PermenLHK No. P.94/MENLKH/SETJEN/KUM.1/12/2016 In the 2022 plantation, for example for Mandang Estate, document dated 04 July 2022 and Sei Rindu Estate, document dated 10 July 2022. Based on these documents, it is known that species use invasive plants used as biological control agents such as *Cassia tora*, *Jatropha gossypifolia* L. (Jarak Merah), *Turnera ulmifolia* and *Urena lobata*.

Based on the verification results of the monitoring form for the planting/care of host plants in the second semester of 2022 (January – July), it contains information on the types of plants *Turnera subulata*, *Casia cobanensi*, and *Antigonon leptopus*, based on attachment I of the Minister of Environment and Forestry Regulation No. P.94/MENLKH/SETJEN/KUM.1/12/2016, dated 6 December 2016, the three species are not considered invasive species

In the daily work plan document dated August 16, 2022, there are host plant maintenance activities in block B 51/B52, Division I SRDE and Block E 45/E46 Divison III MNAE, with the type *Turnera subulata*.

Based on the scientific name in the above regulations, there are no invasive species.

**7.1.3**

Based on the results of the study of the census document of caterpillars that eat oil palm leaves, and the rat census as well as field observations, no use of fire was found for pest control, the company carried out pest control through biological methods (beneficial plan use, *tyto alba*) and if it passed the critical threshold using pesticides

**Status: Comply**

**7.2**

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

**7.2.1**

The company presented the President Director's memorandum, dated November 21, 2014, regarding the use of paraquat, containing information according to MCAR meeting no 1-2014 point II.4, the use of paraquat is limited to fern weeds, and is committed to reducing the use of paraquat by 30% starting from 2015 and in 2018 no longer uses paraquat. The next step is to carry out a weed census before spraying for the basis of proper herbicide use.

Meanwhile, pesticides are regulated in the Pest and Plant Disease Control procedure, Document No. SOP/SMART/MCAR/VII/TA-HPT, dated July 15, 2020, the procedure explains: Types of pests and diseases in nurseries, pests and diseases in TBM and TM, and other diseases, as well as a detailed explanation of the detection, census, biological, mechanical and chemical control of UPDKS, evaluation of palm oil leaf eating caterpillar (*UPDKS*) control, control of pests and diseases, types of pesticides and active pesticide ingredients used in palm oil leaf eating caterpillar (*UPDKS*) nurseries, and explanations on the procedures for using them. pesticides according to the type of pest/weed (determination of dose, time and frequency of application, evaluation of application, and discontinuation of application if no new attacks are found), as well as a table of stages/types of work, yield standards, work tools, potential impact on sustainability and control of potential impacts).

**7.2.2**

The company records every pesticide use for all units (SMLE, SRDE, MNAE and PURE) listed in the Pesticide Use Toxicity Data document for the period 01 August 2022 and 03 January 2022, which explains the Pesticide Brand, Amount of pesticides used, active ingredient content, LD50 , area of pesticide application (Ha), and total active ingredient per Ha. For example, for the use of Pesticide Brand Garlon Mix, the active ingredient is Tricloppyr Butoxy Ethil . As an Example, the use is 117.31 L, the application area is 3,501.09 Ha, the active ingredient is 0.000003351/ha, LD050 is 5000 mg/kg, % active ingredient is 0.33. Brand erkafuron 20 WG, active ingredient Methyl Metsurfuron 20%, usage 64.90 L, application area 5.146.63 Ha, active ingredient 0.00000252/ha, LD050 5000 mg/kg, % active ingredient 0.30

**7.2.3**

As part of reducing the use of pesticides, the company has integrated biological control in pest control, for example by using beneficial plants aimed at controlling UPDKS pests and *Tyto alba* for controlling rats. Based on the study of the UPDKS pest census document and rat pests, it was found that there were no pest attacks that exceeded the threshold, this is in line with the results of the study of pesticide use documents and visits to the pesticide warehouse where no use

of pesticides was found for controlling animal pests

For Example :

Pesticide	Unit	Usage	
		2021	2022
Roll up 480 SL,	Liter	2.661,47	1.492,15
Erkafuron 20 WG	Kg	152,86	64,90
Rolifos	Liter	24	24
Garlon mix 333/17 EW	Liter	681,49	355,47

#### 7.2.4

There is no pesticide storage as a preventive for the prevention of pests and diseases (prophylactic use). The types of chemicals found in the warehouses of PT TN and PT BAS are as follows,

an example of a list of pesticides found in the Chemical Warehouse of all estates:

Pesticide	Active Ingredients	Target
Roll Up 480 SL	Isopropil Amina Glifosat	Broadleaf weed: <i>Borreria alata</i> Narrow-leaved weeds: <i>Ottochloa nodosa</i> , <i>Imperata cylindrica</i> , <i>scleria sumatensis</i>
Erkafuron 20 WG	Metil Metsulfuron 20%	Broadleaf weeds: <i>Borreria sp</i> , <i>Clidemia hirta</i> , <i>Mikaria micrantha</i> , <i>Diodia sarmentosa</i>
Garlon MIX 333/17 EW	Triklopir Butoksi Etil Ester 670 g/l	Broadleaf weeds, <i>Borreria latifolia</i> , <i>Calopogonium mucunoides</i> , <i>Centrosema pubescens</i> , <i>Pueraria javanica</i> , and <i>Eupatorium odoratum</i>
Rolifos 150 SL	Amonium Glufosinat	Broadleaf weed

The company has a pest control plan in the integrated pest control SOP, namely for the UPDKS census once a month, horn beetles every 2 weeks, rat pests once a month and monitoring owl nests once a month. The use of chemicals is carried out in the event of an attack that exceeds the threshold value.

The company uses natural enemies to control existing pests, such as *Antigonon leptopus* for oil palm leaf-eating caterpillars and *Tyto alba* for controlling rats

#### 7.2.5

The company shows a list of pesticide use as of August 1, 2022, as follows:

- Roll up 480 SL, active ingredient Isopropyl amine glyphosate, group U (unlikely present active hazard in normal use), RI Permit No, 01030120042133, validity period 03 September 2023, WHO classification (Class III Slightly hazardous)
- Erkafuron 20 WG active ingredient Methyl metsulfuron, class U (unlikely present active hazard in normal use), No. Permit RI.01030120093530, validity period 31 January 2024, WHO classification (Class III Slightly hazardous)
- Garlon mix 333/17 EW, active ingredient Triclopyr Butoxy Ethil Esther, group U (unlikely present active hazard in normal use), No. Permit RI.01030120155148, validity period 31 January 2025, WHO classification (Class III Slightly hazardous)
- Rolifos, active ingredient Glufosinate-ammonium 150 g/l, group U (unlikely present active hazard in normal use), No. Permit RI.01030120103683, validity period 31 January 2025, WHO classification (Class III Slightly hazardous)

Based on the results of the study of the list of pesticides used in 2021 and 2022 as well as the results of field observations on spraying activities and visits to pesticide storage warehouses, it was found that there was no use of pesticides (WHO groups 1A and 1B) or paraquat.

**7.2.6**

Based on the results of field observations in SMLE, SRDE, MNAE and PURE, it is known that pesticides are applied according to the product label, spray workers do not mix in the field. Mixing is carried out in the chemical warehouse by chemical warehouse officers. When applying pesticides, workers use complete PPE in the form of face shield helmets, respirators, gloves, masks, spray clothes and boots.

All warning information affixed to the product is properly observed, applied and understood by workers. Sprayers and packaging for transporting materials and vehicles for transporting materials are equipped with the appropriate hazard symbols and MSDSs are available. At the time of spraying activities, on roads and spray blocks a sign is installed "There is Spray Work, Dangerous Areas are Prohibited from Entering/Passing" equipped with a toxic symbol.

There are training records, with examples as follows:

- Dissemination of the understanding of K3, ISBPR, PPE and work instructions, on January 27, 2022, attended by around 120 people from semport workers, harvesting, picking loose fruit and other treatments, chemical warehouse officers, generator operators, and staff, located at SMLE
- Socialization of K3, ISBPR, PPE, emergency response and waste management policies, on April 4, 2022, with 51 SMLM workers as participants

Based on the results of interviews with spray workers and foremen, in general, workers know working hours, spray work techniques, use of PPE, after-spray activities include storing work tools, washing apron and cleaning themselves at home, rinsing before going home.

**7.2.7**

Based on the results of field observations at the SMLE, SRDE, MNAE and PURE agrochemical warehouses, it is known that the storage of all pesticides is in accordance with recognized best practices, which refers to PP. 74 of 2001 concerning Management of Hazardous and Toxic Materials. Based on the results of these field observations, it can be explained that the storage area has been equipped with B3 symbols according to the type of pesticide, MSDS, ventilation, channels to accommodate pesticide spills, eyewash and showers, fire extinguishers, first aid kits, emergency handling flow, arrangement racks according to packaging, floor and the walls of the building are made of concrete, the warehouse is always locked, only warehouse personnel have access.

**7.2.8**

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

Based on field visits and interview with pesticide warehouse operator and the temporary storage area for hazardous and toxic waste in the estate, it was found that the pesticide storage area was well managed, oil traps were available, adequate and isolated airways so there was no potential for pesticide exposure to leave the warehouse. Pesticide waste, such as used pesticide packaging which is classified as hazardous and toxic waste, was also found to be stored in a temporary storage warehouse for hazardous and toxic materials which were properly monitored and then collected to licensed collectors. Before being stored in a temporary storage place for hazardous and toxic waste, the used pesticide packaging in the form of jerry cans is shredded first, this is done by management to avoid reuse of pesticide packaging and make storage efficient.

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

Hazardous waste management cooperation can be seen in the agreement for hazardous waste management such as between PT TN and PT Semesta Langgeng Sentosa with agreement Number: 001/TN-LH-KATENGSEL/06/2021 dated June 11, 2021, which is valid for two years. The transportation of hazardous waste used for pesticide packaging was last carried out on 8 Augustus 2022 by licensed transportation of PT Semesta Langgeng Sentosa according to the KLHK-1662908698 manifest of 0.435 tons.

**7.2.9**

Based on the results of document review, interviews with management and field observations, it is known that the certification unit does not spray pesticides through the air, the application of pesticides uses the manual method

**7.2.10**

The certification unit shows special medical examination documents for chemical operators for both spray work and chemical fertilizer application work. A special medical examination was carried out by the certification unit 's clinic from 13 - 18 June 2022 with the following results:

1. The results of Cholinesterase and Audiometry examinations for 15 Semilar Mill employees on 17-18 June 2022 stated that all employees were in good health and ready to work.
2. The results of the Cholinesterase examination of 40 Semilar Estate employees on June 13, 2022 stated that all employees are in good health and ready to work.
3. The results of the Cholinesterase examination of 60 employees of Sei Rindu Estate on June 14, 2022 stated that all employees are in good health and ready to work.
4. The results of the Cholinesterase examination of 40 Mandang Estate employees on June 16, 2022 stated that all employees are in good health and ready to work.
5. The results of the Cholinesterase examination of 44 Puri Estate employees on June 18, 2022 stated that all employees are in good health and ready to work.

**7.2.11**

The certification unit has a spraying procedure which explains that pregnant and lactating women are prohibited from carrying out spraying activities. During the audit activity, certification unit shows a document registering the spray employees in each unit, which is known to consist of male and female spray employees.

The certification unit has a mechanism to identify pregnant and lactating workers which was issued by the unit manager with the following details:

- a. The employee submits a medical treatment letter to the foreman/ foreman 1.
- b. The letter is brought to the assistant for approval for treatment.
- c. Employees go to the polyclinic for examination.
- d. The doctor/nurse makes a pregnancy certificate (if positive).
- e. Letter is submitted to assistant for approval.
- f. Assistant makes job transfer/mutation letter from spray job.

Based on the above, it is known that the certificate unit already has a policy of not spraying for pregnant/ breastfeeding women and a procedure to identify pregnancy for female pesticide applicators so that this is declared appropriate.

Based on interviews with pesticide operators SRDE, SMLE, and PURE, it is known that there are no workers under the age of 18 who work in the chemical field. Female workers can explain, while pregnant and breastfeeding are prohibited from working in the chemical field and transferred to other fields of work, identification and monitoring are carried out every month to female workers by paramedics to find out if there are female workers who are pregnant

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

**7.3.1**

The company shown evidence that the waste has been identified based on toxicity and hazardous characteristics, and

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

**POME**

The waste treatment process in the factory with the WWTP pond system. Before being used on plantation land, all wastewater is treated first in the WWTP pond until it reaches the permissible quality standards for wastewater utilization with the provisions of pH 6-9 and BOD  $\leq$  5000 mg / l. Semilar POM has a permit for factory waste management to land application in accordance with stipulated requirements. In addition, the company also utilizes POME at the installation of biogas stations, based on the results of document verification of electricity generated in the period of 2022, the average electricity generated every month is between 800 – 1,100 kilowatts which is used alone as a source of electricity for Semilar Mill and housing complex.

The company shown of the decree of the Head of Investment and One Stop Services of Seruyan Regency number 503-H.C/ 08.011/DPMPSTSP/X/2020 concerning Permit for Utilization of POME to land application PT TN dated 1 October 2020, the permit is valid for 5 years.

**Solid Waste (Fiber, Shell and EFB)**

The company utilizes fiber and shells as boiler fuel, while empty fruits bunch was applied to plantation land as fertilizer for oil palm plants.

**Hazardous and Toxic**

The company also has a permit for the Temporary Storage of Hazardous and Toxic Waste on each unit, consist of the several permit:

- Permit for the Temporary Storage of Hazardous and Toxic Wastes (PT BAS) from Kalimantan Tengah regent Number 188.45/379/2017 dated 28 Agustus 2017 and is valid for 5 years
- Permit for the Temporary Storage of Hazardous and Toxic Wastes (PT BAS - PURE) by Decree of the Head of Investment and One Stop Services of Kotawaringin Timur Regency number 015/DPMPSTSP-PT/LB3/IX/2018 dated 4 September 2018, the permit is valid for 5 years
- Permit for the Temporary Storage of Hazardous and Toxic Wastes (PT TN - SRDE) by Decree of the Head of Investment and One Stop Services of Kotawaringin Timur Regency number 078/DPMPSTSP-PT/LB3/IX/2020 dated 2 September 2020, the permit is valid for 5 years.

**7.3.2**

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

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

The company has a SOP/SMART/LEMS-EHSD/SADV//002 regarding the SOP for waste management issued on July 2, 2014 which explains that hazardous waste generated by operational activities such as used packaging contaminated with hazardous such as used oil drums, used paint buckets, used buckets, used hoses contaminated with hazardous, used grease buckets and used pesticide sprayers are stored in the hazardous waste temporary storage area.



Base on field visit when the surveillance audit was carried out, obtained information that there was Hazardous waste located not in a licensed place, for example:

- There is a hazardous Waste used Oil Drum used as a water reservoir in the workshop office (SMLE)
- There is a hazardous waste used hazardous container (Bucket paint) as a water reservoir in the Union Office (SMLE).
- The hazardous waste placed on Inside the truck in the workshop office consist of hazardous bucket waste, used paint bucket, oil contaminated hose, used B3 jerry cans, used oil drums and used oil filters (SMLE).
- There is a hazardous waste of the pesticide spray equipment broken and used oil drums stored behind the central warehouse.
- There is hazardous waste of the waste Bank as used paint cans on housing complex 2 (SMLE).

The company has not been able to show sufficient evidence that the management of hazardous waste is in accordance with the established procedures, the become non-conformity number 2022.01 with minor category.

**7.3.3**

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

<b>7.3.2</b>	<b>Status: Non-conformity number 2022.01 with minor category</b>	<b>Open</b>
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**7.4 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.**

**7.4.1**

SOP fertilization SOP/SMART/MCAR/IX/TA-PPK, July 15, 2020, procedures Includes technical and dosage determination for fertilization in nurseries, mineral soil without core, mineral soil with terrace, mineral sand soil, fertilization in peat area. The technique and dose of fertilization is using empty palm oil bunches at a dose of 200 empty bunches/tree/year, fertilizing with compost with TBM with sample doses for > 3 months of age, TBM3 dose of 20 kg/tree, for <3 months 30 kg/tree.

The unit of certification shows a record of the implementation of practices according to established procedures, including:

- Preparation of fertilizer recommendations based on leaf and soil nutrient levels in 2021 and the results of field observations including symptoms of nutrient deficiency in plants, which are described in indicator 7.4.2.
- Application of organic fertilizers (factory waste) such as empty fruit bunches and palm oil mill effluent, which is described in indicator 7.4.3.
- Documentation of fertilizer recommendations and realization in 2020, which is explained in indicator 7.4.4

**7.4.2.**

There is a record of periodic leaf and soil sample analysis activities to monitor and manage changes in soil fertility and plant conditions in oil palm plantations, as sample below:

1. Leaf sample analysis

- Leaf sample analysis results, reference 479/Daun/Lab-SMART/VI/2021, leaf sample analysis results, dated June 22, 2021, the number of samples was 14 samples (Lab No. 21022652-21022665), request for analysis of N.P.K, Mg, Ca, B, Cl, with examples: sample code 1/SMLE1J-70/1 N 2.52%, P 0.166%, K 0.95%, Mg 0.33%, Ca 0.54%, B 15.9%, 0.60% Cl (SMLE)
- Leaf analysis results, reference 447/Daun/Lab-SMARTRI/VI/2021, leaf sample analysis results, dated June 16, 2021, the number of samples was 67 samples (Lab No. 21021717-21021783), request for analysis of N.P.K, Mg, Ca, B, Cu, Zn, Mn, Fe, Cl, with examples: sample code 40/SRDE4A-50/41 N 2.84 %, P 0.191 %, K 0.191 %, Mg 0.35 %, Ca 0.62 %, Mn 209 ppm, Cu 4.3 ppm, Fe 96 ppm, n 16.3 ppm, B 13.5 ppm, CL 0.73% (SRDE)
- Results of leaf analysis, reference 481/Daun/Lab-SMARTRI/VI/2021, results of leaf sample analysis, dated June 22, 2021, the number of samples was 78 samples (Lab No. 21022720-21022797), request for analysis of N.P.K, Mg,



Ca, Ca , B, Cu,Zn,Mn,Fe,Cl, with examples: sample code 10/MNAE4J-45/10 N 2.452%, P 0.153%, K 1.01 %, Mg 0.27 %, Ca 0.48% , Mn 169 ppm, Cu 5.4 ppm, Fe 107 ppm, Zn 13.8 ppm, B 12.3 ppm, CL 0.50% ( MNAE)

2. Soil analysis

- Soil analysis results for Puri Estate, reference 116/Tanah/Lab-SMARTRI/X/2021, October 16, 2021, the number of samples is 6 samples (Lab. 7154 – 7159), request for texture analysis, pH, N, C-organic, P205, CEC, Base Exchangeable, A1 and H

**7.4.3**

Nutrient recycling strategies are available, which include recycling empty fruit bunches, POM liquid waste and optimizing non-organic fertilizers. These are shown in the following documents:

- Data for Empty Lantern Applications for the period January – July 2022 (SMLE) is 21,361.20 Tons
- POME Allocation Data for January – July 2022 (MNAE) as much as 150,438 M3,

The liquid waste from the Semilar POM is used by the company to be applied to land in the Mandang Estate (PT Buana Artha Sejahtera). The use of liquid waste is documented every month and also reported to the relevant agencies through the Search Waste Utilization Report every 3 months

**7.4.4**

Records of fertilizer use are maintained and can be shown during audit activities, for example the implementation of fertilizer use as follows.

- Recommendation for fertilizer in semester 2 of 2022, containing information on division, block, type of fertilization (manual, mechanical, river border), soil type, application period, area of TM, principal amount, type of fertilizer (Urea, RP, MOP, S. Dolomite, K Gran), sample recommendation dated August 3, 2022, location K-73, area of 0.20 Ha, principal number of 27 trees, with a dose of urea fertilizer 1.25kg/tree, RP 1 kg/tree, MOP 1.25 kg /treel (SMLE)
- Recommendation for fertilizer in semester 1 of 2022, containing information on division, block, type of fertilization (manual, mechanical, river border), soil type, application period, area of TM, principal amount, type of fertilizer (Urea, RP, MOP, S. Dolomite, K Gran), sample recommendation dated July 17, 2022, location of block F-33 Division 1, area of 4.69 Ha, principal number of 635 trees, with a dose of urea fertilizer 1.25 kg/tree, RP 1 kg/tree, MOP 1 ,25 kg/tree (MNAE)

Based on the explanation above, it is known that the fertilization realization is in accordance with the recommendations, as described in the summary

<b>Status: Comply</b>	
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**7.5**

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

**7.5.1**

Company has a Land Map – Semi Detailed Land Survey for each estate with a scale of 1:50,000. The map informs soil classification, slope level, soil texture, depth, drainage, limiting factors, and land area, there is no area with a slope > 40%

Based on the document review (land map), it can be seen that the land suitability class cultivated by the Company (SMLE, SRDE and PURE) is S2 (Fairly Sufficient) 9,956.63 Hectares or about 83.54%, S3 (Appropriate / Marginal) 1,345.12 Hectares or about 11.28% and N (not appropriate) 615.90 Hectares or about 5.18%. The average drainage is quite good with the limiting factor is topography / relief

**7.5.2**

Not Found replanting in PT TN and PT BAS, base on filed visit to operational activity in Semilar, Sei Rindu, and Mandang Estate, there is no area with a slope > 40 %.

**7.5.3**

Not Found replanting in PT TN and PT BAS, base on filed visit to operational activity in Semilar, Sei Rindu, and Mandang Estate, there is no area with a slope > 40 %.

	<b>Status: Comply</b>	
<b>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.</b>		
<b>7.6.1</b> Same as previous audit in 2021, The company has a Detailed Soil Map containing a land map and contains information on: soil classification, texture, depth, and drainage, limiting factor, rocks and conformity information for oil palm plantation development, i.e. map and land classification Semilar Estate, Sei Rindu Estate and Puri Estate presented on a scale of 1: 75,000. The map is equipped with a Table of Soil Characteristics and Land Suitability Assessment of Palm Crop Land.  Based on the document review (land map), it can be seen that the land suitability class cultivated by the Company (SMLE, SRDE and PURE) is S2 (Fairly Sufficient) 9,956.63 Hectares or about 83.54%, S3 (Appropriate / Marginal) 1,345.12 Hectares or about 11.28% and N (not appropriate) 615.90 Hectares or about 5.18%. The average drainage is quite good with the limiting factor is topography / relief.		
<b>7.6.2 &amp; 7.6.3</b> Based on a review of the 2020-2021 area statement document, it is known that the company did not develop new areas, the last planting was carried out in 2011. The above has been confirmed during field observations to SMLE, SRDE, MNAE and PURE, where it is known that there is no new area development in the operational area of PT TN & PT BAS.		
	<b>Status: Comply</b>	
<b>7.7 No new planting on peat, regardless of depth after November 15<sup>th</sup>, 2018 and all peatlands are managed responsibly.</b>		
<b>7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6 and 7.7.7</b> The company does not plant on peatlands. This is evidenced by the Land Map Review with a scale of 1:50,000 published by PT SMART's Plantation Monitoring and Planning (PMNP) Division in 2011 and informs that there is no peat soil in the operational areas of PT TN and PT BAS. This is in line with the results of field observations at MNAE and SRDE, where no peat areas were found in the operational areas of PT TN and PT BAS.		
	<b>Status: Comply</b>	
<b>7.8 Practices maintain the quality and availability of surface and ground water</b>		
<b>7.8.1</b> The water source management and monitoring plans has been set in the SOP of Water Source Management and Monitoring (No. SOP/SMART/BCOS-EHSD/SADV/II/004) and in the semesterly Environmental Management and Monitoring Plan (RKL/RPL). The sighted the map of rivers, wet streams and wetlands with a scale of 1: 70000 (SMLE) consisting of Ruko river, Tajahan river, Serindu river, and Sei Biru River. All of them set as HCV area, where some management standards were higher than 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves', and not less than Indonesian regulation, for instance in the aspect of riparian wide was set 50 m for all rivers.  The company can show the results of the first semester of 2022 River testing by the Environmental Laboratory with accreditation refers to the parameters based on PP No. 22 of 2021 and there are no test results that exceed the quality standard. The rivers that were tested were the Ruko river, Tajahan river, Serindu river, and Sei Biru River for upstream and downstream. Base on the test results, it can be seen that the Company's operational activities do not increase the pollution load on river water.  The company utilizes ground water for sanitation hygiene purposes; therefore, the company has an obligation to carry out testing. The company cooperates with the KAN Accredited Laboratory (LP-001-IDN) using the reference of Minister of Health Regulation No. 32 of 2017 Part A every 6 months at several points, namely housing complex 1,2 and 3 SMLE, housing complex 1,2,3 SRDE and Water Treatment Plan SMLM. Based on the verification of the test results document, it can be concluded that all test results are in accordance with the quality standards used.  Base on field visit during audit, on Tajahan River blok D66 Division III (Sei Rindu Estate), Rungau River blok J75 Division		

I (Semilar Estate), Ruko River blok J58 Division III (Semilar Estate) and Rungau River blok N43 Division V (Mandang Estate), the boundary marking riparian is visible clearly.

**7.8.2**

Base on field visit during audit, for examples on Tajahan River blok D66 Division III (SRDE), Rungau River blok J75 Division I (SMLE), Ruko River blok J58 Division III (SMLE) and Rungau River blok N43 Division V (MNAE), acquired information that company shown proper ways for maintain and protect the catchment area for example manual weeding and marking the boundary riparian.

**7.8.3**

The POME quality testing document review shown for January 2021 to July 2022 all of POME testing parameters are compliant to the standards quality (for examples BOD on July 2022 are 976 mg/l with threshold 5000 mg/l and pH 7.00 with threshold 6-9), and all of POME management and monitoring has been reported to related institutions for regular basis per 3 months. The POME quality testing still accordance minister environmental number 28 year 2003.

The company shown Decree of the Head of Investment and One Stop Services of Seruyan Regency number 503-H.C/08.011/DPMP/TSP/X/2020 concerning Permit for Utilization of POME to land application PT TN dated 1 October 2020, the permit is valid for 5 years.

**7.8.4**

The Mill water use has been monitored and recorded in document of Recapitulation of Water Usage and Distribution. The record has been covered the FFB process, detail of water usage for process and non process, total water usage, and water usage per ton of FFB. For instance, the total water usage in 2021 was 488,459 m<sup>3</sup>, that is 0.76 m<sup>3</sup>/ton FFB.

**Status: Comply**

**7.9**

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

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2021 POM has produces 1,347,891 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 12.36 kwh / ton CPO. Result Direct fossil fuel used is 0.14 kWh/ ton CPO.

**Status: Comply**

**7.10**

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

**7.10.1**

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

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

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

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

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

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

Emissions per product	tCO2e/tProduct
CPO	0.33
PK	0.33

Production	t/yr
FFB processed	398,377.94
CPO produced	93259.38
PK produced	24132.08

Extraction	%
OER	23.41
KER	6.06

Land use	Ha
Planted area on mineral	15864.88
Planted on peat	0
Total area planted	15864.88
Conservation Area (Forested)	158.52
Conservation Area (Non-Forested)	584.06
FFB Production per hectare	25.11

Summary of field emission and Sinks

Description	Own crop	Group		3rd	Total
Emissions Sources	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB	tCO2e
Land conversion	111450.11	0.28	0	0	111450.11
CO2 emissions from fertilizer	43566.44	0.11	0	0	43566.44
NO2 emissions from peat	0	0	0	0	0
N2O from Fertilizer	12929.77	0.81	0	0	12929.77
Fuel consumption	2745.75	0.17	0	0	2745.75
Peat oxidation	0	0	0	0	0
Sinks					
Crop sequestration	-146586.87	-0.37	0	0	-146586.87
Sequestration in	-1453.63	0	0	0	-1453.63
Conservation area					
<b>Total</b>	<b>22651.56</b>	<b>0.06</b>	<b>0</b>	<b>0</b>	<b>22651.56</b>

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	14758.79	0.04
Fuel consumption	1319.49	0
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0

Sales of EFB	0	0
Total	16078.25	0.04

**Palm Oil Mill Effluent (POME) Treatment**

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

**POME Divert to Anaerobic Digestion**

Divert to anaerobic pond (%)	100
Divert to methane capture (flaring) (%)	8
Divert to methane capture (electricity generation) (%)	92

The auditor team has verified the GHG palm that has been carried out by the company. Based on the verification results, it is known that the GHG palm input data is in accordance with the actual conditions. This is evidenced by the results of verification of the amount of FFB production from Semilar Estate, Sei Rindu Estate, Mandang Estate, and Puri Estate the amount of production from third parties, the amount of production from Group Plantations, planted area and the distribution of planting years and the area of HCV. which is in accordance with actual conditions. The HCV area is different with basic info because, there is some HCV area overlap with planted area and unplanted area. For the no forested area, the total is 584.06 Ha all area on the planted area and conservation area (forested) a total of 158.52 Ha consists of 144.42 Ha (forested) and 14.1 Ha figure swamp and river.

**7.10.2**

Based on interview with company management and document verification, it is known that there has been no new land clearing since 2014.

**7.10.3**

The company has identified pollutions and emissions sources of Semilar Mill for the period 2021, such as CO2 (boiler, generator, transportation), CH4 (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021 and 2022, such as emissions (CO2, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester II the year 2021 and 1 years 2022. Fossil fuel reduction on Semilar Mill have been implemented by fiber/shell usage for the boiler.

**Status: Comply**

**7.11**

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

**7.11.1**

Based on the 2020-2025 Long Term Plan document that there is no replanting plan for the next 5 years, based on the results of field visits to operational areas in Semilar, Sei Rindu, Puri, and Mandang Estate, in the areas of harvesting, spraying and application of vacant vines, it was found that there was no new land clearing or replanting

**7.11.2**

Based on the 2020-2025 Long Term Plan document that there is no replanting plan for the next 5 years, based on the results of field visits to operational areas in Semilar, Sei Rindu, Puri, and Mandang Estate, in the areas of harvesting, spraying and application of vacant vines, it was found that there was no new land clearing or replanting.

The company has SOP for Prevention and Handling of Land Fires with no. document: SOP/SMART/HV MS-EV MD/USDV/II/2015 which was revised on 9 December 2016 and ratified on 1 March 2017. The procedures for preventing and handling land fires can be explained, among others:

- Preparation of land fire prevention and management plans
- Review of land fire prevention and management

- Implementation of plans and handling of land fires (prevention, preparedness actions, implementation of warning systems and early detection of land fires)
- Hotspot monitoring
- Identification of land fire hazards
- Hot spot verification
- Be prepared to anticipate land fires
- State of emergency
- Handling land fires
- Confirmation of hotspots and/or fire management reports
- Hotspot recapitulation
- Mapping of fire points and fire events
- Analysis of land fire management
- Evaluation

**7.11.3**

The recording of simulation activities is shown, with the following examples:

1. Residential fire fighting simulation on May 13, 2022, at Estate
2. Earthquake and fire simulation at POM on 18 June 2022, including simulation of reporting techniques, siren lighting, assembly instructions, fire extinguishing using fire extinguishers and hydrants, evacuation of earthquake victims, handling of victims, attended by 69 participants

Based on the results of interviews with representatives of Pantap and Sumber Makmur Villages, it is known that there were no cases of land fires during 2021 to August 2022. The company also conducted socialization related to fire fighting to surrounding villages

Based on information from management representative, socialization actions were carried out in Pantap and Sumber Makmur villages regarding fire prevention and control.

**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**

Based on the results of the previous audit, it was found that company conducted new land clearing after 1 Nov 2005 without prior HCV identification activities. HCV identification activities were carried out by the Company in 2012. The LUCA analysis activities are carried out separately from HCV identification. LUCA reports were submitted to the RSPO in 2014 for all of GAR's subsidiaries. LUCA's activities have been carried out following the proxies set by the RSPO. Related to the RaCP process, it has been described in indicator 7.8.12.

Regarding the progress of the RaCP which must be completed by PT Tapian Nadenggan and PT Buana Artha Sejahtera, when the ASA 1.3 audit was carried out, it was known as follows: PT Tapian Nadenggan explained LUCA Pass status with FCL - 0 Ha and environmental remediation (riparian) covering an area of 82.88 Ha. Meanwhile, for PT Buana Artha Sejahtera FCL 5 Ha, the Concept Note approve.

**7.12.2**

The HCV document compiled in 2012 has listed protected animal species, their protection status and also the details of conservation area. There are 3 types of birds protected according to Government Regulation No.7 of 1999 (check claws / Halycon smyrensis; honeybirds / Anthreptes sp; small pijantung / arachnotera longirostrata), and according to CITES (monitor lizards / Varanus salvator; cobra / Naja sumatrana) and none protected flora.

The assessment was carried out by an HCV assessor that has been approved by RSPO, using the HCV toolkit in 2008 and peer review has been carried out by Resit Sozer in May 2012. The total HCV for PT BAS is: 497.6 Ha, while for PT TN is: 244.98 ha. In conclusion, total HCV area is 742.58 Ha which consist of 158.52 Ha in form of forest and 584.06 Ha



in form of nonforest. In area statement, the HCV area in form of nonforest (584.06 Ha) is included in planted area. For HCV areas, it is different from basic info, including being planted area, currently it cannot be separated because the HCV area is attached to the statement area.

### 7.12.3

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

### 7.12.4

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

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

The realization of the management plan has been included in the report on the implementation of management and monitoring of high conservation value areas 2021. Based on the results of the document review, the Company has carried out management and monitoring in accordance with the established management plan.

The following is the management and monitoring that has been carried out, for example:

- Establishment of HCV boundaries through the installation of HCV attributes, for example signboards related to HCV, HCV Stamps, Boundary Signs of chemical use in oil palm plants.
- Direct and indirect socialization by conducting, for example, indirect socialization in the form of warnings / prohibitions or references to animal protection regulations, direct internal socialization to staff and employees of the plantation and factory base supplier as well as direct external socialization to the community around the plantation which was carried out during 2021 between another socialization for company staff on 1 February, 2021, outreach to mill and plantation employees on 10 February 2021, outreach to the surrounding community on 10 March 2021 and outreach to contractors on 7 January 2021.
- Protection of water resources by determining boundary boundaries with HCV environmental services attributes, not applying chemical fertilizers within the defined river boundaries, Planting vertiver grass on the river's lips to avoid high erosion.
- Invasive Species Control. Throughout 2021 until 2022 there were no identified HCV areas disturbed by invasive species. If any invasive plants are identified in the HCV area, it is necessary to carry out plant control activities in the form of cleaning the invasive plants in the HCV area.
- Monitoring reports on animal/plant species for the period January until July 2022. Based on the results of the monitoring, it is known that there are types of (*Permenlhk P.106 tahun 2018*) i.e elang tikus (*elanus caeruleus*) dan Macan Akar (*Prionailurus bengalensis*)

### 7.12.5

Based on the results of the document review and interviews with the surrounding community, there is no HCV area that is in contact with other stakeholders, the entire HCV area is within the company's HGU so that no community rights are harmed.

### 7.12.6

The company demonstrates the protection policy for rare and endangered wildlife which was established on June 25, 2012 by the Managing Director of PT Smart TBK. Sanctions for employees who catch, hunt and maintain RTE are adopted by the company based on Law No. 5 of 90 article 40. Based on interview with workers, it is known that they know about RTE species and the sanction who catch the RTE species. There also signboard about RTE in estates.

PT Tapian Nadenggan and PT Buana Artha Sejahtera have also conducted outreach to employees regarding the protection of endangered animals and plants, for example as follows:

- The Socialization to workers in the SMLE plantation area which was held on February 1, 2021 and was attended by 74 participants.
- The Socialization to workers in the SRDE plantation area which was held on 10 February 2021 and was attended by 63 participants.
- The Socialization to the community in the Blue Maju Village area which was held on March 10, 2021 and was attended by 18 participants.
- The Socialization to the community in the Pantap Village area which was held on January 7, 2021 and was attended by 9 participants.

#### **7.12.7**

The HCV management activities that taken by the management unit for period 2021 are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian. The company has also submitted a report related to the biodiversity database and monitoring & management HCV of PT TN and PT BAS to the Natural Resources Conservation Center of Kalimantan Tengah Province dated 25 Juli 2022.

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

The management plan period 2021 is effectively and implemented based on the monitoring result implementation period 2020. The enhancement and result of the HCV / RTE monitoring review for the next HCV program. The review of the 2021 program, will become an HCV program in 2022, for example riparian re-marking and repaired of the HCV signboard in December 2021 has not been fully completed and has been realization on January 2022.

#### **7.12.8**

Based on the results of the document review, it is known that:

1. Email from Mutu Agung to RSPO dated July 29, 2020 asking about progress regarding the status of LUCA and RaCP of PT Tapian Nadenggan and PT BAS in accordance with the information obtained from GAR management that:
  - PT Tapian Nadenggan  
LUCA status - Pass  
FCL - 0 ha  
Environmental remediation (riparian) - 82.88 ha
  - PT Buana Artha Sejahtera  
FCL 5 Ha, concept note approve
2. Based on an email from RSPO (khing.suli@rspo.org) on August 10, 2020 which states the following: "I have had an internal discussion with Ms. Aminah. As GAR is now in the final stages of preparing the compensation plan for submission and evaluation, PT TN and PT BAS should be able to complete the RaCP process by next year. On behalf of Ibu Aminah, with regards to the NC raised to the units with FCL value, the NC can be left open until the next ASA in which the compensation plan needs to be approved by then. "

Based on interviews with management, it is known that up to ASA 1.3 PT TN and PT BAS are still in the process of preparing the Remediation and Compensation Proposal. In this regard, the company shows an email from RSPO to CB dated March 26, 2021 regarding Advisory Note No: 0002/03/21 Assurance - Integrity for GAR subsidiaries related to the RaCP process. In the Recommendations and Decisions section, it is explained that:

- Approval to continue certification can only be made for Companies whose certificate license expires 6 months from the issuance of the Advisory Note (since March 25, 2021). Non-conformities that arise are allowed to remain open until the next surveillance/recertification audit.
- For units whose license expires from October 2021, it is necessary to continue to follow up with the RSPO regarding the status of RaCP and its completion on an ongoing basis.
- For units at the initial certification stage, certificate issuance can only be carried out after the compensation plan has been approved.

Based on the results of document verification, it is known that the company cleared new land after November 1, 2005 without prior HCV identification activities, HCV identification activities were carried out in 2012.

As of ASA 1.3 PT TN and PT BAS are still in the process of preparing the Remediation and Compensation Proposal. In this regard, the company shows an email from RSPO to CB dated March 26, 2021 regarding Advisory Note No: 0002/03/21 Assurance - Integrity for GAR subsidiaries related to the RaCP process. In the Recommendations and Decisions section, it is explained that approval to continue certification can only be made for certification units whose certificate license expires 6 months from the issuance of the Advisory Note (since 25 March 2021). Discrepancies that arise are allowed to remain open until the next surveillance/recertification audit.

**Auditor verification ASA-1.4**

- The company shows an email proof of sending an Advisory Note part 2 RPO email on 18 February 2022 which explains that related to certified units can continue their certification activities, including PT Tapian Nadenggan and PT BAS whose RACP status is still reviewing concept notes. This Advisory Note part 2 is valid for 6 months from issuance (August 18, 2022), it is also explained in the Advisory Note part 2 for indicators that non-conformities will be issued and non-conformities can be opened until the next surveillance activity.
- The company shows an email dated 3 June 2022 from RSPO compensation to GAR regarding the endorse concept noted so that it can continue to prepare the compensation proposal.
- The company shows an email dated 28 June 2022 from GAR to the RSPO regarding submitting a compensation proposal, then there is feedback from the RSPO on 25 July 2022 regarding a review of the compensation plan proposal.
- Until now, the company is in the stage of reviewing the compensation plan batch 1.

Until the surveillance-1.4 audit activity is carried out, the Company has not been able to show that the HCV compensation Plan (RaCP) has been accepted by the RSPO but in accordance with the Advisory Note part 2 issued on 18 August 2022 (valid for 6 months) in indicator 7.12.8, non-compliance and can be open until the next audit activity. **Based on that explanation, the non-conformity number 2022.02 with Major category can be left open until next audit.**

7.12.8	Status: Non-conformity number 2022.02 with Major category	Open
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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>
ASA 1.4	The company has certified no certificate: MUTU-RSPO/028	√
	<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>
ASA 1.4	The company does not use RSPO logo.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
ASA 1.4	The company does not use RSPO logo.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
ASA 1.4	The company does not use RSPO logo.	√
	<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-seven (47) mills and one hundred and thirty-six (166) estates (own and smallholders) in Indonesia and has achieved RSPO certified for thirty-one (31) mills and supply base in Indonesia. Golden Agri-Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri-Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri-Resources, Ltd on 21 January 2021 made by Head of Sub Div SPO Certification and Low GHG Strategy.

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

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	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>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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>17. Uncertified Area Sei Rindu Estate on 19 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>



2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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) 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> Verification of the realization of the internal audit carried out on the newly acquired units will be carried out at the nearest RSPO surveillance audit activity with the internal audit schedule that has been set.</p>
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.12	<p><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 and Zero Liability reporting to the RSPO via email on 29 August 2014.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>From 25 companies, 7 of them are certified units, the remaining 18 companies are uncertified units. The following is an update on the RaCP progress as of 11 January 2022 for uncertified units:</p> <p>a) 4 companies have received Concept Note approval from RSPO dated 27 July 2020, namely:</p> <ol style="list-style-type: none"> <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> <p>d) The LUCA (Land Use Change Analysis) report has been approved is PT Satya Kisma Usaha (Batang Gading Estate) – Jambi.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>The LUCA report proposed to be hold/postponed until the Integrated HCV HCS Report obtains Satisfactory status from the HCVRN, is PT Sawit Mas Sejahtera – Sumatera Selatan (2 reports).</p> <p>HCV assessments for 17 reports was conducted in the period of 2010 to 2018 by external (consultant) and internal parties. The HCV assessment is carried out by a team assessor with a Team Leader who has been approved by the RSPO. The reference for the HCV assessment using the HCV Toolkit 2008. The peer review is carried out by an independent consultant who has also been approved by the RSPO.</p> <p>Assessment of PT Sawit Mas Sejahtera – Sumatera Selatan has used Integrated HCV-HCS with the consultants who have been licensed in HCVN and HCSA</p> <p>The company continues to follow up on the RaCP process, so that the RSPO timebound for uncertified units can be realized immediately.</p> <p>In the 2021 period, several companies were acquired by GAR according to the notarial deed of amendment dated 04 August 2021, including:</p> <ol style="list-style-type: none"> <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> 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</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>2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel.</p> <ol style="list-style-type: none"> <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 Tengawang 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> <li>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.</li> <li>13. PT Aditungal Mahajaya – Kalimantan Tengah (Sungai Ayawan Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>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.</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>15. PT Agrokarya Primalestari – Kalimantan Tengah (Kuayan Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>16. PT Buana Adhitama – Kalimantan Tengah (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> <p>22. The uncertified area of Sei Rindu Estate covering 203.89 Ha located in the Location Permits of PT Tapan Nadenggan with planting period on 2006</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> 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 Abadipratama – 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> <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>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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 supply base): NPP on 8 July 2014.</li> <li>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.</li> <li>15. The uncertified area of Sei Rindu Estate covering 203.89 Ha located in the Location Permits of PT Tapan Nadenggan with planting period on 2006</li> </ol>



2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p><b>Company Group/Holding Statement:</b>            No land conflicts. The company has a land conflict resolution mechanism in accordance with the RSPO criteria 4.2, 4.6, 4.7 and 4.8. This procedure is contained in the SOP for handling social conflicts with the registration number SOP/SMART/SCRD/NSDV/I/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/I/001 revision 2 dates April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/GIMS-SCMD/USDV/I/001 revision 2 dated 11 April 2017, handling complaints appropriately and quickly. GAR has initiated to become a member of the RSPO DSF as a “Grower” category.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <ol style="list-style-type: none"> <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 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.</li> <li>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</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Complaint Panel decided to proceed with further investigations. The investigation carried out will be fully funded by the RSPO, and carried out by PROFUNDO Parties. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 6, 2021, the RSPO is waiting for the results of a review from the consultant.</p> <p>4. Complaint on 13 October 2014 to PT Kartika Prima Cipta (West Kalimantan) from Forest Peoples Program (FPP) &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 Binasawit Abadi Pratama (Perdana Mill and supply base)</li> <li>6. PT Agrokarya Prima Lestari (Kuayan Mill and supply base)</li> <li>7. PT Mitra Karya Agroindo (Tangar Mill and supply base).</li> <li>8. PT Paramitra Internusa Pratama (Belian Mill and supply base)</li> <li>9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base).</li> <li>10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base).</li> <li>11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base)</li> <li>12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>13. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base)</p> <p>14. PT Bangun Nusa Mandiri (Kenari Mill and supply base)</p> <p>15. PT Agro Lestari Sentosa (Jalemo Mill and supply base)</p> <p>16. PT Adi Tunggal Mahajaya (Sako Mill and supply base)</p> <p>17. PT Kruing Lestari Jaya (Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pulos 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/1/002 revision 1 dated 18 May 2016.</p> <p>Procedures related to employee complaints are regulated in the internal flow of form because employees are included in the category of internal stakeholders. The media of complaint used is an official letter submitted through the worker union or put in the suggestion box provided in strategic locations.</p> <p>During 2021, there were no new complaints regarding employment through the RSPO website, as for the progress of previous complaints, they have closed status.</p> <p><b>Auditor Verification:</b></p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		There is no list of employee and stakeholder complaint and grievance.
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p><b>Company Group/Holding Statement:</b> Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Subsidiaries of GAR which still on going to process HGU consist of:</p> <ol style="list-style-type: none"> <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> <li>16. PT Buana Adhitama (Bukit Dua Estate)</li> <li>17. PT Agrolestari Sentosa (Jalemo Estate)</li> <li>18. PT Binasawit Abadipratama (Perdana Mill)</li> <li>19. PT Agrokarya Prima Lestari (Kuayan Mill)</li> <li>20. PT Mitrakarya Agroindo (Tangar Mill)</li> <li>21. PT Agrolestari Sentosa (Jalemo Mill)</li> <li>22. PT Adi Tunggal Mahajaya (Sako Mill)</li> <li>23. PT Smart Tbk. (Sungai Cantung Estate, Bukit Kapur Estate, Bukit Kapur Mill)</li> <li>24. PT Bangun Nusa Mandiri (Gaharu Estate, Kenari Estate, Kenari Plasma, Gahari Plasma, Kenari Plasma)</li> <li>25. PT Tapian Nadenggan (Sei Rindu Estate)</li> </ol> <p>Beside that, there are some unit still on process the land certificate (SHM) consist of:</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ol style="list-style-type: none"> <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 Bilton 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> <li>4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate)</li> </ol> <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>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>The company is still collecting information and documentation related to compliance with legal documents such as HGU, Environmental Documents and SHM (for plasma).</p> <p><i>Auditor Verification:</i>            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 Binasawit 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 are 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 are 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 are PT Adi Tunggal Mahajaya, PT Mitra Karya Agroindo and PT Agrokarya Prima Lestari. The legal non compliance which still on process is Land Use Title (HGU).</li> <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 communities 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> </ul>



2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <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 LestariPersada: there is an area still in process for HGU Bumi Palma Estate (39.21 Ha)</li> <li>- PT Tapan Nadenggan ( Sei Rindu Estate: there is an area still in process for HGU covering 203.89 Ha, the area located in production forest while the latest updated, the company has been principle permits based on decree from ministry of environment and forestry No S.566/Menlhk/Setjen/PLA.2/8/2019 dated 19 August 2019 regarding principal permits exchange of Forest areas for palm oil plantation on behalf of PT Tapan Nadenggan, consist of limited production forest areas (<i>Hutan Produksi Terbatas/HPT</i>) covering ± 8.191 Ha</li> <li>-</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> <li>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.</li> <li>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.</li> <li>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.</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</p> <p>The acquisition company already has legality in the form of HGU, but other legalities such as environmental documents and other permits are being collected and will be completed when an internal audit of the acquisition units is carried out.</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> <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> <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>

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

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

**3.4.1. Identification of Findings, Corrective Actions and Observations at Onsite Audit of RSPO ASA 1.2 + ASA 1.3 Assessment**

<b>NCR No.</b>	: 2021.01	<b>Issued by</b>	: Asystasya Aishah Silalahi
<b>Date Issued</b>	: 7.12.8	<b>Time Limit</b>	: ASA 1.4
<b>NC Grade</b>	: Critical	<b>Date of Closing</b>	: -
<b>Standard Ref. &amp; Requirement</b>	<b>7.12.8</b> <b>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</b>		
<p><b>Evidence observed (filled by auditor):</b>  Based on the results of the previous audit, it was found that the company cleared new land after 1 Nov 2005 without prior HCV identification activities (HCV identification activities were carried out by the company in 2012.). The disclosure process has been carried out and the RaCP fulfillment process is still ongoing until RC's assessment, when RC received a statement from the RSPO that PT TN-BAS was given a grace period of 1 year (verified in ASA 1.1)</p> <p>In response to this, the Company shows the chronology regarding compliance with RaCP, as follows:</p> <ul style="list-style-type: none"> <li>- January 28, 2019: The company sent an email to RSPO regarding LUCA status and Concept Note. (to: khing.suli@rspo.org)</li> <li>- February 1, 2019: The company reminded RSPO via email for an earlier email response. (to: khing.suli@rspo.org)</li> <li>- February 13, 2019: Continuing communication via telephone, the company sent an email to RSPO regarding NC related to LUCA in several company-owned units. (to: salahudin.yacob@rspo.org)</li> <li>- February 20, 2019: RSPO responded with the answer "I am working with the LUCA reviewers to get the reviews finalized based on the cloud cover justification asap so that we can proceed and address the NC issues." (From: Khing.suli@rspo.org)</li> <li>- April 30, 2019: RSPO sends the results of the LUCA review sent by the company. The RSPO asks the company for further clarification regarding the data sent. " (From: Khing.suli@rspo.org)</li> <li>- 23 June 2019: The company sent further documents related to the results of the previous clarification requested by the RSPO. (LUCA review) (to: khing.suli@rspo.org) and has been responded to on June 28, 2019, which states that the clarification has been received by the RSPO.</li> </ul> <p>However, until the surveillance-1.1 audit was conducted, there was no further response from the RSPO stating that the HCV compensation plan (RaCP) that had been prepared had been received by RSPO.</p> <p><b>Verification on September, 26<sup>th</sup> 2019</b>  Based on e-mail respons from RSPO secretariat (from <a href="mailto:aminah.ang@rspo.org">aminah.ang@rspo.org</a>) on September, 26<sup>th</sup> 2019, it explained :  <i>"Based on our internal discussion, we agreed that the NC raised on both unit mentioned in your email can be left open until the next audit next year. We do hope that the process of completing the RaCP can be completed by then. Please inform your client that they need to monitor the progress closely to ensure that the NC can be closed in the next audit"</i></p> <p><b>Based on that explanation, the non-conformity can be left open until next assessment (ASA-1.2).</b></p> <p><b>Verification on ASA 1.2</b>  Based on the results of document review, it is known that:</p>			

1. Email from Mutu Agung to RSPO on July 29, 2020 asking about progress regarding the status of LUCA and RaCP of PT Tapian Nadenggan and PT BAS in accordance with the information obtained from GAR management that:
  - PT Tapian Nadenggan  
LUCA status - Pass  
FCL - 0 ha  
Environmental remediation (riparian) - 82.88 ha
  - PT Buana Artha Sejahtera  
FCL 5 Ha, concept note approve
2. Based on an email from RSPO (kHING.suli@rspo.org) on August 10, 2020 which states the following: "I have had an internal discussion with Ms. Aminah. As GAR is now in the final stages of preparing the compensation plan for submission and evaluation, PT TN and PT BAS should be able to complete the RaCP process by next year. On behalf of Ibu Aminah, with regards to the NC raised to the units with FCL value, the NC can be left open until the next ASA in which the compensation plan needs to be approved by then. "

**Non-Conformance Description (filled by auditor):**

Until the surveillance-1.2 audit is conducted, the Company has not been able to demonstrate that the HCV Compensation Plan (RaCP) has been received by RSPO.

**However, based on the explanation from the RSPO, the non-conformity can be left open until next assessment (ASA-1.3).**

**Root Cause Analysis (filled by organization audited):**

PT. TN and PT BAS is currently still in the preparation of the Remediation and Compensation Proposal. So for the certification process in 2021, company has communicated with the RSPO regarding the problems with the RACP completion process.

**Correction (filled by organization audited):**

The company communicates with the RSPO regarding the process of remediation and compensation proposals. RSPO issues: RACP Advisory Note on GAR's RaCP process From RSPO on March 25, 2021 No: 0002/03/21 Assurance - Integrity which in the Note states RACP is left open until further Surveillance audit certification.

**Corrective Action (filled by organization audited):**

Continue the process of completing the remediation and compensation proposal preparation and communicating with the RSPO within the next 1 year period.

**Assessor Evaluation and Conclusion (filled by auditor):**

**Verification Onsite ASA 1.2 & ASA-1.3 (11 June 2021)**

Based on interviews with management, it is known that up to ASA 1.3 PT TN and PT BAS are still in the process of preparing the Remediation and Compensation Proposal. In this regard, the company shows an email from RSPO to CB dated March 26, 2021 regarding Advisory Note No: 0002/03/21 Assurance - Integrity for GAR subsidiaries related to the RaCP process. In the Recommendations and Decisions section, it is explained that:

- Approval to continue certification can only be made for Companies whose certificate license expires 6 months from the issuance of the Advisory Note (since March 25, 2021). Non-conformities that arise are allowed to remain open until the next surveillance/recertification audit.
- For units whose license expires from October 2021, it is necessary to continue to follow up with the RSPO regarding the status of RaCP and its completion on an ongoing basis.
- For units at the initial certification stage, certificate issuance can only be carried out after the compensation plan has been approved.

Based on this document, this discrepancy is still open and will be re-verified at the next audit (ASA 1.4)

**Verified by** : **Asystasya Aishah Silalahi**

3.4.2. Identification of Findings, Corrective Actions and Observations at Onsite Audit of RSPO ASA 1.4

NCR No.	: 2022.01	Issued by	: Radytio Puspanjana
Date Issued	: 19 August 2022	Time Limit	: Recertification
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		
<p><b>Evidence observed</b> (<i>dilengkapi oleh auditor</i>): The company has a SOP/SMART/LEMS-EHSD/SADV/II/002 regarding the SOP for waste management issued on July 2, 2014 which explains that hazardous waste generated by operational activities such as used packaging contaminated with hazardous such as used oil drums, used paint buckets, used buckets, used hoses contaminated with hazardous, used grease buckets and used pesticide sprayers are stored in the hazardous waste temporary storage area.</p> <p>Base on field visit when the surveillance audit was carried out, obtained information that there was Hazardous waste located not in a licensed place, for example:</p> <ul style="list-style-type: none"> <li>• There is a hazardous Waste used Oil Drum used as a water reservoir in the workshop office (SMLE)</li> <li>• There is a hazardous waste used hazardous container (Bucket paint) as a water reservoir in the Union Office (SMLE).</li> <li>• The hazardous waste placed on Inside the truck in the workshop office consist of hazardous bucket waste, used paint bucket, oil contaminated hose, used B3 jerry cans, used oil drums and used oil filters (SMLE).</li> <li>• There is a hazardous waste of the pesticide spray equipment broken and used oil drums stored behind the central warehouse.</li> <li>• There is hazardous waste of the waste Bank as used paint cans on housing complex 2 (SMLE).</li> </ul> <p>The company has not been able to show sufficient evidence that the management of hazardous waste is in accordance with the established procedures.</p> <p><b>Non-Conformance Description</b> (<i>dilengkapi oleh auditor</i>): The company has not been able to show sufficient evidence that the management of hazardous waste is in accordance with the established procedures.</p>			
<b>Root Cause Analysis</b> ( <i>filled by organization audited</i> ):			
<b>Correction</b> ( <i>filled by organization audited</i> ):			
<b>Corrective Action</b> ( <i>filled by organization audited</i> ):			
<b>Assessor Evaluation and Conclusion</b> ( <i>filled by auditor</i> ):			
Verified by	:		

NCR No.	: 2022.02	Issued by	: Radytio Puspanjana
Date Issued	: 19 August 2022	Time Limit	: Recertification
NC Grade	: Major	Date of Closing	:
Standard Ref. &	: 7.12.8		



<b>Requirement</b>	<b>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</b>
<b>Evidence observed</b> (filled by auditor):	
<p>Based on the results of document verification, it is known that the company cleared new land after November 1, 2005 without prior HCV identification activities, HCV identification activities were carried out in 2012.</p> <p>A Land Use Change Analysis (LUCA) report was sent to the RSPO in 2014 for all GAR subsidiaries including PT Tapian Nadenggan with LUCA Pass status with FCL – 0 Ha and environmental remediation (riparian) covering 82.88 Ha and PT Buana Artha Sejahtera FCL 5 Ha.</p> <p>As of ASA 1.3 PT TN and PT BAS are still in the process of preparing the Remediation and Compensation Proposal. In this regard, the company shows an email from RSPO to CB dated March 26, 2021 regarding Advisory Note No: 0002/03/21 Assurance - Integrity for GAR subsidiaries related to the RaCP process. In the Recommendations and Decisions section, it is explained that approval to continue certification can only be made for certification units whose certificate license expires 6 months from the issuance of the Advisory Note (since 25 March 2021). Discrepancies that arise are allowed to remain open until the next surveillance/recertification audit.</p>	
<b>Auditor verification ASA-1.4</b>	
<ul style="list-style-type: none"> <li>- The company shows an email proof of sending an Advisory Note part 2 RPO email on 18 February 2022 which explains that related to certified units can continue their certification activities, including PT Tapian Nadenggan and PT BAS whose RACP status is still reviewing concept notes. This Advisory Note part 2 is valid for 6 months from issuance (August 18, 2022), it is also explained in the Advisory Note part 2 for indicators that non-conformities will be issued and non-conformities can be opened until the next surveillance activity.</li> <li>- The company shows an email dated 3 June 2022 from RSPO compensation to GAR regarding the endorse concept noted so that it can continue to prepare the compensation proposal.</li> <li>- The company shows an email dated 28 June 2022 from GAR to the RSPO regarding submitting a compensation proposal, then there is feedback from the RSPO on 25 July 2022 regarding a review of the compensation plan proposal.</li> <li>- Until now, the company is in the stage of reviewing the compensation plan batch 1.</li> </ul>	
<b>Non-Conformance Description</b> (filled by auditor):	
Until the surveillance-1.4 audit activity is carried out, the Company has not been able to show that the HCV compensation Plan (RaCP) has been accepted by the RSPO but in accordance with the Advisory Note part 2 issued on 18 August 2022 (valid for 6 months) in indicator 7.12.8, non-compliance and can be open until the next surveillance activity.	
<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	1.1.5	<p>Based on the results of the verification of the stakeholder list document updated on August 2, 2022 compiled by the SPO OHS coordinator, it is known that there are several stakeholders, namely, legal entities 21 stakeholders, indigenous peoples 1 stakeholder, local communities 7 stakeholders, worker organization 10 stakeholders, contractors 11 stakeholders and other stakeholders 3.</p> <p>Based on the results of document verification and interviews, the company already has information on stakeholders that has not been included in the list, but is documented separately according to their respective PICs, for example NGOs, Hazardous waste transporters, schools, partner local entrepreneurs, testing laboratories, and OHS training institute.</p> <p>The company has the opportunity to determine the mechanism for collecting stakeholder data as a whole in the company's operational activities in accordance with the relevance and interests of each stakeholder.</p>
2	2.1.1	<p>based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia dated 31 May 2019 No S.356/Menlhk/Setjen/PLA.2/5/2019 about principal permit exchange of Forest areas for palm oil plantation on behalf of PT Buana Artha Sejahtera. on this decree mentioned if the company burdened with the obligation to reserve for developing smallholder's plantation for community covering 1546 Ha and or 20% in forest area that released. related to this, companies are encouraged to realize the development of smallholders when the release of forest areas has been obtained</p>
3	3.6.1	<p>The results of field observations for Beneficial Plant maintenance activities and manual maintenance, it is known that the company has provided personal protective equipment (foot protection) in the form of shoes. However, the types of shoes provided are of different types, namely boots and <i>gambir</i> shoes.</p> <p>The results of the verification of the Personal Protective Equipment Management Procedure document, No SOP/SMART/HESS-EHSD/SADV/010/003, it is known that PPE for maintenance activities refers to ISBPR. The results of the verification of the ISBPR document for the 2022 period, it is known that the company has identified potential hazards and determined control actions for plant maintenance activities with a form of control that refers to the two SOPs. However, it has not specifically led to the type of PPE.</p> <p>In this case, the company has the opportunity to ensure the type of PPE including uniformity for all operational activities in the field.</p>
4	3.7.1	<p>According to the results of the verification of the Certificate/License Recap document for special officers and operators for the period of July 2022, it is known that there is a Certificate/License (SIO) that has expired with the following details:</p> <ul style="list-style-type: none"> <li>• SMLM: General AK3 certificate/license 1 person, Electrical K3 license 4 people, Role of class D firefighters 8 people,</li> <li>• SRDE: 4 persons with a K3 electrical license and 1 K3 for lifting and transporting,</li> <li>• SMLE : General AK3 1 person, lift and transport operator 7 people</li> </ul> <p>The company shows certificate documents no. 1492/SK/VII/2022 and dated no. 1492/SK/VII/2022, dated July 17, 2022 by PT Tranindo Pratama Mulia. It was explained that the officer mentioned above, his certificate and license were in the process of being extended at the Ministry of Manpower of the Republic of Indonesia.</p>

No	Ref. Std.	Description
		Thus, the company has the opportunity to follow up on this progress so that the certificate/license that is still in process at the Ministry of Manpower of the Republic of Indonesia will be issued soon.
5	4.4.1	<p>Since Initial Certification, PT BAS's HGU is being processed. The HGU process was hampered in 2005 due to changes in regulations regarding forest areas, that some part of the area proposed for obtaining HGU was included in limited production forest areas (<i>Hutan Produksi Terbatas/HPT</i>), so it was necessary to implement an area exchange mechanism based on governmental law. The company has shown positive progress regarding the exchange of plantation areas that are included in forest areas for the HGU process. Up to the time of the ASA 1.4 the company presented Decree of the Minister of Environment and Forestry of the Republic of Indonesia dated May 31, 2019 S.356/Menlhk/Setjen/PLA.2/5/2019 concerning Principle Approval of Exchanging Forest Areas for Oil Palm Plantations on behalf of PT. Buana Artha Sejahtera, in the form of Permanent Production Forest (HP) covering an area of ± 7,728 Ha in East Kotawaringin Regency and Seruyan Regency, Central Kalimantan Province with Prospective Replacement Land covering an area of ± 7,946 Ha consisting of Convertible Production Forest (HPK) covering an area of ± 5,418 Ha located in Katingan Regency, Central Kalimantan Province and Other Use Areas (APL) covering an area of ± 2,528 Ha located in Kapuas Hulu Regency, West Kalimantan Province.</p> <p>Furthermore, PT Tapian Nadenggan has owned HGU since 2005 with a total area of 8,279.23 ha, . In 2012 the Minister of Forestry Decree No. SK.529/Menhut-II/2012 dated 25 September 2012 concerning Amendments to the Decree of the Minister of Agriculture No. 759/Kpts/Um/10/1982 concerning Designation of Forest Areas in the Province of Central Kalimantan with an area of ± 15,300,000 Ha as Forest Areas. Based on the decree, it is known that the PT TN area consists of HPK covering an area of ±1,812 Ha and HPT covering an area of ± 8,202 Ha. Since 2012 PT TN has carried out the process of exchanging forest areas. Last update</p> <p>The company has shown positive progress regarding the exchange of plantation areas that are included in the forest area for the HGU process. Until now, the ASA 1.4 audit is in the form of Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number S.566/Menlhk/Setjen/PLA.2/8/2019 dated 19 August 2019 regarding the Principle Approval of Exchanging Forest Areas for Oil Palm Plantations on behalf of PT. Tapian Nadenggan, in the form of a Limited Production Forest (HPT) area of + 8,191 Ha in Kotawaringin Timur Regency and Seruyan Regency, Central Kalimantan Province with a Prospective Replacement Land covering an area of + 8,330 Ha in the form of a Convertible Production Forest (HPK) Converted by Fungi into a Production Forest Area Still located in Murung Raya Regency, Central Kalimantan Province. This is become an opportunity for improvement related to the follow-up of swap of forest area</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Management commitment to apply the principles of sustainable palm oil management.
2	Is a sustainable palm oil certificate holder (RSPO, ISCC & ISPO)
3	Fairly good cooperation in providing documents during the audit process
4	The company have a biogas plan in managing POME

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Plantation Agency of Kotawaringin Timur Regency</b></p> <ul style="list-style-type: none"> <li>• There have been no land fires in the last year</li> <li>• There are no indigenous peoples in the certification unit's operational areas</li> <li>• The certification unit carries out CSR programs on a regular basis.</li> <li>• No overlapping operational areas with mining.</li> </ul>	<p>There were no negative issues that need further verification.</p>
<p><b>Plantation Agency of Seruyan Regency</b></p> <p>There is a conflict with the community regarding the development of plasma plantations based on the Decree on the Release of Forest Areas in 2001 and 2017.</p>	<p>PT Tapian Nadenggan as the scope currently not subject to plasma obligations, those affected by plasma obligations are PT Tapian Nadenggan other units (Hanau Mill)</p>
<p><b>Environmental Agency of Kotawaringin Timur Regency.</b></p> <ul style="list-style-type: none"> <li>- The company has EIA documents and has still valid, no amendment operational.</li> <li>- The company has a Temporary Hazardous Waste Storage (TPS LB3) located on Mill and each Estate, the permit still valid.</li> <li>- Hazardous Waste management activities carried out by storing hazardous Waste in licensed hazardous waste storage and transported have permission by KLH. Quarterly management reporting to relevant agencies.</li> <li>- The company has land application permit and still valid.</li> <li>- The company has tested the quality of factory wastewater per month and reported the results of testing to Enviromental Agency Regency per quarter.</li> <li>- The company has conducted POME quality testing per semester and reports the results of testing to Enviromental Agency Regency.</li> <li>- The company has conducted noise, vibration and noise testing and reported the results of testing to Enviromental Agency Regency per semester.</li> <li>- The company has reported Hazardous waste (balance and manifest) management to Enviromental Agency Regency per semester per semester, for example hazardous waste management report 2<sup>nd</sup> quarterly 2022.</li> <li>- The company has sent the RKL / RPL implementation report to to Enviromental Agency and Province periodically, for example the 1<sup>st</sup> semester of 2022.</li> <li>- The company has managed the conservation area / HCV for example in the form of riparian.</li> <li>- Requests for information responded quickly by the management unit.</li> <li>- There have not been any issues and reports from other parties regarding the negative impacts on the environment</li> </ul>	<p>According to field observation, there are no environment pollution from estate and mill operational.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
due to the management of Estate and POM.	
<p><b>Manpower and Transmigration Office of Seruyan Regency Government</b></p> <p>There was a request for a trade union representative to include the provisions on the timing of the bonus in the PKB document, however this was not accommodated by the Dinas because there was no regulatory basis.</p> <p>There is mediation for the settlement of the rights of laid-off workers, and there is a meeting point in fulfilling the rights of workers in accordance with applicable regulations</p> <p>Companies routinely report Mandatory Reporting Labor through online and monthly PKWT records</p> <p>There are no issues or reports related to the fulfillment of wages and employment social security.</p> <p>The company actively coordinates with the Manpower and Transmigration Office regarding industrial relations policies</p>	<p>There are no negative issues that need to be verified. The company has fulfilled its manpower obligations in accordance with the regulations and mandatory reporting described in the related indicators</p>
<p><b>The Manpower and Transmigration Office of the East Kotawaringin Regency Government:</b></p> <p>The company actively coordinates with the Manpower and Transmigration Office regarding industrial relations policies</p> <p>In accordance with the results of the Manpower and Transmigration Office monitoring, regarding wages, the company has given wages to workers according to the district minimum wage regulations</p> <p>There are no reports from workers to <b>Manpower and Transmigration Office</b> regarding complaints about wages and other industrial relations</p> <p><b>Manpower and Transmigration Office</b> routinely conducts monitoring and evaluation activities related to the implementation of labor regulations to ensure the continuity of the company's business and the fulfillment of workers' rights in accordance with the provisions.</p>	<p>There are no negative issues that need to be verified. The company has fulfilled its manpower obligations in accordance with the regulations and mandatory reporting described in the related indicators</p>
<p><b>National Land Agency Kotawaringin Timur Regency</b></p> <p>There are no issues of land disputes and the determination of abandoned land. HGU reports have been submitted regularly. Regarding the exchange of forest areas with the Ministry of Forestry, this is still a bilateral matter between the two parties.</p>	<p>There are no specific issues. The exchange of forest areas has been followed up by management and is waiting for a follow-up from the Ministry of Forestry.</p>
<p><b>National Land Agency Seruyan Regency</b></p> <p>There are no issues of land disputes and the determination of abandoned land. HGU reports have been submitted regularly.</p>	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>the company has an obligation to develop plasma plantations, because of the obligations contained in the release of forest areas</p>	<p>There are no specific issues. The exchange of forest areas has been followed up by management and is waiting for a follow-up from the Ministry of Forestry. PT Tapan Nadenggan as the scope currently not subject to plasma obligations, those affected by plasma obligations are PT Tapan Nadenggan other units (Hanau Mill)</p>
<p><b>Surrounding Village as well as previous land owner</b></p> <p><b>a. Village head of Biru Maju</b></p> <p><b>b. Village head of Sei Babi</b></p> <ul style="list-style-type: none"> <li>• The Seranau Kiri River often floods due to the certification unit's operational activities which lead to bridge damage.</li> <li>• The acceptance of new employees for the surrounding community is still very small.</li> <li>• The provision of CSR must be based on a proposal.</li> <li>• CSR funds are very minimal.</li> <li>• There is a conflict between the certification unit and the surrounding community regarding the development of plasma plantations.</li> <li>• There is an area of PT BAS for which land compensation has not been carried out.</li> </ul>	<p>PT Tapan Nadenggan as the scope currently not subject to plasma obligations, those affected by plasma obligations are PT Tapan Nadenggan other units (Hanau Mill).</p> <p>CSR has been developed together between company and village.</p> <p>Seranau Kiri River does not cross the company's operational area</p> <p>Regarding not compensated area this area including in the others area and unmanaged by the company.</p>
<p><b>Pantap Village as well as previous land owner</b> <b>Head of Pantap Village (also as previous land-owner representative).</b></p> <p>There are no disputes, land conflicts and no issues related to environmental pollution. The company has helped the village, such as teacher fees and heavy equipment assistance. There is no complaint from previous landowner related the land compensation or FPIC process.</p> <p>There are issue regarding workers requitment where are less opportunity from local villagers even works opportunity informed in the village</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in related Criteria.</p>
<p><b>Village official of Sumber Makmur as well as previous land owner</b></p> <p>There is no negative issues, land dispute issues or environmental pollution. The land compensation process has been carried out by involving various parties</p> <p>The company has made efforts to develop the surrounding community through CSR programs, the use of local labor and local contractors.</p>	<p>The company has shown land compensation documentary evidence carried out referring to the concept of FPIC. Described in detail in criteria related.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>The relationship between the company and the community has run quite well and harmoniously. Communication between the company and the village is quite good.</p>	
<p><b>Gender Committee of</b></p> <ol style="list-style-type: none"> <li><b>Puri Estate</b></li> <li><b>Sei Rindu Estate</b></li> <li><b>Semilar Mill</b></li> <li><b>Semilar Estate</b></li> <li><b>Mandang Estate</b></li> </ol> <ul style="list-style-type: none"> <li>There were no complaints regarding issues related to sexual harassment and violence against women.</li> <li>All woman in pesticides applicator worker and others work which related to chemical material if reported pregnant, the worker would be transferred to non-agrochemical work (e.g.: compound and daycare officer).</li> <li>The gender committee had socialized some policies related to pregnancy and sexual harassment.</li> <li>The certification unit has had a policy to protect female workers from sexual harassment in the workplace as well as a grievance mechanism. The certification unit also implemented some regulations related to reproductive rights such as menstruation leave and maternity paid leave.</li> </ul>	<p>There were no negative issues related to gender discrimination that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<p><b>Labour Union of</b></p> <ol style="list-style-type: none"> <li><b>Puri Estate</b></li> <li><b>Sei Rindu Estate</b></li> <li><b>Semilar Mill</b></li> <li><b>Semilar Estate</b></li> <li><b>Mandang Estate</b></li> </ol> <ul style="list-style-type: none"> <li>PPE provided to employees is not good.</li> <li>The access road out of the estate was damaged, so they asked for a special lane for small cars but there was no response from the certification unit.</li> </ul>	<ul style="list-style-type: none"> <li>The certification unit already has procedures related to replacing employee PPE if there is damage at work so that employees do not buy PPE at personal costs.</li> <li>The certification unit has established an access road on the 41/42 axle road to facilitate monitoring and anticipate potential security disturbances. Regarding the access road, which is often damaged due to high rainfall, the certification unit has tried to make road ditches so that water does not stagnate and fill the road again using stones.</li> </ul>
<p><b>Local contractor</b> <b>FFB and CPO transportation</b> <b>(PT Satrindo Jaya Agro Palma)</b></p>	

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Verification</b>
<p>Work agreement between the company and the contractor has been carried out since 2019. There has been a clause regarding the prohibition on land clearing by fire and this has also been socialized to contractors. There are no issues related to the cooperative relationship between the company and the contractor.</p> <p>When payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been given PPE by the contractor in accordance with the risk analysis that has been identified. Contractor workers have also provided health insurance for workers.</p> <p>Examination of the fulfillment of OHS and manpower aspects is carried out once a month by the company.</p> <p>-</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in related Criteria.</p>
<p><b>Local Contractors</b> <b>Biru Maju Village (FFB transporter)</b></p> <p>Cooperation with contractor has been carried out since 2009. There is a clause on OHS and social insurance that has also socialized to contractors. There are no issues related to labor relations either the unit of certification or the contractor.</p> <p>Payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been provided with PPE by the contractor in accordance with the risk analysis that has been identified.</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in related Criteria.</p>
<p><b>Employee Cooperative Semilar Manunggal Sejahtera and Employee Cooperative Puri Sejahtera Bersama</b></p> <ul style="list-style-type: none"> <li>- The cooperative is engaged in the procurement of basic necessities.</li> <li>- The company has a policy that supports employee cooperative activities as well as initial capital assistance for the establishment of cooperatives as well as transportation assistance for the purposes of cooperative operation.</li> <li>- Annual meeting 2021 has been implemented in March 2022.</li> <li>- The company supports the development of cooperatives by providing a place to sell.</li> <li>- There were no negative issue by cooperative operations in the last 1 year.</li> </ul>	<p>There are no negative issues that need deep verification.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT Tapan Nadenggan Head of Sustainability Management System and Certification Operations Sustainability</p> <p><b><u>Yahya Mustakim</u></b> Monday, 22 August 2022</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p> <p><i>Moh Arif Yusni</i></p> <p><b><u>Moh Arif Yusni</u></b> Monday, 22 August 2022</p> </td> </tr> </table>	<p>PT Tapan Nadenggan Head of Sustainability Management System and Certification Operations Sustainability</p> <p><b><u>Yahya Mustakim</u></b> Monday, 22 August 2022</p>	<p>Mutuagung Lestari Lead Auditor</p> <p><i>Moh Arif Yusni</i></p> <p><b><u>Moh Arif Yusni</u></b> Monday, 22 August 2022</p>
<p>PT Tapan Nadenggan Head of Sustainability Management System and Certification Operations Sustainability</p> <p><b><u>Yahya Mustakim</u></b> Monday, 22 August 2022</p>	<p>Mutuagung Lestari Lead Auditor</p> <p><i>Moh Arif Yusni</i></p> <p><b><u>Moh Arif Yusni</u></b> Monday, 22 August 2022</p>		

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Labour Agency of Seruyan Regency	Seruyan Regency		Interview via phone	15 August 2022	✓	
2	Environment Agency of Seruyan Regency	Seruyan Regency		Interview via phone	15 August 2022	✓	
3	Food and Agriculture Security Service of Seruyan Regency	Seruyan Regency		Interview via phone	15 August 2022		✓
4	National Land Agency of Seruyan Regency	Seruyan Regency		Interview via phone	15 August 2022	✓	
5	Labour Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency		Interview via phone	15 August 2022	✓	
6	Environment Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency		Interview via phone	15 August 2022	✓	
7	Food and Agriculture Security Service of Kotawaringin Timur Regency	Kotawaringin Timur Regency		Interview via phone	15 August 2022	✓	
8	National Land Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency		Interview via phone	15 August 2022	✓	
9	Worker Union – SPP (SMLE)	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
10	Worker Union – SPP (MNAE)	PT Buana Artha Sejahtera		Direct Interview	15 August 2022	✓	
11	Worker Union – SPP (PURE)	PT Buana Artha Sejahtera		Direct Interview	15 August 2022	✓	
12	Worker Union – SPP (SRDE)	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
13	Worker Union – SPP (SMLM)	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
14	Semilar Manunggal Sejahtera Employee Cooperative	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
15	Puri Sejahtera Bersama Employee Cooperative	PT Buana Artha Sejahtera		Direct Interview	15 August 2022	✓	
16	Gender Committee (MNDE)	PT Buana Artha Sejahtera		Direct Interview	15 August 2022	✓	
17	Gender Committee (SRDE)	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
18	Gender Committee (PURE)	PT Buana Artha Sejahtera		Direct Interview	15 August 2022	✓	
19	Gender Committee (SMLE)	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
20	Gender Committee	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	(SMLM)	Nadenggan			2022		
21	FFB Transporter Contractors	Seruyan Regency		Interview via phone	15 August 2022	✓	
22	CPO and PK Transporter Contractors	Seruyan Regency		Interview via phone	15 August 2022	✓	
23	Head of Pantap Village (previous land-owner representative).	Kotawaringin Timur Regency		Interview via phone	15 August 2022	✓	
24	Head of Sebabi Village (previous land-owner representative).	Kotawaringin Timur Regency		Direct Interview	15 August 2022	✓	
25	Head of Biru Maju Village (previous land-owner representative).	Kotawaringin Timur Regency		Direct Interview	15 August 2022	✓	
26	Head of Sumber Makmur Village (previous land-owner representative).	Kotawaringin Timur Regency	Direct Interview	Direct Interview	15 August 2022	✓	
27	<b>Semilar Mill</b> - 25 Workers	PT Tapian Nadenggan		Direct Interview	15 August 2022	✓	
28	<b>Semilar Estate</b> - 21 workers	PT Tapian Nadenggan		Interview via phone	16 August 2022	✓	
29	<b>Puri Estate</b> - 23 Workers	PT Buana Artha Sejahtera		Interview via phone	18 August 2022	✓	
30	<b>Sei Rindu Estate</b> - 19 Workers	PT Tapian Nadenggan		Interview via phone	16 August 2022	✓	
31	<b>Mandang Estate</b> - 23 Workers	PT Buana Artha Sejahtera	-	Field observation	18 August 2022	✓	
32	Worldwide Fund Indonesia	-	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	09 August 2022		✓
33	Aliansi Masyarakat Adat Nusantara	-	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email	09 August 2022		✓
34	Sawit Watch	-	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	09 August 2022		✓
35	Walhi	-	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Email	09 August 2022		✓

Appendix 2. Assessment Program

DATE /	14 – 20 August 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>SUNDAY, 14 August 2022</b>		
06.00 – 07.30	<b>JAKARTA → PANGKALAN BUN</b>	<b>All Auditor</b>
09.00 – 14.00	<b>PANGKALAN BUN → PT TAPIAN NADENGGAN</b>	
<b>MONDAY, 15 August 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>	<b>All Auditor</b>
09.30 – 12.00	<b>Stakeholder Consultation</b> <ul style="list-style-type: none"> <li>• Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders</li> <li>• public consultation with stakeholder to relevant agency in Seruyan and Kotawaringin Timur Regency (by Phone)</li> <li>• Stakeholder consultation to affected communities surrounding the plantations and previous land owner</li> </ul>	<b>All Auditor</b>
09.30 – 12.00	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Verification of Basic Information Mill and Estate</li> <li>• Confirmation of Time Bound Plan</li> <li>• Review of Partial Certification</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<ul style="list-style-type: none"> <li>• <b>Break</b></li> </ul>	
14.00 – 16.15	<b>Field observation to Semilar Mill :</b> <ul style="list-style-type: none"> <li>- Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch 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> </ul>	<b>All Auditor</b>
16.15 – 17.00		
<b>TUESDAY, 16 AUGUST 2022</b>		
08.00 – 12.00	<b>Field Observation to Semilar Estate and Sei Rindu 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> </ul>	<b>All Auditor</b>



DATE /	14 – 20 August 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>- Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	
12.00 – 14.00	<ul style="list-style-type: none"> <li>• <b>Break</b></li> </ul>	<b>All Auditor</b>
14.00 – 16.15	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"> <li>• Presentation of Daily Progress</li> </ul>	
<b>WEDNESDAY, 17 AUGUST 2022</b>		
08.00	<ul style="list-style-type: none"> <li>• Break (Publik Holiday – National Independence Day)</li> <li>• Auditor completing audit checklist</li> </ul>	
<b>THURSDAY, 18 AUGUST 2022</b>		
08.00 – 12.00	<p><b>Field Observation to Mandang Estate and Puri Estate</b></p> <p>Aspect to be verified:</p> <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> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
16.00 – 17.00	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	
16.15 – 17.00	Presentation of Daily Progress	
<b>FRIDAY, 19 AUGUST 2022</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>• Continued field observation and Public Consultation if needed)</li> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
16.00 – 17.00	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
16.15 – 17.00	<ul style="list-style-type: none"> <li>• Presentation of Daily Progress</li> </ul>	
<b>SATURDAY, 20 AUGUST 2022</b>		
08.00 – 09.00	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
09.00 – 10.00	<b>Closing Meeting</b>	

DATE /	14 – 20 August 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timelie of CAR's, Conclusion)/</li> <li>• Comments, Responses and Questions</li> </ul>	
10.00 – 14.00	<b>PT TAPIAN NADENGGAN → PANGKALAN BUN</b>	
14.00 –	<b>PANGKALAN BUN → JAKARTA</b>	