

***Roundtable on Sustainable Palm Oil Certification
R S P O*****[✓] Surveillance**

Name of Management Organisation : Sungai Kupang Palm Oil Mill, PT Sinar Kencana Inti Perkasa subsidiary of Golden Agri Resources, Ltd.

Plantation Name : PT Sinar Kencana Inti Perkasa: Sungai Kupang Estate, Sungai Panci Estate & Sungai Plasma Estate

Location : Sungai Kupang Village, Kelumpang Hulu Sub-District, Kotabaru District, Kalimantan Selatan Province, Indonesia

Certificate Code : **MUTU-RSPO/144**

Date of Certificate Issue : 06 March 2020 Date of License Issue : 06 April 2023

Date of Certificate Expiry : 05 March 2025 Date of License Expiry : 05 March 2024

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	06 to 11 February 2023	Hasiholan Sihombing (Lead Auditor), Rahmat Abdiansyah, Septian Maulana, Helma Namira	Naila Karima	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	08 March 2023

TABLE OF CONTENT

FIGURE

Figure 1. Location Map of PT Sinar Kencana Inti Perkasa (SKPE & SPNE)	2
Figure 2. Location Map of Sungai Panci Plasma (SPNA)	3
Figure 3. Operational Map of PT Sinar Kencana Inti Perkasa (SKPE & SPNE)	4
Figure 4. Operational Map of Sungai Panci Plasma (SPNA)	5

Abbreviations Used	6
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1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1 Assessment Standard Used	8
1.2 Organisation Information	8
1.3 Type of Assessment	8
1.4 Location of Mill and Plantations	8
1.5 Description of Area Statement	9
1.6 Planting Year and Cycle	9
1.7 Description of Mill and Supply Base	10
1.8 Estimate Tonnage of Certified Product	11
1.9 Other Certifications	12
1.10 Time-Bound Plan	12

2.0 ASSESSMENT PROCESS

2.1 Assessment Team	21
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	22
2.3 Stakeholder Consultation and Stakeholders Contacted	24
2.4 Determining Next Assessment	24

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification	25
3.2 Conformity Checklist of Certificate and Trademark Use	92
3.3 Summary of RSPO Partial Certification	93
3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	113
3.5 Summary of Arising Issues from Public and Auditor Verification	119

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings	126
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APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process	127
2. Assessment Program	129

Figure 1. Location Map of PT Sinar Kencana Inti Perkasa (SKPE & SPNE)

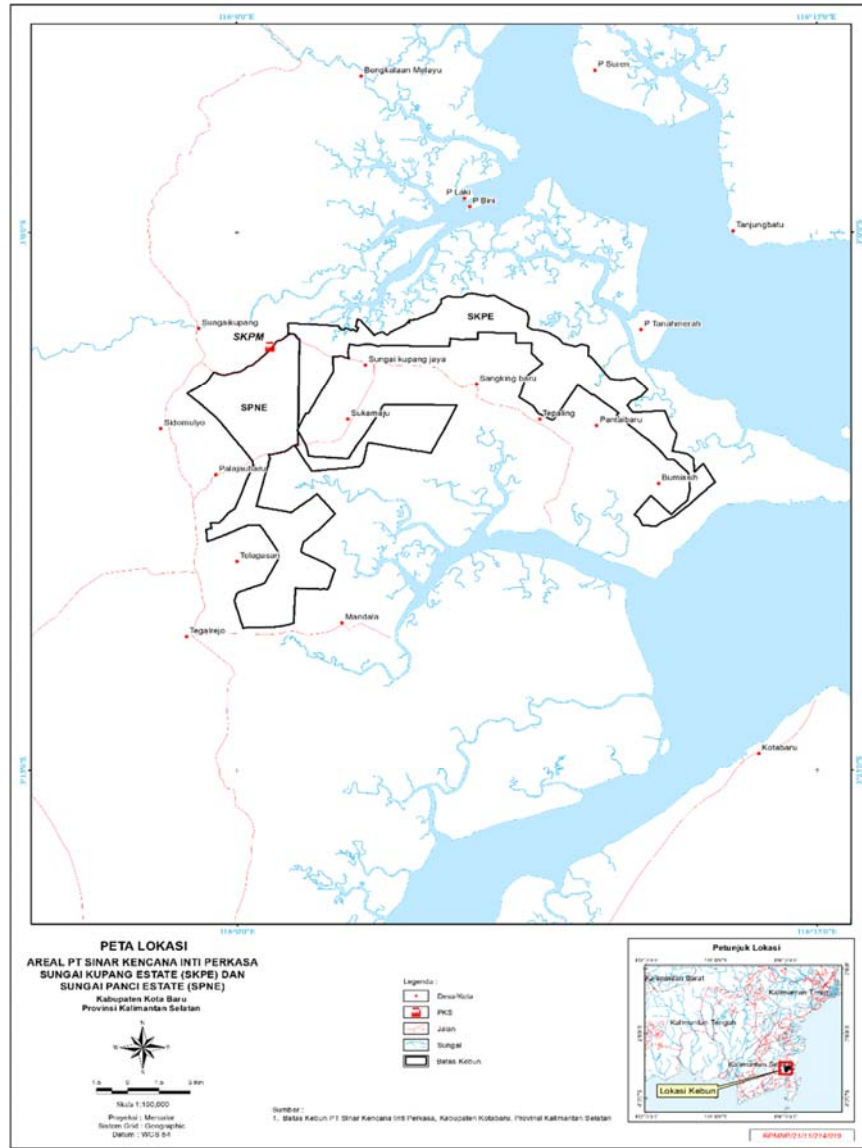


Figure 2. Location Map of Sungai Panci Plasma (SPNA)

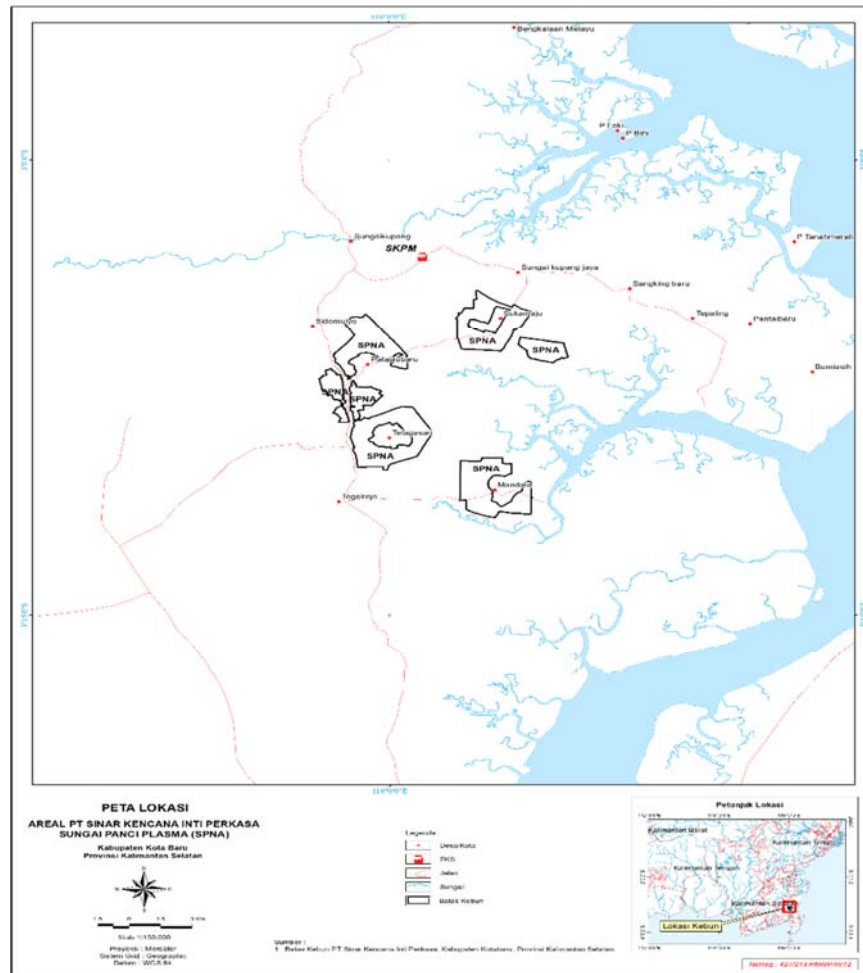


Figure 3. Operational Map of PT Sinar Kencana Inti Perkasa (SKPE & SPNE)

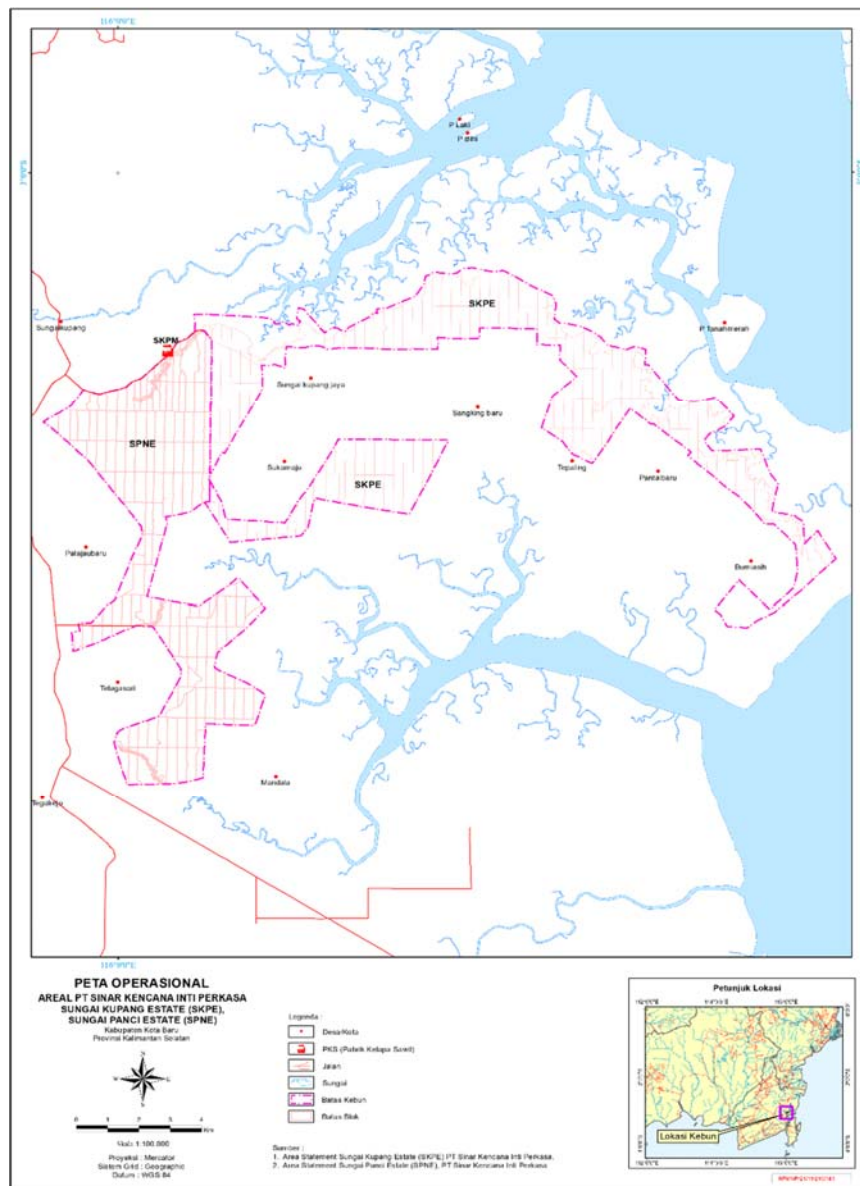
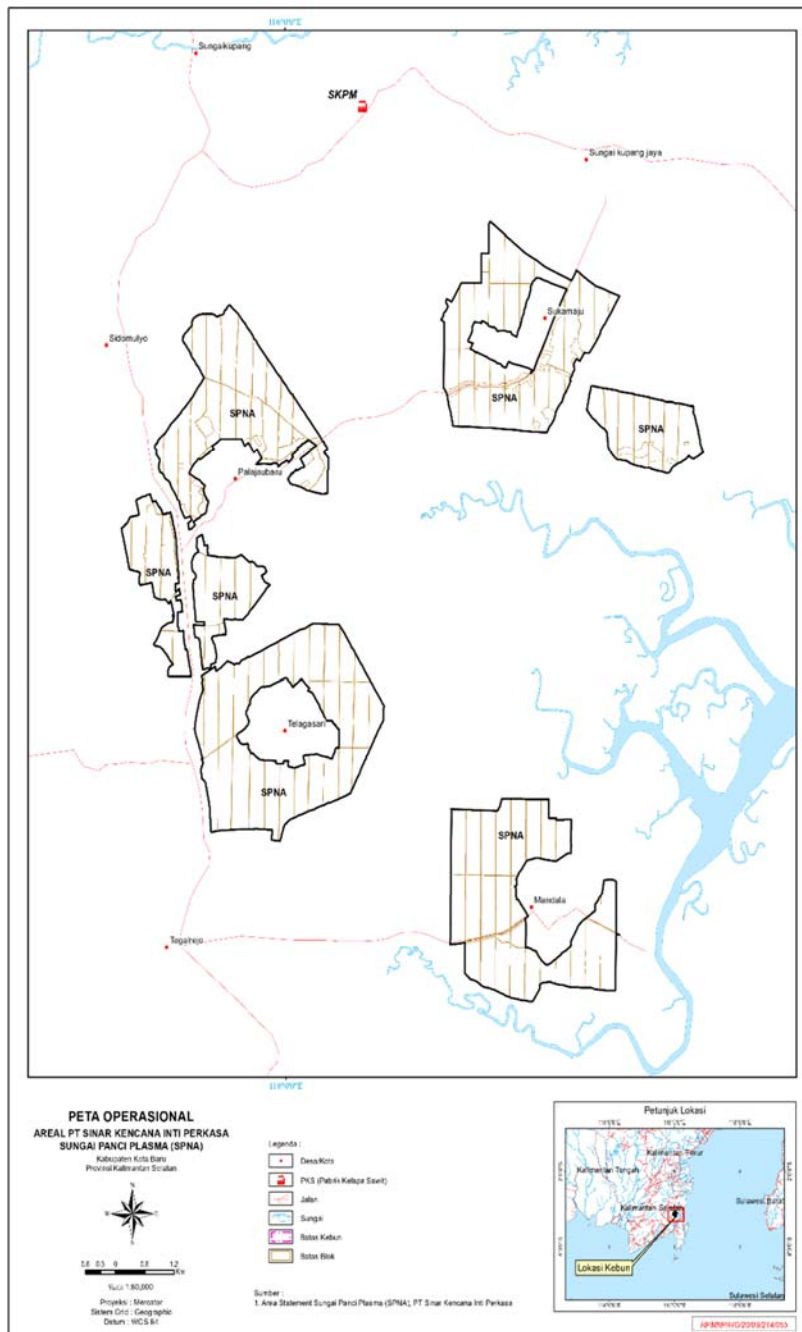


Figure 4. Operational Map of Sungai Panci Plasma (SPNA)



Abbreviations Used

ASA	:	Annually Surveillance Assessment
BOD	:	Biochemical Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency
BPKH	:	<i>Balai</i> Pemantapan Kawasan <i>Hutan</i> / Forest Area Consolidation Center
Bumdes	:	Village Owned Enterprises
BWS	:	<i>Balai Wilayah Sungai</i>
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
DPLH	:	<i>Dokumen Pengelolaan Lingkungan Hidup</i>
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
EWS	:	Early Warning System
FPIC	:	Free Prior Informed Consent
FR	:	Frequency Rate
GAR	:	Golden Agri Resources
GHG	:	Greenhouse Gasses
GSEP	:	GAR, Social, and Environmental Policy
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Building Use Tittle)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
IPM	:	Integrated Pest Management
KER	:	Kernel Extraction Rate
KT	:	<i>Kelompok Tani</i> Farmer Group
KUD	:	<i>Koperasi Unit Desa</i> / Village Cooperative Unit
LSU	:	Leaf Sampling Unit
LUC	:	Land Use Change
MNP	:	Mitra Nusa Permata
MSDS	:	Material Safety Data Sheet
NRI	:	No replanting (no-go) indicator
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
<i>P2K3</i>	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
PIC	:	Person In Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i> (Collective Labour Agreement)
PMNP	:	Plantation Monitoring and Planning
PM-PTSP	:	<i>Penanaman Modal-Perizinan Terpadu Satu Pintu</i>
POM	:	Palm Oil Mill
PPE	:	Personal Protective Equipment
RGB	:	Red Green Blue
RSPO	:	Roundtable on Sustainable Palm Oil
RKL-RPL	:	<i>Rencana Kelola Lingkungan – Rencana Pantau Lingkungan</i>
RTE	:	Rare, Threatened and Endangered
SCCS	:	Supply Chain Certification System
SHM	:	<i>Sertifikat Hak Milik</i> (Freehold Title)
SIA	:	Social Impact Assessment
SKIP	:	Sinar Kencana Inti Perkasa

SKPA	:	Sungai Kupang Plasma
SKPE	:	Sungai Kupang Estate
SMARTRI	:	Sinar Mas Agro Resources and Technology Research Institute
SMD	:	Senior Managing Director
SOP	:	Standard Operating Procedure
SPNA	:	Sungai Panci Plasma
SPNE	:	Sungai Panci Estate
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
UKL-UPL	:	<i>Upaya Kelola Lingkungan – Upaya Pemantauan Lingkungan</i>
POME	:	Palm Oil Mill Effluent
WTP	:	Water treatment plant
WWTP	:	Waste Water treatment plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020. RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Sungai Kupang POM – PT Sinar Kencana Inti Perkasa subsidiary of Golden Agri Resources, Ltd	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	Organisation address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 Liaison Office: Sinarmas Land Plaza, Tower II, 10 th Floor, Jl. MH. Thamrin No.51 Jakarta 10350 Indonesia.	
1.2.4	Telephone	(+62-21) 5033 8899	
1.2.5	Fax	(+62-21) 5038 9999	
1.2.6	E-mail	yahya.mustakim@sinarmas-agri.com	
1.2.7	Web page address	www.goldenagri.com.sg	
1.2.8	Management Representative who completed the application for certification	Yahya Mustakim (Head of Sustainability Management System and Certification Operations Sustainability)	
1.2.9	Registered as RSPO member	1-0096-11-000-00 – 30 January 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Sungai Kupang POM and its supply base, i.e., Sungai Kupang Estate, Sungai Panci Estate and Sungai Panci Plasma.	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Sungai Kupang Mill (SKPM)	Sungai Kupang Village, Kelumpang Hulu Sub-District, Kotabaru District, Kalimantan Selatan Province, Indonesia	S 03° 03' 12" E 116° 00' 46"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Sungai Kupang Estate (SKPE)	Sanging Baru Village, Kelumpang Selatan Sub-District, Kotabaru District, Kalimantan Selatan Province, Indonesia.	S 03° 02' 39" E 116° 07' 05"
	Sungai Panci Estate (SPNE)	Pulau Panci Village, Kelumpang Hilir Sub-District, Kotabaru District, Kalimantan	S 03° 09' 16" E 116° 01' 32"

	Selatan Province, Indonesia.			
Sungai Panci Plasma (SPNA) – KUD Gajah Mada 1,922 members	Pulau Panci Village, Kelumpang Hilir Sub-District, Kotabaru District, Kalimantan Selatan Province, Indonesia.	S 03° 09' 44"	E 115° 59' 55"	
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		9,273.51 Ha	
	• Community		3,259.29 Ha	
	<p><i>*HGU is 9,244.21 Ha and HGB is 29.30 Ha.</i></p> <p><i>**There are differences in area and number of farmers of KUD Gajah Mada (Sungai Panci Plasma) in the previous report (ASA-1+ASA-2) because the number of plots recorded was 2,109 plots while the actual number of farmers was 1,922 farmers. Then, there is an area of 562.88 ha which turns out to be an occupation area, roads and village lands that are outside the SHM area owned by KUD Gajah Mada (Sungai Panci Plasma) farmers so that at the time of the ASA-3 audit this area was not included in the scope of this certification and the total area of Sungai Panci Plasma (KUD Gajah Mada) included in the scope of this certification is 3,259.29 Ha (only planted area).</i></p>			
1.5.2	Area Statement			
		SKPE (Ha)	SPNE (Ha)	
		SPNA (Ha)	Total (Ha)	
	Total Area	5,196.11	4,077.40	
	Mature Area	3,213.20	3,675.02	
	Immature Area	626.61	-	
	Mill	29.30	-	
	Nursery	47.60	-	
	Road	160.06	166.76	
	Building	17.51	32.90	
	Swamp, River, Trench	12.95	9.87	
	Air Strip	5.87	-	
	Stony Areas	3.97	69.37	
	Occupation Area	279.55	59.94	
	Conservation Area	753.61	47.62	
	Electric Line (PLN line)	0.16	4.14	
	Cemetery	1.03	-	
	Bushes areas	-	10.60	
	Ditch embankment	-	1.18	
	Reserve Area	44.69	-	
	<p><i>*The total area of HCV in PT SKIP is 291.76 Ha (HCV SKPE is 140.01 Ha and HCV SPNE is 151.75 Ha). The HCV area are included in planted area and others area. More details regarding this HCV area are explained in indicator 7.12.2</i></p>			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		SKPE	SPNE	SPNA
		Total		
	1991	-	11.84	-
	1992	6.46	50.22	-
	1993	256.36	5.17	-

1994	351.45	-	-	351.45			
1995	252.73	-	-	252.73			
1997	-	497.11	742.52	1,239.63			
1998	-	215.03	1,368.59	1,583.62			
2000	-	-	599.64	599.64			
2001	-	-	463.06	463.06			
2005	-	-	85.48	85.48			
2013	131.31	-	-	131.31			
2016	-	617.14	-	617.14			
2017	651.07	371.44	-	1,022.51			
2018	1,214.57	444.40	-	1,658.97			
2019	349.25	596.06	-	945.31			
2020	-	866.61	-	866.61			
Sub Total Mature	3,213.20	3,675.02	3,259.29	10,147.51			
2021	626.61	-	-	626.61			
Sub Total Immature	626.61	-	-	626.61			
TOTAL	3,839.81	3,675.02	3,259.29	10,774.12			
1.6.2	New Planting area after January 2010		-	Ha			
1.6.3	Planting Cycle		1 st and 2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sungai Kupang Mill	60	163,703.56	32,226.09	19.69	8,408.55	5.14
	<i>*Production data source from January to December 2022</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Sungai Kupang Estate	5,196.11	3,213.20	36,484.58	11.35	36,484.58	100.00
	Sungai Panci Estate	4,077.40	3,675.02	39,430.39	10.73	4,446.54	11.28
	Sungai Panci Plasma (KUD Gajah Mada)	3,822.17	3,259.29	41,586.03	12.76	10,622.38	25.54
	TOTAL	13,095.68	10,147.51	117,501.00	11.58	51,553.50	43.87
	<i>*Production data source from January to December 2022</i>						
	<i>*Part of the FFB from SPNE and SPNA was sent to Batu Ampar POM (subsidiary of GAR and RSPO certified Mill).</i>						
1.7.3	FFB description from other source						

	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill
					FFB (tonnes/year)
	Sungai Kupang Plasma (RSPO non-certified)	Scheme smallholder under PT SKIP	2,908	3,858.70	66,349.23
	CV. Joya Anugrah Jaya (RSPO non-certified)	Independent supplier	-	-	18,938.62
	CV. Karya Sari (RSPO non-certified)	Independent supplier	-	-	6,076.27
	Gapoktan Sungai Kupang (RSPO non-certified)	Independent supplier	-	-	9,088.44
	Koperasi Giat (RSPO non-certified)	Independent supplier	-	-	3,495.42
	PT. Palma Prima Plantation (RSPO non-certified)	Independent supplier	-	-	948.51
	Reyvel Victor Bella (RSPO non-certified)	Independent supplier	-	-	6,424.04
	Sungai Cantung Estate (RSPO non-certified)	PT SMART - Golden Agri Resources	-	-	821.84
	Bukit Kapur Estate (RSPO non-certified)	PT SMART - Golden Agri Resources	-	-	7.69
	TOTAL				112,150.06
	<i>*Production data source from January to December 2022.</i>				
1.7.4	Product categories	FFB, CPO, PK			
1.8	Tonnage of Product				
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (January to December 2022) (MT)	
	FFB Processed	119,000		51,553.50	
	CPO Production	25,000		10,270.71	
	Palm Kernel (PK) Production	6,000		2,703.95	
	<i>*The actual production that sent to SKPM below 50% from last year projection because part of the FFB from SPNE and SPNA was sent to Batu Ampar POM (subsidiary of GAR and RSPO certified Mill).</i>				
1.8.2	Product selling	Actual selling product for last year (January to December 2022) (MT)			
	Type of selling product				
	CSPO sold as RSPO certified product	9,473.44			
	CSPK sold as RSPO certified product	2,651.62			
	CSPO sold under another scheme	0			
	CSPK sold under another scheme	0			
	CSPO sold as conventional	0			
	CSPK sold as conventional	0			
1.8.3	Estimate of Certified FFB Claim				

	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Sungai Kupang Estate	5,196.11	3,213.20	37,000	11.52			
	Sungai Panci Estate	4,077.40	3,675.02	40,000	10.88			
	Sungai Panci Plasma (KUD Gajah Mada)	3,259.29	3,259.29	43,000	13.19			
	TOTAL	12,532.80	10,147.51	120,000	11.83			
<i>*Projected FFB production for 12 months of certificate</i>								
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Sungai Kupang	60	120,000	24,000	20.00	6,000	5	MB
<i>*Projected CSPO and CSPK production for 12 months of certificate</i>								
1.9	Other Certifications							
	ISO 9001:2015			-				
	ISO 14001: 2015			-				
	ISO 45001:2018			-				
	ISCC			-				
	ISPO			Certificate No. MUTU-ISPO/261, valid thru 5 December 2026.				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
Management Unit		Time Bound Plan	Estate (Supply Base)	Time Bound Plan	Location	Status		
Mill								
Pangkalan Panji Mill (PT Sawit Mas Sejahtera)	2013	Sawit Mas Estate	2013	Sumatera Selatan Province	Certified			
		Sawit Mas Estate (HGU on progress – 2,291 Ha)	2024		-			
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)	2024		-			
Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	Sumatera Selatan Province	Certified			
		Muara Kandis Estate	2013		Certified			
		Muara Kandis Estate (HGU on progress – 418.49 Ha)	2023		-			
		Muara Tawas Estate (HGU on progress – 57.7 Ha)	2023		-			
		Smallholder (KKPA Pandawa)	2024		-			
	2013	Sungai Rungau Estate	2013		Certified			

Sungai Rungau Mill (PT Sumber Indah Perkasa)		Sungai Seruyan Estate	2013	Kalimantan Tengah Province	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)	2024		-
		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)	2024		-
		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)	2024		-
		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)	2023	Kayung Estate	2023	Kalimantan Barat Province	ST-1
		Pekawai Estate	2023		ST-1

		Sungai Kelik Estate	2023		ST-1
		Nanga Tayap Estate	2023		ST-1
		Smallholder (Kayung Plasma)	2024		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 Abadi 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 Paramitra Internusa Pratama) * Main Audit Desember 2022	2022*	Belian Estate * Main Audit Desember 2022	2022	Kalimantan Barat Province	ST-1
		Tengkawang Estate * Main Audit Desember 2022	2022		ST-1
		Muara Tawang Estate (PT Kartika Prima Cipta)	2023		ST-1
		Kapuas Hulu Estate (PT Persada Graha Mandiri)	2023		ST-1
		Sungai Beran Estate (PT Persada Graha Mandiri)	2023		ST-1
		Smallholder (Belian KKPA)	2024		-

		Smallholder (Muara Tawang KKPA)	2024		-
		Smallholders (Kapas Hulu KKPA)	2024		-
Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa)	2020	Sungai Kupang Estate	2020	Kalimantan Selatan Province	Certified
		Sungai Kupang KKPA	2024		-
Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2023	Sungai Kikim Estate	2023	Sumatera Selatan Province	-
		Sungai Pangi Estate	2023		-
		Sungai Musi Estate	2023		-
		Sungai Saling Estate	2023		-
		Sungai Enim Estate (PT Bumi Sawit Permai)	2023		-
		Sungai Lematang Estate (PT Bumi Sawit Permai)	2023		-
		Sungai Bungur Estate (PT Prima Cipta Mandiri)	2023		-
		Sungai Lingsing Estate (PT Prima Cipta Mandiri)	2023		-
Tangar Mill (PT Mitrakarya Agroindo)	2025	Sulin Estate	2025	Kalimantan Tengah Province	-
		Sulin Plasma	2025		-
		Nahiyang Estate	2025		-
		Katayang Estate	2025		-
Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa)	2023	Sungai Magalau Estate	2023	Kalimantan Selatan Province	-
		Senakin Estate	2023		-
		Sungai Manunggul Estate (PT Mitra Nusa Permata)	2023		-
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)	2024		-
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
Jak Luay Mill (PT Tapian Nadenggan)	2015	Pantun Mas Estate	2015	Kalimantan Timur Province	Certified
		Jak Luay Estate	2015		Certified
		Jak Luay KKPA	2024		-
		Long Buluh Estate	2015		Certified
		Long Buluh Estate (HGU on progress - 329.66 Ha)	2024		-
		Bukit Subur Estate	2015		Certified
		Bukit Subur Estate (HCV identification on process - 569.62 Ha)	2024		-
		Bukit Subur KKPA	2024		-
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)	2023	Rantau Panjang Estate	2023	Kalimantan Timur Province	-
		Rantau Panjang KKPA	2024		-
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	2015		Certified
		Sungai Bengkal KKPA	2015		Certified
		Sungai Bengkal KKPA	2015		Certified
		Muara Kilis Estate	2015		Certified
		Muara Kilis Estate	2015		Certified
		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 Ivo Mas Tunggal)	2009	Samsam Estate	2009	Riau Province	Certified
		Samsam Estate (HGU on progress – 29.09 Ha)	2024		-
		Kandista Estate	2009		Certified
		Kandista Estate (HGU on progress – 158.46 Ha)	2024		-
		Palapa Estate	2009		Certified
	2009	Libo Estate	2009	Riau Province	Certified

Libo Mill (PT Ivo Mas Tunggal)		Nenggala Estate	2009		Certified
		Nenggala Estate (HGU on progress 419.9 Ha)	2024		-
		Sei Rokan Estate	2009		Certified
		Sei Rokan Estate (HGU on progress – 102.7 Ha)	2024		-
		Sungai Tapung Plasma	2009		Certified
Ujung Tanjung Mill (PT Ivo Mas Tunggal)	2009	Ujung Tanjung Estate	2009	Riau Province	Certified
		Kandis Sejahtera KKPA	2023		-
		Swadaya Mas Bersama KKPA	2023		-
		Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2022		-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Riau Province	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2024		-
		Naga Sakti Estate	2010		Certified
		Naga Sakti Estate (HGU on process – 59.79 Ha)	2024		-
		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)	2024		-
		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)	2024		-
		Amartajaya Plasma	2010		Certified
		Berkat Ridho KKPA	2023		-
		Produsen Rama Sawit KKPA	2023		-
		Smallholder (Ramarama KKPA)	2024		-
Indrasakti Mill (PT Meganusa Inti Sawit)	2011	Indralestari Estate	2011	Riau Province	Certified
		Indrasakti Estate	2011		Certified
		Indragiri Plasma	2011		Certified
		Mandiri Jaya Plasma	2022		Certified* 2022
		Indrasakti Plasma	2011		Certified
Bumipalma Mill (PT Bumipalma Lestari Persada)	2012	Bumi Lestari Estate	2012	Riau Province	Certified
		Bumi Palma Estate	2012		Certified
		Bumi Sentosa Estate	2012		Certified

		Bumi Palma Estate (HGU on process – 39.21 Ha)	2024		-
		Kharisma Estate (PT Kharisma Riau Sentosa Prima)	2024		-
		Kharisma Plasma (PT Kharisma Riau Sentosa Prima)	2024		-
Sawita Mill (PT Sawitakarya Manunggul)	2023	Sawita Estate	2023	Kalimantan Selatan Province	ST-1
		Pamukan Estate	2023		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		-
		Keranji Estate (PT Bangun Nusa Mandiri)	2025		-
		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		-
	<p><i>TBP revised on 19 May 2022 and approved by RSPO on 14 June 2022</i></p> <p>There is revision of timebound plan on <i>19 May 2022</i> made by Head of Operations Sustainability. There are justification for mills and estates that postpone, with explanation:</p> <ul style="list-style-type: none"> • Pandawa KKPA supply base of Muara Kandis Mill is postponed to 2024 due to the SHM process. 				

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

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

- PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA.

- PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA.
- PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya).
- 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.
- 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.
- 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.
- PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).

In 2022, GAR has made additional units by acquiring 4 factories namely Sungai Perak Mill, Sungai Kedang Mill, Bukit Perak Mill, Bumi Palma Mill and 15 plantations (11 own plantations namely Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Pahu Estate, Bukit Permai Estate, Bukit Lestari Estate, Kharisma Estate and 4 plasma /KKPA namely Sungai Pikan Plasma, Sungai Tohan Plasma, Sungai Pahu Plasma, Kharisma Plasma).

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)
- PT Kruing Lestari Jaya (Sungai Perak Mill and supply base), doesn't have land use title (HGU), the HGU is still on process

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-3	<p>1. Hasiholan Sihombing (Lead Auditor). Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experience for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO in 2016, RSPO P&C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2020, SA 8000 Awareness in 2018, Quality Management Systems (ISO 9001:2015) in 2016, Environmental Management Systems (ISO 14001:2015) in 2017, OHS General Expert in 2013, OHSAS 18001:2007 in 2017, ISO 19011:2018 in 2019, ISO 17021:2011 and ISO 17065:2012 in 2016. During this audit, he was assigned to verify legal aspects, land dispute, SCCS, Environment, GHG, and HCV aspects.</p> <p>2. Rahmat Abdiansyah (Auditor). Indonesian citizen. Bachelor of Forestry from IPB University, with majors in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&C in 2019 and 2020. During this assessment, he verified the aspects of Best Management Practice and OHS.</p> <p>3. Septian Maulana (Auditor). Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Basic Fire Fighting and Basic First Aid; Awareness Integrated Management Systems (ISO 14001, and ISO 45001 in 2020); Awareness (ISO 19011, ISO 17065; and ISO 17021) in 2020; ISO 9001:2015 Lead Auditor in 2021, ISPO Lead Auditor in 2021, RSPO Lead Auditor in 2021 and Completed Awareness Social Audit SMETA in 2022. During this audit, he was assigned to verify Worker Welfare and Transparency aspects.</p> <p>4. Helma Namira (Auditor Trainee). Indonesian citizen, Bachelor of Science, majoring in Biology, University of Indonesia. Has 2 years experiences working in Health Safety Security Environment (HSSE) Refinery in one of Oil & Gas Company in Indonesia. Attended trainings are Awareness ISO 19011: 2018; Awareness ISO 9001:2015, Awareness ISO 17021:2015, IHT Awareness ISO 17065:2012, IHT Awareness ISO 14001:2015, IHT Awareness IHT ISO 45001:2018, IHT Awareness ISPO P&C Certification System, IHT Awareness RSPO, Training ISPO Regulation of the Minister of Agriculture 38 in 2020. During this audit, she was assigned to verify Environment, GHG, and HCV aspects under supervised by Lead Auditor.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors : 3 auditor and 1 Trainee Auditor Number of days for ASA-3 : 6 days Number of working days for ASA-3 : 18 Working days</p>
2.2.2	Assessment Process
ASA-3	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sinar Kencana Inti Perkasa to the requirements of :</p> <ul style="list-style-type: none"> • 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 • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>The scope of certification of PT Sinar Kencana Inti Perkasa subsidiary of Golden Agri Resources operation consisting of one (1) mill (Sungai Kupang Mill) with supply bases two (2) own estates (Sungai Kupang Estate and Sungai Panci Estate) and one (1) scheme smallholders (Sungai Panci Plasma – KUD Gajah Mada).</p>

	<p>There are differences in area and number of farmers of KUD Gajah Mada (Sungai Panci Plasma) in the previous report (ASA-1+ASA-2) because the number of plots recorded was 2,109 plots while the actually number of farmers was 1,922 farmers. Then, there is an area of 562.88 ha which turns out to be an occupation area, roads and village lands that are outside the SHM area owned by KUD Gajah Mada (Sungai Panci Plasma) farmers so that at the time of the ASA-3 audit this area was not included in the scope of this certification and the total area of Sungai Panci Plasma (KUD Gajah Mada) included in the scope of this certification is 3,259.29 Ha (only planted area).</p> <p>The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to directly observe the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-4). Improvement of findings from ASA-1 & ASA-2 (Full remote Assessments) findings were observed by auditors at this ASA-3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-3.</p> <p>The opening meeting was held on 6 February 2023. As for the participants who attended the opening meeting included Regional Controller, Estate and Mill Managers, Support Team from Jakarta and other staff at PT SKIP. Closing meeting was held on 11 February 2023 attended by the same participants as the opening meeting. Management PT SKIP accept all the onsite ASA-3 audit results.</p> <p>The assessment program please find Appendix 2.</p>
<p>2.2.3</p>	<p>Locations of Assessment</p>
<p>ASA-3</p>	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that observed by team auditor are:</p> <p><u>Sungai Kupang Mill (SKPM)</u></p> <ul style="list-style-type: none"> • WWTP. Field observations related to WWTP entry, runoff, effluent testing. Officers are equipped with PPE and effluent discharge records. • Employee Housing. Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities. • Empty Bunch Press. Observations related to material handling, OHS and environmental management. • Water Source Reservoir. Observations and interviews related to water management, recording of water use, health checks, PPE and waste management. • Security post. Observation related to work procedure and OHS implementation in mill • Weighbridge station. Observation and Interview related to supply chain aspect and worker welfare. • CPO dispatch station. Observation related to OHS implementation and supply chain aspect. • Grading Station. Observations and interview related to work procedure and OHS implementation in mill • Hazardous waste temporary storage. Observation related to storage condition, hazardous waste stock, emergency response facility, and waste management. • Chemical material storage. Observation related to storage condition, MSDS, OHS implementation, emergency facility, and material stock. • Water treatment plant. Observation related to OHS and water usage monitoring. • Central store. Observation related to OHS and material handling. • Chemical store. Observation related to OHS and material handling. • Fiber storage area. Observation related to OHS and waste management.

- **Effluent pond.** Observation related to POME management.
- **St. Boiler.** Observation related implementation of OHS, Environment and BMP aspect.
- **St. Engine Room.** Observation related implementation of OHS, Environment and BMP aspect.
- **St. Clarification.** Observation related implementation of OHS, Environment and BMP aspect.
- **St. Loading Ramp.** Observation related implementation of OHS, Environment and BMP aspect.
- **St. Press.** Observation related implementation of OHS, Environment and BMP aspect.
- **St. Sterilizer.** Observation related implementation of OHS, Environment and BMP aspect.
- **Hydrant Simulation.** Observation related condition and readiness of hydrant facilities.

Sungai Panci Estate (SPNE)

- **HGU Pole No. 50 Block D45.** Observation of the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 53 and 54 Block E34.** Observation of the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 57 Block F37.** Observation of the condition of the HGU boundary markers owned by the company.
- **Conservation Area – Bening River Riparian, Block F41 Division 2.** Observations related to the management and monitoring of conservation areas.
- **Harvesting Block E37 Division 2.** Observation of the implementation of BMP, OHS and Environmental aspects.
- **Spraying Block I41 Division 2** Observation of the implementation of BMP, OHS and Environmental aspects.
- **Barn Owl Box Block E15 Division 5.** Observations related to the condition of the Barn Owl Box.
- **Fertilizer Warehouse.** Observation towards health, safety and environment aspect.
- **Agrochemical Warehouse.** Observation towards health, safety and environment aspect.
- **Temporary Hazardous Waste Store.** Observation towards health, safety, environment, and facilities provided by unit management.
- **General Warehouse.** Observation and interview with worker related labor aspect and OHS
- **Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, inorganic waste store, sanitation system, housing quality, playground, and masjid.
- **Daycare.** Observation and interview with worker related labor aspect and OHS.
- **Rinse House Division 3.** Observation related workers facilities and OHS.
- **Emergency respond Preparedness Storage.** Observation related fire monitoring facilities.
- **Workshop.** Field observations workshop activity, OHS, environmental and worker welfare aspect.
- **Housing Area in Division 2.** Observation and interview with resident related condition of house, general facility, and environmental aspect.
- **Landfill.** Observation regarding domestic waste management.
- **Land Application Block M4 Divisi 4.** Field observations related OHS, environmental and worker welfare aspect.

Sungai Kupang Estate (SKPE)

- **HGU Pole No. 01 Block G01.** Observation of the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 28 Block G06.** Observation of the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 65 and 66 Block F40.** Observation of the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 63 Block L36.** Observation of the condition of the HGU boundary markers owned by the company.
- **Conservation Area – Tidal Swamp, Block L30 Division 6.** Observations related to the management and monitoring of conservation areas.
- **Conservation Area – Buluh River Riparian, Block F05 Division 1.** Observations related to the management and monitoring of conservation areas.
- **Fertilizer Warehouse.** Observation towards health, safety and environment aspect.
- **Agrochemical Warehouse.** Observation towards health, safety and environment aspect.
- **Temporary Hazardous Waste Store.** Observation towards health, safety, environment, and facilities provided by unit management.
- **General Warehouse.** Observation and interview with worker related labor aspect and OHS
- **Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, in-

	<p>organic waste store, sanitation system, housing quality, playground, and masjid.</p> <ul style="list-style-type: none"> • Daycare. Observation and interview with worker related labor aspect and OHS. • Rinse House Division 3. Observation related workers facilities and OHS. • Emergency respond Preparedness Storage. Observation related fire monitoring facilities. • Workshop. Field observations workshop activity, OHS, environmental and worker welfare aspect. • Housing Area in Division 2. Observation and interview with resident related condition of house, general facility, and environmental aspect. • Landfill. Observation regarding domestic waste management. • Manual Upkeep Block L27 Div 5. Observation of the implementation of BMP, OHS and Environmental aspects. • Harvesting Block P29 Div 4. Observation of the implementation of BMP, OHS and Environmental aspects. • Replanting Area Block L26 and K26 Div 5. Observation of the implementation of BMP, and Environmental aspects. • Spraying Block P32 Div 4. Observation of the implementation of BMP, OHS and Environmental aspects. • Barn Owl Box Block F35. Observations related to the condition of the Barn Owl Box. • Nursery Div 1. Observation related nursery procedure. <p>Sungai Panci Plasma (SPNA)</p> <ul style="list-style-type: none"> • Boundary Pole No. PP5 Block I18. Observation of the condition of the boundary markers owned by the plasma. • Boundary Pole No. PP6 Block I19. Observation of the condition of the boundary markers owned by the plasma. • Boundary Pole No. PP7 Block H18. Observation of the condition of the boundary markers owned by the plasma. • Boundary Pole No. SKM8 Block J02. Observation of the condition of the boundary markers owned by the plasma. • Boundary Pole No. SKM9 Block J01. Observation of the condition of the boundary markers owned by the plasma. • Diesel fuel tank. Observation related to OHS and material handling. • Fertilizer sack washing area. Observation related to OHS and material handling. • Chemical store. Observation related to OHS and material handling. • Fertilizer store. Observation related to OHS and material handling. • Hazardous waste temporary storage. Observation related to storage condition, hazardous waste stock, emergency response facility, and waste management. • Spraying Block E8 Div 1. Observation of the implementation of BMP, OHS and Environmental aspects. • Manual Upkeep Block L7 Div 3. Observation of the implementation of BMP, OHS and Environmental aspects. • Harvesting Block D10 Div 1. Observation of the implementation of BMP, OHS and Environmental aspects. • Harvesting Block K9 Div 3. Observation of the implementation of BMP, OHS and Environmental aspects. • Barn Owl Box Block D03 Div 1. Observations related to the condition of the Barn Owl Box. • Central store. Observation related to OHS and material handling. • Diesel fuel tank. Observation related to OHS and material handling. • Workshop. Observation and interview with worker related labor aspect and OHS • Emplacement Facilities. Observation to emplacement facilities such as assembling points, fire extinguisher, inorganic waste store, sanitation system, housing quality, • Fire Handling Simulation. Observation related to OHS and emergency response. • Rinse House Division 4. Observation related workers facilities and OHS.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Consultation of stakeholders for PT Sinar Kencana Inti Perkasa was held by:</p> <ul style="list-style-type: none"> • Public Announcement on Mutu International website on 23 January 2023. • Public consultation with NGOs (by email) such as WALHI, WWF, AMAN and Sawit Watch on 31 January 2023. • Public consultation interview by phone with government institution in Kotabaru District on 7 – 9 February 2023. • Public consultation interview by phone with local communities (Sangking Baru Village and Pulau Panci Village) on 7-8 February 2022.

	<ul style="list-style-type: none"> Public consultation interview by phone with internal stakeholders and contractor on 7- 9 February 2022. <p>Numbers of input from stakeholders were clarified by PT SKIP.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1.
2.4	Determining Next Assessment
	The next visit (ASA-4) will be conducted eight (8) months to twelve (12) months after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of PT Sinar Kencana Inti Perkasa subsidiary of Golden Agri Resources operation consisting of one (1) mill (Sungai Kupang Mill) with supply bases two (2) own estates (Sungai Kupang Estate and Sungai Panci Estate) and one (1) scheme smallholders (Sungai Panci Plasma – KUD Gajah Mada 1,922 members).

During the assessment, there is no nonconformities were found.

MUTUAGUNG LESTARI found that Sungai Kupang Mill – PT Sinar Kencana Inti Perkasa subsidiary of Golden Agri Resources complied with the requirements of **Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.**

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
<p>1.1.1 The company showed SOP of communication and consultation (SOP/SMART/UMUM/SADV//004) validated on 1 July 2014 which explains the types of documents which are publicly accessible such as land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessment, and human rights policy. These documents can be accessed by sending a request to the management. Besides, the company also provided their document publicly accessible by publishing company's policy at their website (e.g: human rights policy) and reporting their mandatory report tp related stakeholders (e.g: plantation progress report to plantation agency).</p> <p>1.1.2 The Unit of Certification has a mechanism for providing information to stakeholders in the oil palm plantation environment and its management unit which has been contained in the Communication and Consultation SOP document (SOP/SMART/GENERAL/SADV//004, ratified on 1 July 2014). The SOP is made to regulate the mechanism for providing correct and transparent information to stakeholders in accordance with the rules and regulations and provisions that have been stipulated relating to the principles and criteria of sustainable palm oil. The procedure states that the longest response after a request for information is given is 3 weeks.</p> <p>The company already has a list of information/documents that can be accessed and/or shared with stakeholders such as government agencies and NGOs which are presented in the Document List of Information for Stakeholders with document number F/SMART/UMUM/SADV/004/003 rev 0.0.</p> <p>Some of the types of information contained in the document include the following:</p> <ul style="list-style-type: none"> • Number of employees and list of basic wages of employees • Taxpayer Identification Number (NPWP) data 		

- Payment of local taxes/levies
- Environmental documents
- Deed of establishment & amendments, area and production data, and application data
- Evidence of ownership over land
- High Conservation Value (HCV) Identification Report
- Social Impact Assessment (SIA) Identification Report
- Report of the Occupational Safety and Health Advisory Committee (P2K3)
- Continuous improvement program document
- RSPO Audit Report document
- Human Rights Policy Documents
- Details of Complaints and Complaints
- Negotiation Procedure
- Farm Drainage Map

Based on the explanation above, the company already has a list of documents that can be accessed by stakeholders and the public.

Plantation Legality

- Plantation progress report (LPUP) of PT Sinar Kencana Inti Perkasa period of Semester II 2022 has been sent to Plantation Agency of Kotabaru District on 27 January 2023.
- HGU utilization report of PT Sinar Kencana Inti Perkasa for the period of 2022 has been sent to Land Agency of Kotabaru District on 28 Desember 2022.

BMP and OHS Compliance

The company has routinely provided information to stakeholders in the form of reporting mandatory reports which are reported regularly according to their respective timeframes. The following is an example of mandatory reports that have been sent by the company to stakeholders, namely:

- Evidence of OHS Committee Report for the 3rd Quarter of 2022 SPNE unit on October 18, 2022 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 4th Quarter of 2022 SPNE unit on January 13, 2023 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 3rd Quarter of 2022 SKPM unit on October 4, 2022 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 4th Quarter of 2022 SKPM unit on January 12, 2023 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 3rd Quarter of 2022 SKPE unit on November 1, 2022 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 4th Quarter of 2022 SKPE unit on January 12, 2023 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 3rd Quarter of 2022 SPNA unit on October 18, 2022 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Evidence of OHS Committee Report for the 4th Quarter of 2022 SPNA unit on January 13, 2023 addressed to the Head of the Kotabaru District Manpower and Transmigration Office and the Head of the Kalimantan Selatan Province Manpower and Transmigration Office.
- Report on Emergency Response Preparedness Activities for Semester II of 2022 which was reported to the Kotabaru

District Agriculture Service on January 12, 2023.

- Mandatory reporting of Manpower Report online for PT Sinar Kencana Inti Perkasa (SKPM) which was reported on January 21, 2023 and has the obligation to report it again on January 21, 2024.
- Mandatory Manpower Reporting online for PT Sinar Kencana Inti Perkasa (SPNE) which was reported on 06 June 2022 and has the obligation to report it again on 06 June 2023.

Environment Compliance

The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder engagement, rights and obligations of the company, which is conveyed to all relevant stakeholders, including:

- Receipt 003/EHSD-SKIP/LH-SKPM/II/2023 to Environmental Agency of Kotabaru for reporting of Report on Management of Liquid Waste & Domestic Liquid Waste for the fourth quarter of 2022 Estate and Mill for PT SKIP – SKPM, Report on Management of Hazardous Waste Quarter IV 2022 Estate and Mill for PT SKIP – SKPM, Report of RKL-RPL Semester II of 2022 Estates and Mill of PT SKIP – SKPM, Report UKL-UPL Airstrip Semester II 2022 Estates and Mill PT SKIP – SKPM.
- Electronic receipt number 1660810801-3223 dated 18 August 2022 for the RKL-RPL Semester I 2022 report for reporting of Report on Liquid Waste Management & Domestic Liquid Waste for the second quarter of 2022 Estate and Mill for PT SKIP-SKPM dated August 10, 2022 to the Kotabaru District Environmental Agency, and Environmental Agency of Kalimantan Selatan Province on August 29, 2022.
- Electronic receipt number 1661501268-3223 on August 26, 2022 for the 2022 Quarter I Hazardous Waste Management Report to the Kotabaru District Environmental Service, and Environmental Agency Kalimantan Selatan Province
- Receipt 004/EHSD-SKIP/LH-SKPM/VI/2022 for reporting on the Management of Effluent and Domestic Effluent for the first quarter of 2022 on PT SKIP-SKPM Estate and Mill and the Kotabaru District Environmental Agency.
- Receipt 010/EHSD-SKIP/LH-SKPM/VII/2022 Domestic Liquid Waste Management Reports for Quarter II 2022, and UKL-UPL Airstrip Report Semester I Year 2022 PT SKIP-SKPM
- Receipt of Report on Management and Monitoring of High Conservation Value Areas for semester 1 of 2022 on 21 June 2022 to BKSDA.
- Receipt of Report on Management and Monitoring of High Conservation Value Areas for semester 2 of 2022 on 23 November 2022 to BKSDA.

Based on the results of a public consultation from the Kotabaru District Environmental Service, the company has provided information as needed and stated in a document the type of information that can be conveyed to the relevant agencies properly, cooperatively, as it is and transparently, without hiding any information. The Environmental Agency of Kotabaru district stated that so far the communication that has been established between the Office and the company has not encountered any issues or complaints, so it is easy to carry out monitoring related to company compliance in terms of environmental management.

1.1.3

The company showed SOP of communication and consultation (SOP/SMART/UMUM/SADV/II/004) validated on 1 July 2014 which explains the PIC of handling information, publicly accessible documents, the flow of handling information requests, and the maximum time limit of responding to the information request which is 10 days since the date of information request received.

The company had recorded every requested information on a logbook of incoming and outgoing letters. Based on document verification, it was found that during 2022 all incoming letters are requests for funds and the company has responded to the fund request. The company only showed outgoing letters which are the company's report to each stakeholder according to its period, not as the respond to incoming letters.

Based on the interview with villagers, they have understood mechanism of communication and consultation. Normally, headman of the village or communities would send a letter as a form of communication.

1.1.4

The Company showed documentation of socialization to stakeholders such as contractors and the surrounding village community which is carried out regularly. The last socialization regarding this procedure was carried out on February 16, 2022. This was confirmed by the local community and also contractor representatives who stated that they had received socialization related to the communication and information delivery system in early 2022.

1.1.5

The company showed the current list of stakeholders which informed the internal and external stakeholders updated on February 2023. The stakeholders include the government agencies, heads of the community, cooperatives, local suppliers, contractors, and labor union organizations. In the current list of stakeholders, it was also explained the names, agencies/positions, addresses, categories and contact person numbers.

During the assessment, auditor has verified the list of stakeholders by calling the contact person randomly to ensure the validity of its contact person put in the list of stakeholders.

Status : Comply

1.2

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

1.2.1

PT Sinar Kencana Inti Perkasa has a GAR Social and Environmental Policy (GSEP) on 2015 which contains policies related to the code of integrity and ethical behavior. The policy regulates business ethics:

- The company will continue to practice and disseminate shared values to all employees
- Human Rights, Labor, Environment, and anti-corruption
- Zero tolerance for any actions or forms of corruption in business practices
- Implement ethical behavior standards in the management of all business practice activities
- Recognize, practice, and promote transparent Good Corporate Governance

Based on the results of interviews with workers' representatives (Estate and Mill) and parties such as representatives of the trade unions of each unit, it is known that the code of ethics policy has been submitted periodically. In addition, based on the results of a review of the policy socialization document, on February 16, 2022 the company has conducted outreach to the surrounding community and the contractors who are working together. Thus, it can be concluded that the company has owned and declared an honest and corruption-free business code of ethics that has been disseminated to the public.

1.2.2

A comprehensive system for monitoring compliance and implementation of ethical business policies and practices was carried out through the Operational Internal Audit (OIA). The company also showed the mechanism in implementation The company's policy as state on the agreement that the parties have to be fulfil the existing regulation such as do not employ any child labor, prohibit any corruptions and frauds, and disallowance of forced labor.

Based on the interviews with workers in Mill and Estate, they worked in the company wasn't through any agent or labor supplier and there were no any fees during recruitment.

The company also showed some SOPs related to monitor the compliance and implementation of ethical business practices, here as follows:

- Policy of recruitment (KHI-smart/001-1) validated on 01 March 2018 by the Managing Director Human Resource which stated that there was no cost in recruitment process. The company had guaranteed the cost of recruitment if there were any migrant worker.
- SOP of handling grievance and dissatisfaction (No. SOP/SMART/SUST/IV/003) last revision on 8 March 2022 which stated that the company guaranteed the freedom of speech by keeping the identity of the employee confidentially.

Based on the management review and internal audit document, there were no violation against the company's ethical codes.

Status : Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

The company has list of regulations of 2022 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

Land legality

In term of legal and permit regulation compliance, company are able to show several documents, such as Location Permit and Land Tenure or Land Use Right (HGU). Besides that, unit of certification also has business permit consist of Decree of the Kotabaru Regent Number 188.45 / 440 / KUM / 2011 dated 28 December 2011 concerning the Re-Registration of PT Sinar Kencana Inti Perkasa Plantation Business Permits (IUP) covering an area of 14,872.39 Ha, Kelumpang Tengah, Kelumpang Hulu, Kelumpang Selatan and Sungai Durian Districts in Kotabaru District. In the decree, it was stated that the Regent of Kotabaru "Approved the Re-registration of Plantation Business Permits (*IUP*) to PT. Sinar Kencana Inti Perkasa with an area of 14,872.39 hectares and Plantation Industry (Product Processing Unit) with a capacity of 60 tons of FFB / hour.

Initially the area of PT Sinar Kencana Inti Perkasa was a forest area that had been released but based on the overlay map of PT Sinar Kencana Inti Perkasa with RTRWP 2015-2035 (Reg no: RPMNP/21/11/214/023), scale 1:100,000 with Map Designation of Area No 435/Menhut-II/2009 (Reg No: RPMNP/21/11/214/024) Scale 1: 100,000, showing that some of PT SKIP's legal areas are within the Nature Reserve area. In this regard, the company has shown evidence of communication with the Ministry of Environment and Forestry, where the last communication was:

- Letter of Manager Document & License (D&L) PT Sinar Kencana Inti Perkasa No. 04/DL-SKIP/VI/2021 dated 16 June 2021 regarding the Request for Confirmation of Forest Areas related to the overlap area of PT Sinar Kencana Inti Perkasa which is included in the Nature Preserve Area to the Head of Forest Area Consolidation Region V Banjar Baru. The letter has been received by *BPKH* as of June 18, 2021.
- Forest Area Consolidation Agency (*BPKH*) Region V Banjar Baru submitted response letter No. S.967/BPKH.V/PKH/UM/7/2021 dated July 5, 2021, which stated that part of PT Sinar Kencana Inti Perkasa's HGU is in the Kelautku Nature Preserve Area in the Kelumpang Bay and Sea Strait Preserve Area sections which reach currently still in the process of completion. Currently the Forest Area Consolidation Center Region V – Banjar Baru is carrying out the process of delineating forest areas in the province of Kalimantan Selatan.
- Letter of Manager Document & License (D&L) PT Sinar Kencana Inti Perkasa No. 12/DL-SKIP/C/XXII dated 03 October 2022 regarding Application for Confirmation of Forest Areas, in which the company conveys its current status and asks for a solution to the overlapping HGU land included in the forest area. The letter has been well received by the Forest Area Consolidation Center Region V and has been replied to by the Forest Area Consolidation Center with Letter No. S.1051/BPKH.V/PKH/UM/10/2022 dated 24 October 2022 concerning Information on the Status of Forest Areas, which explains that solutions related to the existence of forest areas in the HGU area of PT Sinar Kencana Inti Perkasa are still in the stage/process of completion.

Based on the results of interviews with the Head of Forest Area Inauguration and Planning Section of the Forest Area Consolidation Agency (*BPKH*) of the Kalimantan Selatan Province, it was conveyed that currently it is true that revisions to PT SKIP's operational area which are included in the forest area status are being processed and have arrived at the relevant ministries in Jakarta.

As stipulated in PP 43 of 2021 concerning Settlement of Inconsistencies in Spatial Planning, Forest Areas, Permits, and/or Land Rights if there is a delay, as explained in Article 11 Paragraph 5, Settlement of Inconsistencies in Permits, Concessions, Land Rights, and/or Rights Management in Forest Areas in continuity as referred to in paragraph (1), paragraph (2), and paragraph (3) shall be carried out no later than 3 (three) years from the enactment of this Government regulation.

Companies have the opportunity to always ensure and follow up with relevant agencies regarding progress related to the status of areas that are included in the company's operational area. **OFI**

BMP, OHS Aspects and Worker Welfare

The company has complied with laws and regulations on BMP, OHS and Worker Welfare aspects, namely:

- Companies can show evidence of compliance with statutory requirements, one of which is by using registered and licensed pesticides. The list of pesticides used explains the name of the pesticide used, the active ingredient, the date the permit was issued, the registration permit number, and the pesticide use target.

- Already have 3 Class 1 Boiler Operators who are licensed in accordance with Minister of Manpower 1 of 1988.
- Already have an operator who has a Welder certificate in accordance with Permenakertrans 2 of 1992.
- Has a licensed Lifting Operator in accordance with Permenakertrans 9 of 2010.
- Has a licensed electrician operator in accordance with Minister of Manpower Regulation 12 of 2015.
- Already have 4 Class 1 Power and Production Operators who are licensed in accordance with Permenaker 38 of 2016.
- The company has implemented partial minimum wages, pay scale structures, wages and overtime hours, provision of rest periods and annual and maternity leave entitlements.
- All workers have a work agreement.
- Workers have been enrolled in social security programs (BPJS Health and BPJS Employment)

Compliance with Environment Regulation:

The certification unit already has environmental documents along with their environmental permits listed in the following documents:

- AMDAL document according to AMDAL Approval Letter No. 104/ANDAL/RKL-RPL/BA/VIII/1996 by the Minister of Agriculture of the Republic of Indonesia on 9 August 1996. The planned area of activity is 16,485 ha and only 15,000 of which can be developed divided into Senakin Estate, Sungai Panci Estate, Sungai Kupang Estate and Sungai Cantung Estate. AMDAL document "PT Sinar Kencana Inti Perkasa" related to oil palm plantation activities and its processing factory in Kelumpang Hulu and Tengah Districts, Kotabaru District, Kalimantan Selatan Province with a mill capacity of 60 tons of FFB/hour.
- Documents for updating the Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) dated April 29, 2013 according to the recommendation letter from the Kotabaru District BLHD No. 660/19/TA-AMDAL/BLHD/2013 and minutes of the technical meeting on the improvement of the RKL RPL document for PT SKIP's oil palm plantation and processing activities by the UKL-UPL Technical Team of Kotabaru District. RKL RPL has been adjusted to the relevance of field operations and the company's current conditions.
- The company shows a permit for the utilization of liquid waste for a Land Application (LA) in accordance with the Permit of the Kotabaru Regent No. 503/IPAL/BPPTPM/2017 concerning Permits for Disposing of Waste Water which is valid from 5 January 2022 to 6 January 2022.
- The company shows a Domestic Liquid Waste Disposal Permit in accordance with the Decree of the Kotabaru District Environmental Office number 660.3.4/559/DLH-PPKL.PAL/VII/2021 concerning Technical Approval for Compliance with Quality Standards for Domestic Wastewater Disposal of PT Sinar Kencana Inti Perkasa – Sungai Kupang Mill.
- The company already has a TPS for B3 waste and has a permit from the agency that is located at the factory based on Recommendation Letter No. 660/16/PSLB3/DLH/2020 dated 28 September 2020 from DLH Kotabaru District regarding Technical Recommendations for Hazardous Waste Management for Hazardous Waste Temporary Storage Activity Permits to PT SKIP which are valid for 5 (five) years with a total of 6 (six) hazardous waste units include Sungai Kupang Mill, Sungai Panci Estates and Sungai Kupang Estates. Based on this, the Kotabaru Regent's permit No.503/0835/PSLB3-P-DPMTSP/2020 was also issued from the PMPTSP Service of Kotabaru District regarding PT SKIP's Hazardous Waste Temporary Storage Permit dated September 29 2020 which is valid for 5 (five) years. The types of Hazardous waste that are allowed to be stored are used oil, used batteries, used filters, contaminated waste, medical waste, lamps, electronic waste, chemical packaging and other types of Hazardous waste.

2.1.2

The unit of certification has a list of legal regulations contained in the Summary and Review of Conformity with Regulations and Legislations and Other Requirements include regional, national and international regulations. The regulations cover aspects of agribusiness, employment, environment, and other regulations related to the company operational activities. Evaluation of compliance with these regulations is carried out every year.

In addition, the company also evaluates legal compliance for all contracts with third parties, which is carried out according to the principle of continuous improvement as described in indicator 2.2.2.

2.1.3

Procedure of legal boundary stakes monitoring, and maintenance is presented in document No. SOP/SMART/CERS-EHSD/SADV/004 dated 1 July 2014. Procedure mentioned that maintenance was carried out by foreman with supervision of Assistant Manager. Monitoring the boundaries of the HGU is done every 3 months.

The company shows the HGU stake monitoring document which is carried out every month. The last HGU stake monitoring was carried out for example in January 2023 at Sungai Panci Estate, Sungai Kupang Estate and Sungai Panci Plasma. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report, it is known that all HGU stakes are available.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Sungai Panci Estate (Stakes No. 50, 53, 54 and 57) and Sungai Kupang Estate (Stakes No. 01, 28, 63, 65 and 66), it is concluded that all HGU stakes are in place according to their coordinates and are in good condition. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU. Also, based on field observations to several samples of boundary stakes at Sungai Panci Plasma (Stakes No. PP5, PP6, PP7, SKM9 and SKM8), it is clear that the boundary stakes are in good condition and the management boundaries for the SPNA area (KUD Gajah Mada) are in accordance with the coordinates showed.

Status : Comply

2.2

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

2.2.1

The company shows a list of Third Parties that are still actively collaborating with the company (SKPM, SPNE, SKPE and SPNA) including transporting of hazardous waste, laboratorium, transporting FFB, Transporting CPO, Transporting PK and FFB Suppliers, etc.

The contractor list has been in-line with the information in stakeholder list. Auditor has verified by calling the contractor by the contact number put in stakeholder list. The explanation above can be concluded that the company has managed and documented the list of contractors along with its supporting documents.

2.2.2

The company showed that there were several separate clauses on the work agreement between the company and the contractor related to fulfilling legal obligations in Indonesia. Documentation of Evaluation of Compliance with Regulations both for external FFB contractors and suppliers, for example as of January 2023, includes evaluations such as:

- Quality of contractor performance
- Timely completion of work
- Compliance with Labor Regulations
- Compliance with the implementation of OHS
- Housekeeping
- Compliance with Environmental Regulations
- Compliance with Business Ethics
- Recommendation

As an example of a note of recommendation for several contractor evaluations dated January 7, 2023, as follows:

- Joya Anugerah Jaya Work Agreement No. 006/TBS/PT.SKIP/III/2020 with a recommendation Please complete BPJS Employment membership for assistant members at Mill (Total Score 21 moderate)
- CV. Dwika Jaya Work Agreement No. 003/SP/SKIP/SKPM/12/2018-CPO and recommended for similar work (Total Score 21 moderate)
- Sarana Lintas Bersama Work Agreement No. 004/SP/SKIP/SKPM/12/2018-CPO and recommended for similar work (Total Score 21 moderate)
- Satrindo Jaya Work Agreement No. 001/SP/SKIP/SKPM/12/2018-CPO and recommended for similar work (Total Score 21 moderate)

2.2.3

The company showed the fact of integrity for contractors such as integrity fact of PT Sarana Lintas Bersama with contract number 004/SP/SKIP/SKPM/11/2022 valid thru 20 November 2024 stating that: Respect human rights and do not discriminate, do not do forced labor, do not employ underage workers and workers who come from trafficking in persons (article 4).

In addition, based on the results of interviews with FFB contractors and suppliers, it was conveyed that the parties were aware of the prohibition on work practices involving child labor, forced labor, and workers from human trafficking.

Status: Comply

2.3

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

2.3.1

The Certification Unit can show a document list of suppliers who send FFB to Sungai Kupang POM. The following is FFB supplier data from outside the scope of certification for the 2023 period, including:

No	Supplier Name	Supplier Address	RSPO Status	Coordinate	Land Status
1	Sungai Kupang Estate (SKPE)	Sangking Baru Village, Sungai Kupang Jaya, Tapaling, Pantai Baru, Bumi Asih, Pembelacanan, Kelumpang Selatan sub district, Kotabaru District	Certified	S 03°02'39.84" E 116°07'05.39"	HGU
2	Sungai Panci Estate (SPNE)	Pulau Panci Village, Serongga, Bakau, Sungai Kupang, Kelumpang Selatan Sub district, Kelumpang Hulu, Kotabaru District	Certified	N 03°09'39" E 116°01'32"	HGU
3	Sungai Kupang Plasma (SKPA)	Sangking Baru Village, Sungai Kupang Jaya, Tapaling, Pantai Baru, Bumi Asih, Pembelacanan, Kelumpang Selatan sub district, Kotabaru District	Non-certified	S 03°03'24.74" E 116°05'22.22"	HGU
4	Sungai Panci Plasma (SPNA)	Pulau Panci Village, Serongga, Bakau, Sungai Kupang, Kelumpang Selatan Sub district, Kelumpang Hulu, Kotabaru District	Certified	N 03°09'40" E 115°59'55"	HGU
5	Reyvel Victor Bella (REVX)	Jl Pamukan Raya RT 008, RW 000, Manunggal Lama Village, Sungai Durian Sub district, Kotabaru District, Kalimantan Selatan province	Non-Certified	S 02°45'6.50" E 116°07'2.70"	SHM
6	Joya Anugrah Jaya (JAJX)	Kampung Melayu village, Jl Rajawali No.46 C RT 004/RW 00 Sukajadi Sub district, Pekanbaru city, Riau province	Non-Certified	S 3°8'23.880" E 116°11'14.820"	SHM
7	KUD Giat (KUGX)	Sungai Kupang Jaya Village, Kelumpang Selatan Sub district, Kotabaru District, Kalimantan Selatan province	Non-Certified	S 03°4'21.794" E 116°4'7.702"	SHM
8	CV Karya Sari (CKSX)	Telaga Sari Village RT 005/000, Kelumpang Hilir sub district, Kotabaru district, Kalimantan Selatan province	Non-Certified	S 03°8'55.475" E 116°0'21.119"	SHM

Based on the data above, it is known that the FFB suppliers to Sungai Kupang POM come from the Own Plantation and Group Plantation as well as the Middleman Supplier of FFB outside. The method of sending outside FFB is not based on individuals but enters through the FFB middleman supplier who represents the individual (in this case as an agent). The contract made is between the company and the middleman. The management unit can show the Traceability Declaration Document – Traceability to Plantation. Document created by Middleman supplier FFB. The types of data contained in the document include Smallholder ID, owner's name, legal rights, village location, sub-district, provincial regency, geolocation, year of planting, ISPO & RSPO certification status, area size, and average number of FFB shipments.

2.3.2

The company can show data from all indirect FFB suppliers in collaboration with Middleman Supplier FFB which is equipped with evidence that the indirect FFB supplier already has legality for the land being managed, for example for CV Karya Sari (CKSX) which has 15 supplying farmers and Joya Anugrah Jaya (JAJX). Following are some samples of supplying farmers who sent FFB to middlemen on behalf of CV Karya Sari (CKSX) and Joya Anugrah Jaya (JAJX) as follows:

No	Supplier Name	Supplier Address	RSPO Status	Coordinate	Land Status	Code
1	H.M Abdullah	Pulau Panci Village Sub district of Kelumpang Hulu, District of Kotabaru	Non-Certified	S 3°7'55.070" E 116°2'9.767"	SHM	CKSX
2	Erfi	Telaga Sari village, sub district. Kelumpang Hilir, Kotabaru district.	Non-Certified	S 3°9'21.102" E 116°0'22.474"	SKT	CKSX
3	Kadek	Pulau Panci Village Sub district of Kelumpang Hulu, District of Kotabaru	Non-Certified	S 3°9'27.447" E 115°57'14.782"	SKT	CKSX
4	Suryani	Siyuh village, sub district of Kelumpang Barat, district of Kotabaru	Non-Certified	S 02°45'6.31" E 116°07'2.20"	SHM	JAJX
5	Todi	Telaga Sari village, sub district. Kelumpang Hilir, Kotabaru district.	Non-Certified	S 03°09'8.70" E 115°59'0.13"	SHM	JAJX

Companies can also show proof of legality documents owned by the sample farmers above in the form of certificates of land rights they own, as well as information on the location of their land which is not in a disputed area or state land and forest areas under protection status. Based on the list of names presented above, it can be seen that there are female farmers as a form of gender representation.

Status : Comply

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

3.1

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

3.1.1

The company has a long-term plan, monitoring and evaluating the plantation business, including:

- The Long Term Plan contained in the PT Sinar Kencana Inti Perkasa Long Term Financial Plan document for the period 2022-2027 which was approved by the company leadership. These documents include explaining projected production of FFB, CPO, PK as well as estimates of income, estate costs, mill costs, profitability and others. As an example of projected production for own estate for the next year of 72,480 tons. The long-term plan also includes own estate and plasma (SPNA). The document also contains a replanting plan that the company will carry out for 2023-2027. For example, replanting in 2023 is planned for 304.87 hectares for Sungai Panci Estate, while for Sungai Kupang Estate there is none because replanting has been carried out in 2022. For SPNA, the replanting plan will be carried out on an area of 2,323.13 Ha in 2023 and an area of 936.16 Ha for 2024.
- Record of the periodic evaluation contained in the Management Review document which was conducted on 6 February 2023. The record informs the annual plan that has been prepared and evaluation of its achievements.

Based on the description above, it can be concluded that the company can prove that it has records of plantation business planning, monitoring and evaluation.

3.1.2

The company already has a Long Term Plan which is contained in the PT Sinar Kencana Inti Perkasa Long Term Financial Plan document for the period 2022-2027 which was approved by the company leadership. These documents include explaining projected production of FFB, CPO, PK as well as estimates of income, estate costs, Mill costs, profitability and others. The document also contains a replanting plan that the company will carry out for 2023-2027. For example, replanting in 2023 is planned for an area of 304.87 Ha for Sungai Panci Estate, while for Sungai Kupang Estate there is no replanting because replanting has been carried out in 2022. For SPNA, the replanting plan will be carried out on an area of 2,323.13 Ha in 2023 and an area of 936.16 Ha for 2024. The plan has been prepared based on the results of an annual evaluation that takes into account the yield of FFB production from the oldest plantations.

3.1.3

Annual planning is also evaluated every year and compared with its realization. Annual planning can be adjusted based on field conditions, financial conditions or other reasons. The plantation and mill management unit states that the long-term plans mentioned above can be changed and reviewed annually by management taking into account actual trends and dynamic situations that are predicted to change in the future. The Sustainability Department together with Estate and Mill Management is responsible for ensuring that all technical implementation is in accordance with procedures, which aim to achieve optimal output for budget fulfillment purposes through monitoring, training and outreach. Record of periodic evaluation contained in the Management Review document which was conducted on 1 February 2023. This record informs the annual plan that has been prepared and evaluates its achievements and to see the conformity of the implementation of operational activities in the field with ISPO, RSPO, OHS Management system certification. In summary, the management review listed in the management review document discusses the following:

- Internal audit results
- Performance and achievements
- Quality goals
- Status of corrective and preventive actions
- Evaluation of long term planning
- Recommendations for improvement

Status : Comply

3.2

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

3.2.1

The company has a record of implementing continuous improvement. In the aspect of Best Management Practices, for example, plantations have an Internet Of Things (IOT) system to calculate FFB, while the company's factory already has a data sustainability monitoring system with the GAR Sustainability Integrated System (GSIS) system. For aspects the company has identified needs and conducted training for workers who are required to have special competencies as stipulated in regulations such as Boiler operators, lift transport operators, OHS Experts, and diesel engine operators.

Some of the evidence that has been applied for continuous improvement include:

- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and barn owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable energy according to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Air quality management and monitoring through several actions such as road maintenance, air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.
- Green House Gas Management and using land clearing with mechanical and zero-burning policy.

In addition to those listed above, the company also routinely conducts internal audits for the RSPO, as was last done for the 2022 Audit Period on 18 – 26 April 2022. From the results of the audit, a management review was carried out regarding 18 findings obtained during the RSPO internal audit in that April. This management review was carried out on February 1, 2023, in which the review found that there were 8 non-conformities that had been closed and 10 non-conformities which were still in the monitoring and fulfillment process. The following are examples of findings that have been closed: findings related to not being able to show a welder's certificate for workers who served as a welder at the PT SKIP SPKM Workshop. This corrective action is in the form of conducting training for the welding worker, and the welder's certificate can be shown on July 4, 2022.

Based on the explanation above, we can conclude that the Certification Unit already has a implementation document's record of continuous improvement program.

3.2.2

Based on document verification, for The RSPO metric template known annual data 12-month periods use (January to December 2022) for schedule reporting annual data peat area, pesticide usage, average LTIFR (Lost Time Injury Frequency Rate) and fresh water usage.

Certification Unit already has an annual report document using the RSPO metric template format that has been provided to the auditor team at the time of the assessment. The data presented can be ascertained in accordance with the existing raw data.

Certification Unit already has an annual report document using the RSPO metric template format that has been provided to the auditor team at the time of the assessment. The summary in the report, for example, is as follows:

Name of RSPO Member	: Golden Agri Resources
RSPO Membership Number	: 1-0096-11-000-00
Name of Certified Unit	: Sungai Kupang POM
Name of Certification Body	: PT MUTU AGUNG LESTARI
RSPO PalmTrace ID Number	: RSPO_PO1000004196
Number of Mills	: 1
Number of Estates	: 3
Production Area (ha) - Estate	: 10148
Certified Area (ha) - Estate	: 12533
High Conservation Value (HCV) Area (ha)	: 292
Peatlands - Planted (ha)	: 0
Freshwater Usage per PO produced tonne	: 114,592

Status : Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has procedures for cultivating and processing (SOP) for oil palm which are available in Indonesian. Cultivation procedures regulate activities starting from land clearing, seeding, planting, maintenance, harvesting, sending FFB to factories to replanting, while processing procedures regulate activities from receiving FFB to testing product quality. SOP includes key processes such as harvesting, transportation, fertilization, IPM, GAP, etc.).

Procedures are available at the audit location (plantation and factory offices) and are written in a Indonesian language that is easily understood by workers. Based on field observations in factories and plantations during the audit, it is known whether procedures have been implemented and workers can explain and demonstrate their work in accordance with procedures, referring to operational, safety and environmental best practices.

Based on a review of procedural documents, it can be concluded that oil palm agronomy, processing and safety procedures are still relevant to the current situation and cover all major aspects from the field to the mill. All procedures are available in Indonesian. Likewise with the results of interviews with employees where plantation and factory employees' understanding of technical and safety matters was considered very satisfactory.

3.3.2

The company employs several methods to monitor the implementation of procedures. These include annual RSPO operational and internal audits to monitor the implementation of procedures. Operational internal audit (OIA) evaluates the operational implementation and administration of estates and mills. Meanwhile, the RSPO internal audit evaluates the implementation of sustainability procedures in plantations and mills. Furthermore, management representatives (Assistant, Managers and related Superiors) routinely make inspectorate visits to control the implementation of procedures. Daily internal supervision is carried out with supervisory levels starting from the Foreman, Divisional Assistant, Head Assistant, to the Estate/Mill Manager.

Each unit has documented plantation operations and factory production such as daily reports, supervisor workbooks, etc. Site visits to factories show that the unit has documented daily activities in daily production reports which are documented using a

computerized system. Based on the procedure, the certificate holder is known to routinely conduct internal audits. Internal audit is carried out by the Internal Auditor to carry out inspections related to the operations of the management unit (plantation and factory). The certificate holder shows the results of the internal audit conducted in April 2022. The implementation of the internal audit covers several criteria such as: cash bank administration, inventory, plant maintenance, crop production, wages and personnel and the RSPO P&C.

3.3.3

Companies can show documents of the internal audit of the RSPO management system conducted at each plantation. Based on the Discrepancy Form and Internal Audit Observations it is known that the unit is given corrective action a maximum of three months before the next internal audit period. Records of monitoring and corrective actions have been observed, including operational and RSPO Internal Audits, Monthly Reports, etc. For example, the RSPO Internal Audit of PT Sinar Kencana Inti Perkasa which includes SKPM, SKPE, SPNE, SPNA, and SKPA. Operational audits are carried out every month covering aspects of harvest quality, fertilization quality, circle and path quality, as well as harvest losses. All discrepancies have been followed up and fulfilled by each management unit. The audit has covered several contractor aspects such as minimum payment and work insurance payment.

The company has conducted a management review within the planned time, for example contained in the Minutes document of the results of the management review meeting which was held on October 10, 2022.

The results of field visits and interviews with harvest supervisors show that they also record all operational activities at Supervisors and submit these reports every day. Daily reports describe the type of work, the number of workers, the use of materials, and the achievements of individual employees. Furthermore, all operational activities of the company are recorded in the form of Monthly Reports for both plantations and factories. The operational activity report is a recap of daily activities. The company also discusses each activity item. The evaluation mechanism for all operational activities, both plantations and factories, is carried out by the manager. These reports are routine reports prepared by the plantation and mill unit managers and submitted to top management.

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

EIA (Environmental Impact Assessment)

The certification unit already has environmental documents along with their environmental permits listed in the following documents:

- AMDAL document according to AMDAL Approval Letter No. 104/ANDAL/RKL-RPL/BA/VIII/1996 by the Minister of Agriculture of the Republic of Indonesia on 9 August 1996. The planned area of activity is 16,485 ha and only 15,000 of which can be developed divided into Senakin Estate, Sungai Panci Estate, Sungai Kupang Estate and Sungai Cantung Estate . AMDAL document "PT Sinar Kencana Inti Perkasa" related to oil palm plantation activities and its processing factory in Kelumpang Hulu and Tengah Districts, Kotabaru District, Kalimantan Selatan Province with a mill capacity of 60 tons of FFB/hour.
- Documents for updating the Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) dated April 29, 2013 according to the recommendation letter from the Kotabaru District BLHD No. 660/19/TA-AMDAL/BLHD/2013 and minutes of the technical meeting on the improvement of the RKL RPL document for PT SKIP's oil palm plantation and processing activities by the UKL-UPL Technical Team of Kotabaru District. RKL RPL has been adjusted to the relevance of field operations and the company's current conditions.

Based on the directives of the environmental document, specifically those listed in the RKL-RPL management matrix related to the impact components that will be monitored and managed are:

- Decreasing Water Quality: applying POME as organic fertilizer, monitoring POME and testing surface water (Babi Downstream and Upstream) regularly once a month
- Decreasing Groundwater Quality: determine the location of LA and ensure that the location is in accordance with what is stated in the permit, and carry out routine monitoring of monitoring wells once a year

- Decreasing of Soil Quality: conduct tests on control land at flatbed and between rovak locations once a year
- Decreasing Air Quality: conducting tests on air quality, routine maintenance on equipment that has the potential to cause air pollution
- Hazardous Waste Storage: constructing a building for Hazardous storage in accordance with permits issued from the relevant agency, sorting Hazardous Waste based on their nature and characteristics and then giving symbols and labels, regularly recording each volume of waste that enters Hazardous Waste Temporary Storage in the Hazardous Waste logbook, making shipments Hazardous Waste to licensed collectors on a regular basis, each shipment is made Minutes of handover and Manifest, making Hazardous Waste balance reports and reports to relevant agencies every quarter.
- Social problems arise: for Sangking Baru Village, Sungai Kupang Jaya, Tapaling, Pantai Baru, Bumi Asih, Pembelacanan, Pulau Panci Village, Serongga Village, Sangsang Village, Tamiang Village, Bungkukan Village, the management is as follows: opening and prioritizing job opportunities for the local residents according to the qualifications and education needed, conduct deliberations and provide compensation costs that have been agreed between the initiator and the community
- Migration of wild animals/plant pests: management includes implementing a hunting ban policy, making trapping holes, hunting pigs and rats which are considered as plant pests, monitoring the presence of flora and fauna and reporting regarding the management of conservation areas.
- Loss of jobs for plantation and factory workers: the management is like implementing gradual and gradual layoffs, preparing for the release of workers for employees by providing training for the community so that the community can prepare themselves to create jobs.

Based on the results of document verification and interviews with the Environmental PIC, it is known that the company has reported some of these environmental management in the Environmental Management and Monitoring Reports regularly every semester through the RKL-RPL Report. This report has been prepared by adjusting the writing format stipulated in KepmenLH No.45 of 2005 concerning Guidelines for Writing RKL-RPL Reports. The form of evaluation carried out by the company includes, among others, Trend Evaluation, Critical Level and Compliance which are discussed for each managed aspect such as:

- Erosion and Soil decreasing rate
- Quality of Wastewater, River Water, Clean Water (consumption), Groundwater
- Soil Quality
- Air Quality and Noise (emission sources)
- Hazardous Waste Storage
- Solid Waste Storage
- Social Problems
- Migration of Wildlife and Plant Pests

DELH KUD Gajah Mada (SPNA)

The company has shown a Letter of Proposal for Determining Business and/or Mandatory Activities of DELH from the BLHD of Kalimantan Selatan Province dated September 22, 2011. The letter contains a proposal for KUD Gajah Mada (SPNA) which already had a business license before the issuance of Law no. 32 of 2009 to have environmental documents. The land area of KUD Gajah Mada (SPNA) is ±3,822.17 ha. Then, the company showed SK BLHD Kotabaru District No. 660/12/BLHD/2015 issued on 16 June 2015. The environmental management and monitoring plan includes:

- Employment Recruitment;
- Equipment Mobilization;
- Construction of the Emplacement (Main Emplacement and Afdeling Emplacement);
- Development of Estates Road
- Preparation of Estates Areas;
- Oil Palm Planting;
- Plants area upkeep
- Immature area Upkeep
 - Mature area Upkeep
 - Harvesting and Transportation of Fresh Fruit Bunches (FFB);

- Workshop and Genset Operations; And
- Warehouse Operations

SIA (Social Impact Assessment)

PT Sinar Kencana Inti Perkasa has conduct social impact assessment on 2015. The scope of study are impact of plantation and mill operation to workers and community surrounding company areas including smallholders activities. These assessments also identified negative and positive impact of plantation and mill operation towards social aspect.

SIA identifications was also done based on affected parties consultation on 29 April 2014, this matter are amplified by stakeholders of local community during stakeholder consultation and besides that based on interview with local community (Sangking Baru and Sungai Kupang villagers) shown that major impacts has been identified and managed by company. Based on document review found that major affected parties on surrounding company areas including Villages of Pembelacanan, Bumi Asih, Pantai Baru, Sungai Nipah, Sangking Baru, Sukamaju, Tanjung Pangga, Sungai Kupang Jaya and Sidomulyo.

The SIA study covers several aspects of the discussion as follows:

- Employment
- Economy
- Transportation Infrastructure
- Education
- Religion
- Health

The Certification Unit carries out the implementation of the SIA program which is held in conjunction with the CSR program. The program and their CSR and SIA are carried out simultaneously, combining the process of compiling and reviewing the success of the implementation level together with the community and the local village government in preparing plans for social monitoring and welfare development of local communities around the company's area. The company annually conducts a joint review with the community and local village government in preparing a social management and monitoring plan.

In preparing the SIA and CSR programs the company involved village communities around PT SKIP's operational areas such as Saking Baru Village and Pulau Panci Village. Based on the results of interviews with the Village Head from Saking Baru Village and Pulau Panci Village, the company actively conducts consultations with the Village through direct visits to the Village, as well as through FGDs and involvement in the District-level Musrembang. This is proven through several documents involving the community as follows:

- Community FGDs with the company and the SIA Assessor Team at the start of the SIA study in 2015, as evidenced through the Minutes and Photo Documentation of Village Engagement in December 2015.
- MUSREMBANG which was held on January 25 2022 which was held in the Kelumpang Selatan District Office Hall with 12 participants.
- MUSREMBANG which was held on January 26 2023 in Serongga, and was attended by Telaga Sari Village, Pelanjau Baru, Mandala Village, Telaga Rejo Village, Tangadai Village, Sahapi Village, Pulau Panci Village, Saking Baru Village.

Based on the explanation above, it is known that the unit of certification has conducted an assessment of the social and environmental impacts that may result from the operational activities of the PT SKIP, by involving affected stakeholders, such as the village community around the PT SKIP area. By this interview with affected stakeholder, it is known that social impact by PT SKIP operational activities such as issues related to Employment, Increasing of Local communities's Economy's Level, Transportation Infrastructure, CSR program, Religius's ceremony's funding, health care for local communities such as Integrated Healthcare Center was carried out routinely once a month, were covered in Social Impact Assessment by PT SKIP. There's no other issue that was not covered in SIA and CSR program.

3.4.2

There is no change in the environmental impact assessment document because it is still in accordance with the actual in the field. The company has attached a report on the implementation of management and monitoring plan (RKL-RPL) every semester in plantation and mill units which is contained in the following documents:

- Receipt of Report RKL-RPL Semester II, 2022 PT SKIP and Report of UKL-UPL Airstrip Semester II, 2022 number

003/EHSD-SKIP/LH-SKPM/II/2023 to Environmental Agency Kotabaru District on 31st January, 2022.

- Electronic receipt of Report RKL-RPL, semester II, 2022 number 1660810801-3223 on 18th August, 2022.
- Receipt of Report UKL-UPL Airstrip, Semester I, 2022 number 010/EHSD-SKIP/LH-SKPM/VII/2022 on 18th August 2022.

Environmental and social impact assessment document has been reviewed or developed together with affected stakeholders for the implementation Period of January - December 2022. Evidence of stakeholder participation, either local government agency and surrounding community of the company can be seen from the attendance list of the meeting that the company has documented, among others.

Company has shown result of social impact monitoring result in 2022 which included activities as shown below:

- Reconstructing the CSR program
- Coordination and cooperation of formal or non-formal social activities with the village government
- Monitoring activities through data verification and community visits
- Mapping of plantation roads and village roads that are potentially damaged
- Installation and maintenance of warning to reduce the speed of vehicles around the settlement
- Maintenance of plantation roads and surrounding villages
- Socialization of pest management to farmers around the outskirts of the company
- Regular meetings in the context of a partnership relationship between the company and farmers
- Submission of job vacancies information if there is a need for manpower
- Cooperating with local contractors and local suppliers in meeting the needs of plantation operational activities.

In general, the management of social impacts in the PT SKIP unit has been carried out with the aim of reducing the impacts that have been identified. In accordance with the review of the management plan and monitoring of social impacts for the 2019-2021 period, monitoring is carried out for both positive and negative impacts that are identified and analyzed.

Based on the management review, the following are some of the things included in the matrix of potential social impacts that are being managed:

- Fertilization and its management, potential social impacts: Decreased water quality, labor recruitment
- Transportation of production facilities and crops, potential social impacts: Dust and damage to roads caused by the company's operational vehicles, the development of local business potential for FFB transportation services
- Process of FFB processing in POM, potential social impacts: Recruitment of workers, decreased air quality, decreased water quality from POM waste processing activities
- Plasma Partnership Program, potential social impact: Increasing the level of community welfare, recruiting workers from villages around the company, increasing the level of community welfare, increasing migrant communities in surrounding villages who work in the company
- Community empowerment, potential social impact: increasing the level of community welfare, mismatch of social assistance provided by companies with community needs
- Rejuvenation of Oil Palm Plantations/ Replanting, potential social impacts: pest attacks on community gardens around the replanting area, changes in labor requirements, decreased air quality from heavy equipment mobilization activities (equipment transportation and heavy equipment activities) so that it can generate a lot of dust and pollution air

For the negative external impact of the company related to the condition of replanting activity, it is known that from the results of the Monitoring of Social Impact Management in 2022, there was no negative issue caused by all the operational activities of PT SKIP.

A significant positive impact is felt, namely the economic sector for Villages surrounds the PT SKIP operational area, help to improve the economic wadges for the community. This information was confirmed by the Chief Village of Saking Baru and Pulau Panci Village based interview with Team Auditor on 7 to 8th February 2023. Based on this interview results, it is known that all potential issue was covered in SIA and was reviewed by management involving affected communities through FGD and Musrebang as mentioned in indicator 3.4.1.

3.4.3

EIA (Environmental Impact Assessment)

Based on RKL-RPL report in semester 1 and semester 2 of 2022, sighted that all environmental quality has been accordance with Standard Quality. Based on Matrix RKL-RPL it is known some significant impacts that must be managed, including:

1. Decrease in River Water Quality
2. Decrease in Groundwater Quality
3. Decrease in Groundwater Quantity
4. Decrease in Air Quality
5. Increase in Noise
6. Improvement of Soil Erosion and Quality • Disturbance of Flora and Fauna
7. Decline in Aquatic Biota
8. Increased revenue
9. Changes in Public Perception
10. Public Health Issues
11. Potential for Land Fires
12. Replanting activities

Evidence of stakeholder participation, either local government agency and surrounding community of the company can be seen from the attendance list of the meeting that the company has documented, among others. This involvement of local communities by the Management of PT SKIP already mentioned in Indicators 3.4.1

SIA (Social Impact Assessment)

The Certification Unit carries out the implementation of the SIA program which is held in conjunction with the CSR program. The program and their CSR and SIA are carried out simultaneously, combining the process of compiling and reviewing the success of the implementation level together with the community and the local village government in preparing plans for social monitoring and welfare development of local communities around the company's area.

- The company annually conducts a joint review with the community and local village government in preparing a social management and monitoring plan. The company shows the PT SKIP Social Impact Management Monitoring plan report for 2021-2022. The report is prepared based on the results of the management and monitoring review conducted by the company in December 2022.
- The company annually conducts a joint review with the community and local village government in preparing a social management and monitoring plan. The company shows the PT SKIP Social Impact Management Review report for 2019-2021. The report is prepared based on the results of the management and monitoring review conducted by the company in December 2021.

Based on the results of field visits and interviews with employees, village officials, and related agencies, there were no significant issues that arose for the 2019-2021 period. This shows that the company has been preventive in responding to possible social issues and can manage them well. It is also known that there are no other issues raised by the community around the company, this information was based on interview with Village Officers from Saking Baru Village and Pulau Panci Village.

	Status : Comply	
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3.5 A system for managing human resources is in place.

3.5.1

The certification unit has a Collective Labor Agreement (CLA) for 2018-2020 between PT. SKIP with the SPSI. The CLA was registered with the Kotabaru Regency Manpower and Transmigration Office on October 16 2018. The CLA regulates the rights and obligations of employees, for example, employees' rights in association, hiring workers, wages, working hours, overtime calculation, social security, and rights and obligations other employees.

In the PKB document for the 2018-2020 period, article XXIV concerning the entry into force and expiration of the collective work agreement, it is explained that "if a new CLA has not been established on the expiration date of this CLA, then this CLA is entirely valid until the new CLA comes into force". The results of interviews with management and representatives of SPSI (All Units), stated that currently the latest CLA draft is still in the discussion stage to agree on points that will be included in the latest CLA so that the parties agree to extend the validity period of the 2018 CLA period - 2020 which can be proven by a Collective Agreement document regarding the implementation of the CLA until the formation of a new CLA which was signed by

management representatives and representatives of all SPSI on December 24, 2022. In addition, the company can show recordings of meetings between the company and the Labor Union regarding the process of discussing the most recent CLA carried out on January 28, 2023. In accordance with the CLA negotiation schedule, it is planned that the signing of the CLA will be held in June 2023.

Based on the document verification, CLA generally described these procedures as follows:

- Recruitment of workers is based on the company's needs.
- The minimum age of workers is 18 years old.
- The workers who have been accepted will through three months of probation.
- Promotion of workers is based on needs, period of work, expertise, and assessment of workers for the last 6 months.
- The company is authorized to carry out the placement, transfer, and promotion of workers by applicable regulations.
- Any termination of employment must be carried out in accordance with the laws and regulations

In addition, the procedures of employee recruitment, appraisal, promotion, and remuneration are explained specifically in several SOPs. These procedures have been documented and socialized to all workers and their representatives, here as follows:

- SOP No. SDM A-004-00 validated on 1 September 2005 concerning on Recruitment.
- SOP No. SDM D-010-01 validated on 11 April 2012 concerning on Worker's Promotion.

Based on the interviews with workers (harvesters, pesticide sprayers, and mill operators), workers had a sufficient understanding of the procedures related to recruitment, promotion, and termination of employment. Based on this explanation it can be concluded that the company have procedures for recruitment, selection, employment, promotion, retirement and termination of employment must be documented / available to workers and their representatives.

3.5.2

The company always documents all labor procedures that have been carried out properly such as recruitment, promotion, performance appraisal, and others. The following are some examples of labor procedures that have been well implemented and documented by the company, for example:

- Workers with NIK 18006 (Driver) get appointments from workers with PKWT status to become permanent workers according to the results of the assessment for the 2020 period and have earned grades (value 7.6 - 9.0). This is based on Decree No. 002/SK-SKU/SKJP-SKPM/02/2021 dated 31 December 2020 concerning Appointment as Permanent Employee.
- Specific Time Work Agreement No. 004/SKIP-SPK/PKWT/11/2022 dated 15 November 2022 between PT Sinar Kencana Inti Perkasa and the worker with the initials "KSB" as a security worker at the Sungai Kupang Mill Unit. The agreement explains the type of work, place of work, terms & conditions of work, remuneration, rights & obligations, validity period, and closing conditions.
- Leave application form for SPNA workers with NIK 210066 who apply for annual leave on 21 January 2023 for 5 working days (30 January – 3 February 2023). The request for leave was approved by the company on January 24, 2023 by the direct supervisor (assistant), personnel, KTU and Manager.

Status : Comply

3.6

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

3.6.1

The company already has an Occupational Health and Safety Policy. The company's OHS Policy is listed in the Policy on sustainability and business ethics which includes:

- Communicate OHS Management system policies and procedures to all employees and interested parties to ensure that they understand the obligations related to company activities.
- Comply with all applicable laws, regulations and other provisions regarding OHS.
- Ensuring the implementation of the OHS Management System as part of the company's operational activities.
- Identify, assess and control hazard risks in every activity in the work environment with a continuous improvement approach to prevent accidents and Occupational Diseases
- Manage and monitor OHS Management system indicators and make continuous improvements to improve OHS

management performance.

The company already has an SOP to conduct risk assessments of all its operations as stated in SOP No. SOP/SMK3/SMART/LH-02 regarding identification of hazard sources, risk assessment and control. The Company shows the Identification of Hazard Source and Risk Assessment form for 2023 which was stipulated on January 4, 2023 which describes the Activity, identification of potential hazards (source/event, impact), existing controls, initial risk analysis (level of likelihood, severity, level risk). The identified activities cover all activities in the estate and mill. The company has also evaluated the documents Identification of Environmental Impact Aspects and Material and OHS Risk Analysis taking into account work accidents, the addition of new types of work or the use of new equipment/technology. Based on document review, risk identification and management plans for each operational activity (plantation and factory) are carried out by competent officers so that they can be implemented in field activities. The risk assessment and action plan are reviewed when an accident occurs with the aim of preventing its recurrence.

The results of the risk analysis will be carried out using several methods and disseminated to workers through exposure from officers in the field (foreman and assistant) as well as through posting warnings in work units so that workers always work with safe work techniques such as warnings on PPE discipline, risk of toxic materials, noise areas and so on.

The implementation of this hazard identification and risk assessment can be seen in OHS warnings, calls for the use of PPE in plantations and factories as well as advice regarding occupational safety and health every morning assembly.

The company has plans related to OHS in the workplace that aim to improve occupational health and safety, for example the OHS program in 2022-2023 as follows:

- HIRAC Review and Update
- OHS outreach
- OHS training
- OHS meetings
- OHS inspection and monitoring
- OHS reporting

Based on interviews with security, sorting workers, sterilizer operators, boiler operators, engine room operators, kernel operators and workshop mechanics, it can be concluded that the workers understand the policy regarding OHS and it is recognized that every morning call is always reaffirmed regarding the importance of OHS and the use of PPE in Work.

Based on the results of interviews with harvest and fertilization workers, it can be concluded that the workers understand the OHS policy and it is recognized that every morning assembly is always reiterated regarding the importance of OHS and the use of PPE at work.

3.6.2

The realization of the work program will be monitored through regular OHS Committee (P2K3) meetings every month. This work program applies generally to all workers in the workplace. If the plan is not on target, it will be evaluated in regular meetings to assess its effectiveness. In addition, the company also monitors emergency response facilities and infrastructure including first aid bags and boxes, fire extinguishers, and hydrant installations every month and also monitors the compliance and condition of the PPE used by workers.

The company has conducted general and special health checks for factory and plantation employees. The following are the results of health checks conducted by the company in 2022:

Periodic Health Checkup

- Results of periodic health checks for SKPM units conducted on 30 September 2022 for 110 workers with normal overall results.
- Results of periodic health checks for SKPE units conducted on 6 May 2022 for 661 workers with normal overall results.
- Results of periodic health checks for SPNE units conducted on June 10, 2022 for 577 workers with normal overall results.
- Results of periodic health checks for SPNA units conducted on June 20, 2022 for 553 workers with normal overall results.

Special Health check up

- The results of the special health examination (Cholinesterase) for the SKPE unit which was conducted on March 17, 2022 for 82 workers with normal overall results.
- The results of the special health examination (Cholinesterase) for the SPNE unit conducted on 10 June 2022 for 123 workers with normal overall results.
- The results of the special medical examination (Audiometry) for the SKPM unit conducted on September 29 2022 for 41 workers with normal overall results.
- The results of the special medical examination (Cholinesterase) for the SPNA unit conducted on June 6, 2022 for 42 workers with normal overall results.

The Company has SOP/SMART/HESS-EHSD/SADV/012 dated 5 December 2012 Employee Health Examination. The SOP explains that health checks for special health checks such as cholinesterase and spirometry for officers dealing with pesticides are carried out 2 times a year. The company has conducted a Special Health Examination for Cholinesterase in the 1st semester of 2022, while for the 2nd semester of 2022 it has not been carried out due to the unavailability of reagents/catalysts. Meanwhile, the spirometry examination has not been carried out in either semester 1 or semester 2 of 2022 due to the Covid 19 pandemic. Companies can show a letter from the *Kalsei* 1 doctor on January 9 2023 regarding the MCU schedule for employees in the Kalimantan Selatan Region 1 for the 2023-2024 period. The letter explained that the special spirometry health examination schedule would only be carried out in semester 2 of 2023 and the special Cholinesterase examination would be carried out in mid-February 2023 after the reagents/catalysts were available. The company has the opportunity to ensure that the special health check is carried out according to a predetermined schedule. (OFI)

Status : Comply

3.7

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

The unit of certification has identified the training needs of each worker according to their position and type of work that covers aspects of the RSPO Principles and Criteria. As an example of identification that has been carried out by the certification unit is the Fire Extinguisher Simulation which is intended for the entire Fire Emergency Response Team and Agronomy Techniques (harvest, fertilizer, spray, treatment and others) intended for field workers such as harvesters, sprayers, maintenance officers and others. After identification, the unit of certification develops a training program for its workers for a year. To ensure that all of these training programs have been carried out in accordance with the timeframe, the unit of certification has documented each of the training activities carried out. The following is the realization of training that has been carried out by certification units for the 2022 period, for example the SPNE unit as follows:

- SPO understanding training in May 2022 for 1 day.
- GSEP understanding training in May 2022 for 1 day.
- Fire Fighting license training in September 2022 for 1 day.
- Spray work instruction training in May 2022 for 1 day
- SPNE sprayer training on 6 June 2022 which was attended by 51 participants.
- SPNE sprayer training on 7 June 2022 which was attended by 47 participants.

Based on interview with workers, for example Spraying Workers on Block I41 Division 2 SPNE, Information was obtained that workers had an understanding regarding best management practices for spraying activities.

In addition, based on the results of interviews with representatives of FFB Contractors and Suppliers who work with the company, it was conveyed that the company has provided training to contractors and their workers, including through socialization activities during the implementation of work in the field, one of which is related to the application of OHS and work quality standards.

3.7.3

The unit of certification showed socialization about the supply chain to employees which was last conducted on 8 December 2022. The minutes explained the procedures for managing certified and non-certified products including the responsibilities for each of the personnel who handle products.

The results of interviews with Head of Administration, weighbridge operator in POM and FFB administration in Estate showed that workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the

procedure and have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source.

Status : Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

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

3.8.3

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-3 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Actual (January 2022 - December 2022) MT
FFB Certified (MT)	119,000	51,553.50
CSPO (MT)	25,000	10,270.71
CSPK (MT)	6,000	2,703.95

**The actual production that sent to SKPM below 50% from last year projection because part of the FFB from SPNE and SPNA was sent to Batu Ampar POM (subsidiary of GAR and RSPO certified Mill).*

3.8.4

The Mill has registered as RSPO member under Golden Agri-Resources (No. 1-0096-11-000-00) and also has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: PT. Sinar Kencana Inti Perkasa - Sungai Kupang Mill
- License ID: CB135231
- Core Product: Palm Oil
- Member ID: RSPO_PO1000004196
- Type of Business: Oil Mill

3.8.5

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain Model of Mass Balance (No. SOP/SKIP/SKPM dated 28 May 2020), SOP of FFB Processing (No. SOP/SMART/MCMD//TM-PKS), SOP of Reporting of Certified Product (No. SOP/SMART/CERS-EHSD/SADV/003), and SOP of Document and Record Controlling (No. SOP/SMART/UMUM/SADV//001).

These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

Based on the interviews with weighbridge officers and security, the two personnel have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source.

3.8.6

The procedure for internal audit for SCCS mentioned in the procedure of Internal Audit (No. SOP/SMART/UMUM/SADV//009, dated 1 July 2014). Based on that procedure internal audit carry out minimum one times a year. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 18 – 26 April 2022. Based on result of internal audit, there is no non conformity SSCS indicators and complied with RSPO Supply Chain requirements for

mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 1 February 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, process performance and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7

The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 12 months before audit which is January – December 2022:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Jan 2022	3,878.19	6,425.85	10,304.04
Feb 2022	3,560.43	5,242.55	8,802.98
Mar 2022	3,244.65	8,588.59	11,833.24
Apr 2022	3,619.49	8,420.06	12,039.55
May 2022	3,827.75	7,776.14	11,603.89
June 2022	4,319.81	11,612.78	15,932.59
July 2022	3,728.53	13,788.28	17,516.81
August 2022	4,034.09	12,400.95	16,435.04
Sept 2022	5,142.03	10,887.77	16,029.80
Oct 2022	4,906.97	9,297.81	14,204.78
Nov 2022	5,530.18	7,634.89	13,165.07
Dec 2022	5,761.37	10,074.39	15,835.76
Total	51,553.50	112,150.06	163,703.56

Estimated certified product recorded in the last assessment report (ASA-2). Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected	Actual
	Certified Volume (MT)	(January - December 2022) MT
FFB Certified (MT)	119,000	51,553.50
CSPO (MT)	25,000	10,270.71
CSPK (MT)	6,000	2,703.95

According to the data during the certification period, there still not any overproduction yet.

Related for handling non-conforming oil palm products, has been set in the SOP for Handling Complaints and Dissatisfaction, document number SOP/SMART/SUST/IV/003, Rev.3.0 dated 14 February 2022. This procedure is generally applied to all complaints aspects, including complaints and non-conforming products from customers/buyers. During the audit, there is no written complaint from stakeholders related to nonconforming products.

3.8.8

The mill has product information provided in such as document of weighbridge ticket, delivery order and other invoices, as example at invoices of CPO certified delivery on 30 December 2022. The information provided on invoices are:

- The name and address of the buyer (PT SMART Tbk);
- The name and address of the seller (PT Sinar Kencana Inti Perkasa – Sungai Kupang POM in Kotabaru District)
- The loading or shipment / delivery date (30 December 2022);
- A description of the product supply chain model (Mass Balance)
- The date on which the documents were issued (30 December 2022);

- The quantity of the products delivered (13.52 ton);
- Any related transport documentation (transport by PT Satrindo Jaya Agropalma);
- A unique identification number (01329);
- RSPO certificate number (MUTU-RSPO/144);
- etc.

3.8.9

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of CPO and PK are outsourced to the third parties. The company has a list of contractors for transporting oil palm products from mill which informs the name of the contractor, owner, address, work agreement number, signatures of both parties and validity period. Examples of these contracts are as follows:

1. CV Dwika Jaya (CPO transporter), agreement valid thru 20 November 2024.
2. PT Satrindo Jaya Agropalma, part of PT BSA Logistics Indonesia (CPO and PK transporter), transport CPO and PK agreement valid thru 20 June 2024.
3. PT Sarana Lintas Bersama (CPO and PK transporter), transport CPO agreement valid thru 20 November 2024 and transport PK valid thru 4 January 2025.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there is a letter of commitment from each contractor stating that they are committed to supporting the implementation of the RSPO SCCS system including the willingness to provide proper access to accredited CBs in order to be able to access their operations and systems along with any information in their possession, if the audit is notified in advance and based on interview with contractor (CV Dwika Jaya dan PT Sarana Lintas Bersama) regarding the clausal in the contract that allow CB to access the contractor, they acknowledge and understand about the provisions.

3.8.10 and 3.8.11

The Mill has the record of details of the contractor, covers the contractor company profile, address, contact person, email and phone number, contract agreement and period. There was no new contractor from the previous assessment. The list of contractors of CPO and PK transporter are:

1. CV Dwika Jaya (CPO transporter)
2. PT Satrindo Jaya Agropalma, part of PT BSA Logistics Indonesia (CPO and PK transporter)
3. PT Sarana Lintas Bersama (CPO and PK transporter)

3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to-date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document verification on procedure of document control and monitoring (No. SOP/SMART/UMUM/SADV/1/001 dated 5 December 2012), retention time for all records and report, including regarding to supply chain are kept for 10 years.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 9-months before audit (January – December 2022):

CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
Opening stock	98.39	-	98.39
Jan 2022 - Dec 2022	10,172.33	22,053.76	32,226.09
Total	10,270.71	22,053.76	32,324.47

Month	CSPO Despatch (ton)	Total
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	RSPO	Other Scheme	Non-Certified	
Jan 2022 - Dec 2022	9,473.44	-	-	9,473.44

CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
Opening stock	53.32	-	53.32
Jan - Dec 2022	2,650.62	5,757.93	8,408.55
Total	2,703.95	5,757.93	8,461.87

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
Jan - Dec 2022	2,651.62	-	-	2,651.62

3.8.13 and 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 12-month period for January until December 2022 i.e OER 19.69% and KER 5.14%. Periodically update of extraction is actual extraction.

3.8.15

SCSS module used in Sungai Kupang POM is Mass Balance (MB), because the mill receives FFB from the estate RSPO certified and from third party that non-certified RSPO.

3.8.16

RSPO IT Platform member registration number for Sungai Kupang Palm Oil Mill is RSPO_PO1000004196. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example:

- Certified PK sold to PT SMART Tbk Tarjun - Kernel Crushing Plant dated 14 November 2022 for 150.19 ton and transaction creates in IT Palm Trace dated 19 December 2022.
- Certified CPO sold to PT SMART Tbk Tarjun Refinery dated 14 November 2022 for 150.19 ton and transaction creates in IT Palm Trace dated 19 December 2022.

Removing Stock

For the CSPO and CSPK that sold as other scheme or as conventional, the company has been removed the stock from the palm trace, as example remove stock of CSPO dated 2 February 2023 for 681.34 ton (transaction ID: ST-TR-56f7d85f-82aa) and remove stock of CSPK dated 2 February 2023 for 5.82 ton (transaction ID: ST-TR-5db15378-9845). In the previous audit, there was an OFI concerning the company need to ensure that they remove RSPO certified products that are sold conventionally in accordance with existing procedures, and when this ASA-3 audit was carried out, the UoC had already removed stock according to its procedures.

3.8.17

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

Status : Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

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

4.1.1

The company showed their commitment due to respecting human rights stated in the stated in the Sinarmas Agri Business and Food Business and Human Rights Policy validated by the Head of Policy and Compliance Division on 12 December 2019. In addition, it's also stated in the company's Social and Environment Policy validated on 8 September 2015 by Head of Upstream, CEO and Managing Director of Sustainability & Strategic Stakeholder Engagement. Both policies explained that Sinarmas Group committed to respect and protect human rights in order to create security for all workers including not to discriminate, give freedom in beliefs, respect and uphold human rights including the rights of human right defenders.

Based on the interview with workers in estates (harvesters, pesticide sprayers, and maintenance workers), workers in mill (mill operators and warehouse workers), they stated that there were no incidents or issues of human rights violations occurring in the operational area of the certification unit. The company also had respected the rights of human right defenders and prohibiting the retaliation towards human right defenders.

4.1.2

Until this assessment conducted, there were no conflicts and land disputes within the PT SKIP. 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. The unit of certification does not use force or use any form of interference, including the use of mercenaries and paramilitaries.

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 company showed some policies related to grievance system, here as follows SOP of handling grievance and dissatisfaction (No. SOP/SMART/SUST/IV/003) last revision on 8 March 2022. The policy explained activities of handling grievances related to manpower or non-manpower (e.g: facilities, etc) and also the mechanism of external communication (e.g: contractors, suppliers, government agency, etc) including the mechanism if there were any grievances. This policy also explained that the company can be brought the complaints to the RSPO complaint system if there wasn't any solution yet and protected the identity of the whistleblower if needed.

In general, all field management staff (assistant managers) and workers' supervisors directly play a role in managing the handling of worker complaints. In terms of duties and responsibilities, the Assistant Manager and SPO Officer are responsible for hearing and recording all complaints and dissatisfactions, both verbally and in writing, from internal and external sources. Furthermore, the Head of Administration and Unit Head/ Manager play a role in making decisions on the handling of these complaints and aspirations.

Based on the interviews with the surrounding communities, and workers (harvesters and mill operators), the workers had a good understanding of the communication procedures and personnel who served as communicators between the company and the community so that illiterate people can be informed by the related communicators. Based on the results of the review of the complaint list document, it was found that there were no complaints from external and internal parties.

4.2.2

To ensure that this procedure can be understood by all parties, including those who cannot read and write, one of the companies is conducting direct outreach to representatives of the community and surrounding villages, one of which is through meetings both formal and non-formal.

4.2.3

Based on interviews with workers and external or internal stakeholders, it's known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected. Based on the interview with both internal and external stakeholders, they informed that there were no complaints or grievances against the company.

Based on the documents review of the worker's grievance for example SKPE logbook period of 2022, it is known that there were no complaints. Based on the interviews with government agencies, surrounding communities, gender committees, labor unions and workers, it's known that there were no further complaints against the unit of certification.

4.2.4

The company has SOP of handling grievance and dissatisfaction (No. SOP/SMART/SUST/IV/003) last revision on 8 March 2022. This system refers to the GSEP dated 8 September 2015. The policy is contained in the Complaint Data Handling Form. In the document described in point 2.1.1 it is stated that the company is committed to actively promoting and supporting a responsible settlement of any conflict involving GAR's operations with the authorities when the underlying events occur. This includes working with relevant stakeholders to ensure that a balanced, accountable, mutually agreed upon and documented conflict resolution system is accessible to smallholders, indigenous peoples, rural communities and other affected parties to address grievances, grievances and resolve conflicts. to society. mutual satisfaction of the parties based on respect for their legal and customary rights, including to lands and resources and their right to give or withhold free, prior and informed consent for planned operations on their lands. The system will include mapping of all conflicts within GAR's operations, development of action plans to address identified conflicts, transparent monitoring and reporting, the option for local communities and/or indigenous groups to access independent legal and technical advice, the ability for complainants to select individuals or groups to support them and/or act as an observer as well as a third-party mediator option.

Status : Comply

4.3

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

4.3.1

The company demonstrates procedures related to the fulfillment of community social responsibility contained in the SOP/SMART/CDES-CSR/SADV/II/001 dated 5 December 2012 which describes the identification of program potential, implementation of work programs of responsibility, and monitoring of the implementation of the responsibilities of plantation business actors .

The company also appointed a social responsibility person for PT. SKIP in SK No. 005/SK-PC Kalsel I/VIII/2017 whose duties include building reciprocal relationships that have a positive social impact between the company unit and the community and traditional/religious leaders.

Based on the results of interviews with management representatives, in fulfilling social responsibility the company has developed a CSR program for each year which informs the assistance to be provided along with the implementation schedule.

In preparing the SIA and CSR programs the company involved village communities around PT SKIP's operational areas such as Saking Baru Village and Pulau Panci Village. Based on the results of interviews with the Village Head from Saking Baru Village and Pulau Panci Village, the company actively conducts consultations with the Village through direct visits to the Village, as well as through FGDs and involvement in the District-level Musrembang. This is proven through several documents involving the community as follows:

- Community FGDs with the company and the SIA Assessor Team at the start of the SIA study in 2015, as evidenced through the Minutes and Photo Documentation of Village Engagement in December 2015.
- MUSREMBANG which was held on January 25 2022 which was held in the Kelumpang Selatan District Office Hall with 12 participants.
- MUSREMBANG which was held on January 26 2023 in Serongga, and was attended by Telaga Sari Village, Pelanjau Baru, Mandala Village, Telaga Rejo Village, Tangadai Village, Sahapi Village, Pulau Panci Village, Saking Baru Village.

From the identification of responsibility programs for improving the welfare of the surrounding community, the company also shows records of the realization of CSR activities and documentary evidence for all activities that have been realized, for example, some examples in SKPE 2022 are as follows:

- Scholarship assistance for underprivileged students (Sangking Baru Village, Sungai Nipah Village, Pantai Baru Village and Bumiasih Village) on 31 December 2022
- Assistance in lending rotary slasher heavy equipment to Bumi Asih Village on 30 July 2022.
- Assistance for fire victims in Sangking Baru Village on 4 August 2022.

The company periodically recaps CSR activities, for example, as stated in Report No. CSR 011/SPNE-EXT/II/2023 dated 7 February 2023 which informed the 2022 CSR Report to the Regional Secretary of the Kota Baru District Unit, Economy and Development.

Based on the description above, it is known that the company has carried out developments around the plantation through various activities including education, health, road construction, economy and social affairs, and has reported the implementation of the responsibility program to the relevant agencies.

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

The area of PT SKIP's RSPO certification is **12,532.80 Ha**, consisting of PT SKIP's HGU and HGB covering an area of 9,273.51 Ha and SHM Sungai Panci Plasma covering an area of 3,259.29 Ha. The details of the legality of the land are as follows:

Land Legality of PT SKIP

PT SKIP has three Cultivation Rights (HGU) certificates and one Building Rights (HGB) certificate, namely:

- HGU Certificate No. 01 dated August 15, 1997 with an area of 544,207 Ha in accordance with Decree of the State Minister for Agrarian Affairs No. 28/HGU/BPN/1997 dated 17 April 1997 valid for 35 years.
- HGU Certificate No. 01 dated November 18, 1996 with an area of 3,134 Ha in accordance with Decree of the State Minister for Agrarian Affairs No. 30/HGU/BPN/1996 dated 31 April 1996 valid for 35 years.
- HGU Certificate No. 01 dated 23 September 1996 with an area of 5,566 Ha in accordance with Decree of the State Minister for Agrarian Affairs No. 08/HGU/BPN/1996 dated 14 February 1996 valid for 35 years.
- HGB Certificate No. 01/2002 dated 21 September 2002 with an area of 29,3 Ha in accordance with Decree of the National Land Agency No. 27/HGB/BPN/2002 dated 1 August 2002, valid thru 14 September 2032.

Land Legality of Sungai Panci Plasma (KUD Gajah Mada)

The total area of Sungai Panci Plasma (KUD Gajah Mada) managed by PT SKIP is **3,259.29 Ha** consisting of **1,922 farmers** and 2,109 plots spread across 5 villages namely Telagasari Village, Mandala Village, Sukamaju Village, Pulau Panci Village, Plajau Baru Village. The legality of plasma managed by PT SKIP is explained as follows:

1. Letter from the Regent of Kotabaru No. 590/2317/A/Tapem dated December 19, 1994, regarding the Appointment of PT SKIP as a Working Partner
2. Letter from the Governor of the First Level Region of Kalimantan Selatan No. 590/01416/PEM dated May 17, 1995, regarding the Approval of Appointment of PT SKIP as the adoptive father who cleared land/farm owned by oil palm farmers with the Local Village Unit Cooperative.
3. Decree of the Regent of Kotabaru No. 06 of 2001 dated May 31, 2001, concerning the Determination of Locations for the Implementation of Land Consolidation in Kotabaru District. The village that became the location consisted of 5 villages, including Telagasari, Mandala, Sukamaju, Plajau Baru and Pulau Panci. The decree was then strengthened with a permit from BPN related to land approval/affirmation for agricultural land consolidation which would then be issued a SHM for each farmer. The letter of approval/affirmation of land consolidation is explained as follows:
 - Decision of the Head of BPN No. 46-XI-2002 dated July 4, 2002, concerning the Affirmation of State Land as the object of consolidation of agricultural land located in Mandala Village, South Kelumpang Sub-district, Kotabaru District for an area of ± 1,100 Ha.
 - Decision of the Head of BPN No. 32-XI-2002 dated May 31, 2002 concerning the Affirmation of State Land as the object of consolidation of agricultural land located in Plajau Baru Village, South Kelumpang Sub-district, Kotabaru District for an area of ±625 Ha.
 - Decision of the Head of BPN No. 38-XI-2002 dated July 3, 2002 concerning the Affirmation of State Land as the object of consolidation of agricultural land located in Pulau Panci Village, South Kelumpang Sub-district, Kotabaru District for an area of ±460 Ha.
 - Decision of the Head of BPN No. 36-XI-2002 dated July 3, 2002 concerning the Affirmation of State Land as the object of consolidation of agricultural land located in Sukamaju Village, South Kelumpang Sub-district, Kotabaru District for an area of ± 650 Ha.

- Decision of the Head of BPN No. 30-XI-2002 dated May 31, 2002 concerning the Affirmation of State Land as the object of consolidation of agricultural land located in Telagasari Village, South Kelumpang District, Kotabaru District for an area of ±800 Ha.

As for some examples of SHM with a total of 1,922 farmers who already have their own SHM, as follows:

- SHM No. 20 for an area of 17,500 m2 dated December 28, 2002, based on Decree No. 18/420.3/M-1/471-KP-10
- SHM No. 21 for an area of 17,500 m2 dated December 28, 2002, based on Decree No. 18/420.3/M-1/471-KP-10
- SHM No. 56 for an area of 17,500 m2 dated December 28, 2002, based on Decree No. 18/420.3/M-1/471-KP-10
- SHM No. 7 for an area of 20,000 m2 dated October 5, 2005, based on Decree No. 420/33/144/KP-15
- SHM No. 5 for an area of 20,000 m2 dated October 5, 2005, based on Decree No. 420/33/144/KP-13

The details of the area and number of Sungai Panci Plasma farmers are as follows:

Description	Village Location (KUD Gajah Mada)					Total
	Telagasari	Mandala	Sukamaju	Pulau Panci	Plajau Baru	
Number of Plots	471	435	399	270	534	2,109
Number of Farmers	461	415	367	224	455	1,922
Area of SHM (Ha)	788.00	70.75	606.50	456.50	690.98	3,248.18
Village Treasury Land Area (Ha)	1.11	5.00	5.00	-	-	11.11

Note: there are differences in area and number of farmers in the previous report (ASA-1+ASA-2) because the number of plots recorded was 2,109 plots while the number of farmers was 1,922 farmers. Then, there is an area of 562.88 ha which turns out to be an occupation area, roads and village lands that are outside the SHM area owned by plasma farmers so that at the time of the ASA-3 audit this area was not included in the scope of this certification and the total area of Sungai Panci Plasma (KUD Gajah Mada) included in the scope of this certification is 3,259.29 Ha.

4.4.2

Land acquisition has been carried out since 1994/1995. Companies can show evidence of land acquisition documentation that has been carried out in the PT SKIP HGU area, for example:

- Minutes of Land Handover and Compensation, No. 1/BAG/PKS/SKE/10/95 dated 19 October 1995 in the name of Suriansyah Bin Sahari, Sungai Kupang Village for a land area of 2.584 Ha.
- Minutes of handing over of land and granting of compensation, dated 23 February 1995 on behalf of Bustani, Sei Limau/Sangking Baru Village for a land area of 2.0 Ha.

Based on a sample of land compensation documentation, it is known that land acquisition has been carried out according to FPIC. These documents were prepared in the Indonesian language and were also involved and witnessed by community representatives such as the village head and sub-district head. Based on this evidence, it can be concluded that the unit of certification has carried out the obligation to acquire land within the HGU area from the rights and interests of other parties.

The auditor has taken a sample of the total names of previous land owners indicated by the unit of certification, however, all of the samples could not be contacted due to several reasons, such as someone who had died and his whereabouts were no longer known by the village authorities. Then, based on the results of interviews with representatives of the village community around the company, namely Pulau Panci Village and Sangking Baru Village, it is known that previously the compensation process was carried out directly to the land owner and until now there have been no problems related to the land compensation process. It was also informed that there are no customary rights in or near the PT SKIP concession area.

4.4.3

The company can show a map showing legal rights in the form of a HGU boundary map with a scale of 1:50,000; 1:40,000 and 1:10,000 contained in the HGU certificate issued by the Land Office that developed through participatory mapping. Based on public consultation with village representatives from Pulau Panci Village and Sangking Baru Village, it is recognized that they know the legal boundaries owned by PT SKIP.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Sungai Panci Estate (Stakes No. 50, 53, 54 and 57) and Sungai Kupang Estate (Stakes No. 01, 28, 63, 65 and 66), it is concluded that all HGU stakes are in place according to their coordinates and are in good condition. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU. Also, based on field observations to several samples of boundary stakes at Sungai Panci Plasma (Stakes No. PP5, PP6, PP7, SKM9 and SKM8), it is clear that the boundary stakes are in good condition and the management boundaries for the SPNA area (KUD Gajah Mada) are in accordance with the coordinates showed.

4.4.4;

As explained in 4.4.2, it is known that the negotiation process for land release has been carried out in a fair, open, and transparent manner and is based on the agreement of both parties without any coercion from either party. The community represents itself in the process. All relevant information regarding land acquisition is available in appropriate forms and languages.

4.4.5;

As explained in 4.4.2, it is known that the negotiation process for land release has been carried out in a fair, open, and transparent manner and is based on the agreement of both parties without any coercion from either party. The community represents itself in the process.

4.4.6

Based on the results of interviews with stakeholders (Pulau Panci Village and Sangking Baru Village), it was informed that the company has had a positive impact to the affected village community such as employee recruitment, economic movement, and CSR assistance. The company regularly holds meetings with community representatives (usually known as *Musrenbang*) and absorbs community aspirations which are applied in company policies such as CSR, plasma plantation or other assistance. Communication with the community is no problem, every request for information is always responded to by the company.

Status : Comply

4.5

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

4.5.1; 4.5.2; 4.5.3, 4.5.4; 4.5.5, 4.5.6; 4.5.7; 4.5.8

There is no new planting activity during this audit. Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants' list and photographs.

Status : Comply

4.6

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

4.6.1

The company has procedure of Land Compensation, document No. SOP/SMART/SENS-CSR/SADV/002 dated 1 July 2014 related to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Pulau Panci Village and Sangking Baru Village known that they know about the procedure through the socialization given and they agree with the procedure.

4.6.2

The company has procedure of Land Compensation, document No. SOP/SMART/SENS-CSR/SADV/002 dated 1 July 2014. The procedure is described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right. Based on public consultation with village representatives from Pulau Panci Village and Sangking Baru Village known that they know about the procedure through the socialization given and they agree with the procedure and compensation process was done directed to the land owner and landowners are given the freedom to release their land without

coercion.

4.6.3

PT SKIP already has cooperation in the development of plasma plantations namely KUD Gajah Mada. Based on the data from the farmers in the Cooperative, it is known that there are farmers with gender and women. This indicates that there are equal opportunities for men and women to have land rights in the plasma.

4.6.4

Land acquisition has been carried out since 1994/1995. Companies can show evidence of land acquisition documentation that has been carried out in the PT SKIP HGU area, for example:

- Minutes of Land Handover and Compensation, No. 1/BAG/PKS/SKE/10/95 dated 19 October 1995 in the name of Suriansyah Bin Sahari, Sungai Kupang Village for a land area of 2.584 Ha.
- Minutes of handing over of land and granting of compensation, dated 23 February 1995 on behalf of Bustani, Sei Limau/Sangking Baru Village for a land area of 2.0 Ha.

Based on a sample of land compensation documentation, it is known that land acquisition has been carried out according to FPIC. These documents were prepared in the Indonesian language and were also involved and witnessed by community representatives such as the village head and sub-district head. Based on this evidence, it can be concluded that the unit of certification has carried out the obligation to acquire land within the HGU area from the rights and interests of other parties.

The auditor has taken a sample of the total names of previous land owners indicated by the unit of certification, however, all of the samples could not be contacted due to several reasons, such as someone who had died and his whereabouts were no longer known by the village authorities. Then, based on the results of interviews with representatives of the village community around the company, namely Pulau Panci Village and Sangking Baru Village, it is known that previously the compensation process was carried out directly to the land owner and until now there have been no problems related to the land compensation process. It was also informed that there are no customary rights in or near the PT SKIP concession area.

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

The company has a procedure in place to identify people and/or community groups entitled to compensation presented in document No. SOP/SMART/SENS-CSR/SADV//002 dated 1 July 2014. The procedure is described how to identify people and/or community groups entitled to compensation. Based on public consultation with village representatives from Pulau Panci Village and Sangking Baru Village known that they know about the procedure through the socialization given and they agree with the procedure and compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

4.7.2

The company has procedure of Land Compensation, document No. SOP/SMART/SENS-CSR/SADV//002 dated 1 July 2014. The procedure is described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right. Based on public consultation with village representatives from Pulau Panci Village and Sangking Baru Village known that they know about the procedure through the socialization given and they agree with the procedure, and they can access the procedure through management representative of the company if they need it.

4.7.3

The company can show recapitulation of previous landowners who have been compensated. Compensation is only made for the area within HGU areas owned by the company. Based on interview with management of PT SKIP and related government agencies of Kotabaru District, it known that the certificate holder has no expansion area for new planting area.

Based on public consultation with village representatives from Pulau Panci Village and Sangking Baru Village, the communities that have lost access and rights to land also provided opportunities to benefit from plantation development such as benefit in

the form of CSR program and plasma plantation.

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; and 4.8.4

Based on public consultation with related government agencies of Kotabaru District and village representatives (Pulau Panci Village and Sangking Baru Village) known that there is no land dispute case for the last 1 years until this assessment conducted in the scope certification area. The presence of occupied land within the plantation area classified as an enclave and there is no negotiated agreement because the land ownership is not releasing the land to the company. Both parties, company and occupiers are acceding to maintain and not disrupt each other. This condition is communicated in Bahasa and appropriate forms. If necessary to giving additional information, the company will contact the representative of the community through head of villages.

4.8.3

No evidence shows that there is any acquisition process through dispossession or forced abandonment. Based on public consultation with related government agencies of Kotabaru District and village representatives from Pulau Panci Village and Sangking Baru Village, known that all land acquisition between local people and company representatives conducted as mutual agreement and the compensation process are done directed to the land owner and not diminish the legal/customary right, landowners are given the freedom to release their land without coercion.

Status : Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

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

5.1.1

The company is known to have collaborated with KUD Gajah Mada and it is proven by the Cooperation agreement documents as follows:

- Collaboration Agreement between KUD Gajah Mada (Plasma) and PT SKIP regarding the Development and Management of Oil Palm Cultivation in the Telagasari Preparation Village Area, Kelumpang Selatan District, Kotabaru District, Kalimantan Selatan Province, with the KKPA Credit pattern (Primary Cooperative for Members), on October 4, 1997 for an area of 2,100 Ha.
- Collaboration Agreement between KUD Gajah Mada (Plasma) and PT SKIP regarding the Development and Management of Oil Palm Cultivation in the Kelumpang Selatan & Kelumpang Hulu District Areas, Kotabaru District, Kalimantan Selatan Province, with the KKPA Credit pattern (Primary Cooperative for Members), on November 4, 1999 for an area of 936 Ha.

Based on the cooperation contract, it is known that information has been conveyed regarding PT SKIP's obligations to manage the KUD Gajah Mada plantation starting from the stages of land clearing, planting, planting maintenance, construction of facilities and infrastructure (roads, canals, etc.), plant maintenance costs, indirect costs, and responsibility for conducting training and outreach to all members of the cooperative.

Based on the results of interviews with management, it can be stated that the company received FFB from local farmers such as Sungai Kupang Plasma (SKPA), Sungai Panci Plasma (SPNA), and self-owned plantations under the auspices of PT Sinar Kencana Inti Perkasa. FFB price determination follows the actual price issued by Kalimantan Selatan Plantation Agency, while for independent suppliers it follows FFB purchasing procedure set by the company.

The company can show the Minutes of Meeting Results of the FFB Purchase Price Determination Team in Kalimantan Selatan Province throughout 2022. Pricing is based on the price of CPO and kernels and is also adjusted to the age of the plant.

Based on the information above, it is known that the company already has a pricing mechanism that is known and accessible

to the public and has been approved by the company and FFB suppliers.

5.1.2

Based on the results of interviews with management, it can be stated that the company received FFB from local farmers such as Sungai Kupang Plasma (SKPA), Sungai Panci Plasma (SPNA), and self-owned plantations under the auspices of PT Sinar Kencana Inti Perkasa. FFB price determination follows the actual price issued by Kalimantan Selatan Plantation Agency, while for independent suppliers it follows FFB purchasing procedure set by the company.

Based on the results of the meeting to fix the price of FFB for November 2022 Periode Number 525/2618/P3-3/XI/2022, In Banjarbaru on 15 November 2022, it is known that pricing based on the price of CPO and kernels and is also adjusted to the age of the plant.

This pricing determination was informed routinely everytime there was new pricing determination by local government to Supplier and local farmers, that was informed through direct communication by Whatsapp, or through socialization to farmers, such as on 3 December 2022.

5.1.3

Based on the results of interviews with management, it can be stated that the company received FFB from local farmers such as Sungai Kupang Plasma (SKPA), Sungai Panci Plasma (SPNA), and self-owned plantations under the auspices of PT Sinar Kencana Inti Perkasa. FFB price determination follows the actual price issued by Kalimantan Selatan Plantation Agency, while for independent suppliers it follows FFB purchasing procedure set by the company.

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This pricing determination was informed routinely everytime there was new pricing determination by local government to Supplier and local farmers, that was informed through direct communication by Whatsapp, or through socialization to farmers, such as on 3 December 2022.

Based on interview results, with KUD Gajah Mada, it is known that company always updated the pricing to KUD Gajah Mada everytime there was changing or new determination by government for the pricing. It is known, that Company always do the payment directly to all farmers that's member of KUD Gajah Mada based on their percentage every month and was accordance to pricing determination.

For example, for Pricing determination for November 2022 period, company do the payment based on the pricing for each kg of FFB in the same periode. Company already shown the Letter of FFB Pricing determination for November 2022, Farmers of KUD Gajah Mada invoicing and payment receipt to each member of KUD Gajah Mada on November 2022.

5.1.4

Based on the results of interviews with management, it can be stated that the company received FFB from local farmers such as Sungai Kupang Plasma (SKPA), Sungai Panci Plasma (SPNA), and self-owned plantations under the auspices of PT Sinar Kencana Inti Perkasa. FFB price determination follows the actual price issued by Kalimantan Selatan Plantation Agency, while for independent suppliers it follows FFB purchasing procedure set by the company.

Beside from KUD Gajah Mada, and Own Plantation, PT SKIP also received FFB from 3rd party FFB Supplier as mentioned in indicators 2.3.1, such as CV Joya Anugerah Jaya (JAJX). Unit Certification can also shown the work agreement between PT SKIP with those 3rd party supplier, as follows Work Agreement Sale and Purchase of FFB between PT SKIP and CV Joaya Jaya Anugerah Jaya Number 006/TBS/PT SKIP/III/2022 on March 13, 2022.

Companies can also show proof of payment to (JAJX) for the fruit purchase period in November 2022, on November 9, 2022 via direct transfer to the JAJX account.

Based on the results of interviews with JAJX and CV Karya Sari (CKSX) it is known that the company's relationship with the FFB suppliers is quite good, communication is running quite smoothly. 3rd party suppliers understand the criteria for receiving fruit, and the system for returning fruit that does not pass the criteria. Payments made during the working contract period are made once a month, without experiencing any problems for the last 1 year period in 2022.

5.1.5

Company can show evidence that parties from the organization's representatives in smallholders which have been involved in the decision-making process and understand the contents of the contract. This is stated in the Work Agreement document which is signed by all representatives of the cooperative management and farmer groups. Work Agreement contains the sale and purchase agreement for FFB to independent smallholders, as well as partnership agreements with plasma farmers including financing, loans/credits, and repayments through cutting FFB prices for replanting programs and/or support mechanisms, etc.

Beside from KUD Gajah Mada, and Own Plantation, PT SKIP also received FFB from 3rd party FFB Supplier as mentioned in indicators 2.3.1, such as CV Joya Anugerah Jaya (JAJX). Unit Certification can also shown the work agreement between PT SKIP with those 3rd party supplier, as follows Work Agreement Sale and Purchase of FFB between PT SKIP and CV Joaya Jaya Anugerah Jaya Number 006/TBS/PT SKIP/III/2022 on March 13, 2022.

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The company is known to have collaborated with KUD Gajah Mada and it is proven by the Cooperation agreement documents as follows:

- Collaboration Agreement between KUD Gajah Mada (Plasma) and PT SKIP regarding the Development and Management of Oil Palm Cultivation in the Telagasari Preparation Village Area, Kelumpang Selatan District, Kotabaru District, Kalimantan Selatan Province, with the KKPA Credit pattern (Primary Cooperative for Members), on October 4, 1997 for an area of 2,100 Ha.
- Collaboration Agreement between KUD Gajah Mada (Plasma) and PT SKIP regarding the Development and Management of Oil Palm Cultivation in the Kelumpang Selatan & Kelumpang Hulu District Areas, Kotabaru District, Kalimantan Selatan Province, with the KKPA Credit pattern (Primary Cooperative for Members), on November 4, 1999 for an area of 936 Ha.

Based on the cooperation contract, it is known that information has been conveyed regarding PT SKIP's obligations to manage the KUD Gajah Mada plantation starting from the stages of land clearing, planting, planting maintenance, construction of facilities and infrastructure (roads, canals, etc.), plant maintenance costs, indirect costs, and responsibility for conducting training and outreach to all members of the cooperative.

Based on the results of interviews with management, it can be stated that the company received FFB from local farmers such as Sungai Kupang Plasma (SKPA), Sungai Panci Plasma (SPNA), and self-owned plantations under the auspices of PT Sinar Kencana Inti Perkasa. FFB price determination follows the actual price issued by Kalimantan Selatan Plantation Agency, while for independent suppliers it follows FFB purchasing procedure set by the company.

Based on interview results, with KUD Gajah Mada, it is known that company always updated the pricing to KUD Gajah Mada everytime there was changing or new determination by government for the pricing. It is known, that Company always do the payment directly to all farmers that's member of KUD Gajah Mada based on their percentage every month and was accordance to pricing determination.

For example, for Pricing determination for November 2022 period, company do the payment based on the pricing for each kg of FFB in the same periode. Company already shown the Letter of FFB Pricing determination for November 2022, Farmers of KUD Gajah Mada invoicing and payment receipt to each member of KUD Gajah Mada on 9 November 2022.

Based on the explanation above, it can be seen that the company already has an employment contract that is made fairly, in accordance with applicable law, and is transparent, and has an agreed term.

5.1.6

Company can show proof of payment for the purchase of FFB to the supplier's KUD, where the payment has been mutually agreed upon based on the results of the meeting to determine the price of FFB by Plantation and Livestock Agency of Kalimantan Selatan Province. For example, the proof of payment for the purchase of FFB can be specified as follows:

- Proof of FFB payment to Gapoktani which was paid on 8 February 2022 with Payment Detail No. 43000302018
- Proof of FFB payment to CV Joya Anugrah Jaya which was paid on 8 February 2022 with Payment Detail No. 430003019311
- Payment receipt to each member of KUD Gajah Mada on 9 November 2022.
- Payment receipt to JAJX on 9 November 2022.

Based on the results of document review and interviews with management and with CV Karya Sari and CV Joya Anugrah Jaya, it is known that there was never late payment happen for a whole 2022 periode. All the payment was done, fairly based on determined pricing that was agreed by every parties and already been recapitulated and the calculation was being shared through the invoicing. All the invoice that was sent to FFB Supplier was being evaluated and agreed by related Supplier. And once, the invoice being approved by the supplier, company sent the payment through bank transfer to supplier accordance to the invoice document. Based from interview results, it is known that all payment always being transferred on the respected time agreed by all parties.

Based on explanation above, it can be concluded that the company has made the agreed payment to be made on time and given a receipt explaining the price, weight of FFB, deductions, and the amount paid.

5.1.7

Based on the results of the visit to the Sungai Kupang Mill, it is known that there are two Weighbridges. The unit of certification can show calibration records for the two Weighbridges which were carried out by the Legal Metrology UPTD, the Department of Trade and Industry of the Kotabaru District. The following are the results of the weighing test:

- Avery Weigh Tronix Weighbridge with serial number 182950600/40,000 Kg with a calibration date of 28 June 2022 and valid until 28 June 2023.
- Avery Weigh Tronix Weighbridge with serial number 203650121/40,000 Kg with a calibration date of 20 October 2022 and valid until 20 October 2023.

The results of observations and interviews with weighbridge operators obtained information that the certification unit has routinely performed the calibration of weighing equipment by third parties.

5.1.8

Based on result on document review and interview with management, smallholders are fully managed by the company so that plantation management is in accordance with the standards of the parent company.

Based on the results of the interviews with KUD Gajah Mada and CV Karya Sari also CV Joya anugrah Jaya, it is known that the arrangement of the contract has been made, the provisions for determining the price, the criteria for receiving the fruit, and the payment mechanism have been informed in the contract. So far, it is known that PT SKIP has never made payments outside of the agreement.

As informed in work agreement between PT SKIP and 3rd parties FFB Supplier, the price determination of FFB was determined based on the agreement between involved parties and were known as above the Local Regencies FFB Price determination.

5.1.9

Company has SOP of Handling Complaints and Dissatisfaction No. SOP/SMART/SIGS-CSR/SADV//003 revision 3 on 8 March 2022. This procedure explains things as follows:

- The process of delivering and handling complaints and grievances internally and externally. In company guarantees the anonymity of the reporting and the revealer of the case (whistleblower). Head of Administration is responsible for hearing and record all complaints and grievances that exist both orally and in writing from the external.
- Responses to the complaint and dissatisfaction is given as soon as possible and not later than one month after the issue received.
- Submitting to the SPO and filling out the Complaint Form, can be by telephone, orally, and can be received from anyone who can send complaints and conflicts to grievance@sinarmas-agri.com.
- Then recorded in F/SMART/SUST/IV/003/001 concerning Recording of Complaints and Conflicts,
- EM/MM categorized complaints into low and high.
- Then it is recorded in F/SMART/SUST/IV/003/002 regarding the conflict complaint handling plan
- Maximum handling is carried out within 14 days
- The progress of the handling is recorded in F/SMART/SUST/IV/003/003 regarding Complaint and Conflict Handling Reports >> the agreement is reported in minutes of handover
- The results of the recapitulation of complaints and their resolution are conveyed in F/SMART/SUST/IV/003/003 regarding the recapitulation of handling and complaints of conflicts.

Based on the complaint handling logbook document in 2021-2022, it is known that there are no complaints regarding the FFB price fixing. In addition, based on an interview with the KUD, it was found that the payment of the FFB price was in accordance with the price set by Plantation and Livestock Agency of Kalimantan Selatan Province

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

5.2.1
Based on result on document review and interview with management, smallholders are fully managed by the company so that plantation management is in accordance with the standards of the parent company.

The certification unit has conducted consultations with the farmers who are the FFB suppliers to the Sungai Kupang Mill as shown by the evidence of the RSPO Socialization and Company Policy minutes on 3 December 2022 which was attended by 23 participants. The activities include, among others:

- Understanding of RSPO, ISPO, ISCC and GSEP
- Environmental Management Aspect
- Aspects of Social and Community Role
- Aspects of the work environment and industrial relations

In this socialization activity, the certification unit also promoted the RSPO that in the future external FFB suppliers must also participate in RSPO certification. Based on the results of the socialization conducted to FFB suppliers, conclusions were drawn, including:

- FFB suppliers in the form of companies have not been able to participate in RSPO certification due to company policies that have not been able to undertake to participate in RSPO certification, but currently these companies have followed ISPO certification to fulfill obligations from National regulations.
- FFB suppliers in the form of independent smallholders have not been able to participate in RSPO certification activities due to financial constraints which are quite expensive for them, but so far the implementation of their management has followed what has been socialized by companies that violate the RSPO standard.

5.2.2
Based on result on document review and interview with management, smallholders are fully managed by the company so that plantation management is in accordance with the standards of the parent company.

Certificate holder was not developed and implemented livelihood improvement programmes including the RSPO Standard for

Independent Smallholder. This because there was no Independent Smallholder in PT SKIP. Which in this case, made this indicator was not applicable for the assessment. The company already has 3rd party Independent FFB suppliers, namely CKCX, REVX, KUGX, JAJX, and has informed them regarding the price of FFB through a Cooperation Contract.

5.2.3

Based on result on document review and interview with management, smallholders are fully managed by the company so that plantation management is in accordance with the standards of the parent company.

Certificate holder was not developed and implemented livelihood improvement programmes including the RSPO Standard for Independent Smallholder. This because there was no Independent Smallholder in PT SKIP. Which in this case, made this indicator was not applicable for the assessment. The company already has 3rd party Independent FFB suppliers, namely CKCX, REVX, KUGX, JAJX, and has informed them regarding the price of FFB through a Work Agreement Contract.

5.2.4

Based on result on document review and interview with management, smallholders are fully managed by the company so that plantation management is in accordance with the standards of the parent company.

Based on result on document review and interview with management, smallholders are fully managed by the company so that plantation management is in accordance with the standards of the parent company.

The unit of certification has provided training on safe working methods in the handling or application of pesticides, for example as follows:

- Best Management Practices (BMP) training which includes the handling/application of pesticides, fertilization, sanitation, and PHT on 20 January 2022 at SKPE with 49 participants.
- Best Management Practices (BMP) training which includes the handling/application of pesticides, fertilization, sanitation, and PHT on 7 June 2022 at SPNE with 47 participants

Based on an interview with management representative in KUD Gajah Mada sighted they are understood procedures of pesticide application, as socialized and trained by the company.

5.2.5

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Based on an interview with management representative in KUD Gajah Mada sighted they are understood procedures of pesticide application, as socialized and trained by the company.

Based on the results of interviews with pesticide applicators (SKPE, SPNE, and SPNA), it is known that workers have received routine training every year by the certification unit and during field visits the workers have applied good and correct use of pesticides according to the procedures owned.

Status : Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

The company has a non-discrimination and equal opportunity policy in place as indicated in the GAR Social and Environmental Policy (GSEP) document which was passed on September 8, 2015. It states that the company provides equal opportunities for all workers and embraces diversity without regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or trade union membership and ensure that workers are protected from acts of discrimination at all stages of the employment relationship.

6.1.2

Based on the results of interviews with representatives of the Kotabaru District Manpower and Transmigration Office as well as unions and workers at both the Estate and Mill, it was stated that so far there have been no incidents of discrimination in the company's work environment. In addition, based on a review of the labor list documents as of December 2022, it is known that workers come from various genders, ethnicities and religions, so it can be concluded that there is no discriminatory treatment in the company's operational activities.

6.1.3

Based on the results of interviews with management, information was obtained that the recruitment process for all employees was carried out through the same process where prospective employees must meet the requirements in the form of: administrative selection (application letter, graduation letter, photocopy of personal and family identity), psychological test (for certain positions), interview and health check results. To increase the career path, responsibility, authority and scope of an employee, the company provides promotions based on skills, abilities, leadership, honesty, discipline, loyalty, attendance, etc.

Based on the results of a study of labor recruitment documents, for example the acceptance of the Security initial "KSB" at Sungai Kupang Mill in 2022, information was obtained that during recruitment process, the company had set the standard of competence that required based on the offered position. Selection had included evaluation of skills, performance and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of the worker as well.

6.1.4

Based on field observation, interviews with the management and workers, it is known that there were no discriminatory in pregnancy testing given by the company. The pregnancy test conducted only to ensure that no pregnant workers in any agrochemical works such as pesticide application and fertilizing activities proven by there was no requirement regarding pregnancy test in recruitment SOP, job hiring announcement, and medical test during recruitment.

Based on the interview with women workers on spraying activity in SPNA, there was no pregnancy test during recruitment process. The pregnancy test only carried out for female workers to make sure that they not do any agrochemical works when pregnant.

6.1.5

Gender committees had been formed and still active until today in all unit Estate and Mill which are chaired by the coordinator along with the head of gender committee. The structure of the gender committee consists of male and female workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (especially women).

Based on the interviews with several workers, they also knew of the existence of the gender committee because it had been routinely socialized by its management. The results of this socialization can be seen with the absence of sexual harassment in company operational activities and the workers given equal opportunities for all genders (male or female).

6.1.6

Based on the interviews with workers (harvesters, maintenance workers, and mill operators), the workers already know that there was a wage scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. Based on the document review of worker's pay slip in both gender and the interviews with the workers in the same grade and same job, it's known that the monthly wages received are in accordance with the grade owned by each worker. For example, salary slips for SKPE spraying workers for December 2022 with NIK 01756 and NIK 19046

are known to get the same basic salary, so it can be concluded that the company already has evidence related to the application of equal pay for the same work coverage.

Status : Comply

6.2

Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1

The company indicates the minimum wage provisions, as follows:

- Governor of Kalimantan Selatan Decree No. 188.44/0757/KUM/2021 dated 30 November 2022 concerning District/City Minimum Wages for 2022 in the Province of Kalimantan Selatan. The document explains that the 2022 Kotabaru District Minimum Wage is Rp. 3,048,796.89 and will take effect from January 1, 2022.
- Decree of PT Sinar Kencana Inti Perkasa regarding the Permanent Daily Worker (PT) Wages of PT Sinar Kencana Inti Perkasa in Kotabaru District, Kalimantan Selatan Province in 2022 with No. 004/CEO of PSM 3/01/2022 dated January 1, 2022. The document explains that the wages of permanent daily workers (PT) whose working period is less than 1 (one) year is Rp. 3,003,797, - and workers' rice allowance of 15 kg or Rp. 75.000,-. So that the lowest total wage that can be Rp. 3,078,797, - while the highest wages are obtained by workers with class PT 1 A8.

Based on the results of interviews with workers at both the Mill and Estate as well as a study of the Salary Slip documents, for example SPNE workers (Initial "K" NIK 07658) in December 2022 and January 2023 it is known that the payment of workers' wages for that month is in accordance with the minimum wage set by the government . Apart from the provision of the minimum wage, the company also provides other wages in the form of allowances, premiums and other deductions.

6.2.2

The company already has a Collective Labor Agreement (PKB) for 2018-2020 between PT. SKIP with SPSI. The CLA was registered with the Kotabaru District Manpower and Transmigration Office on October 16 2018. The CLA regulates the rights and obligations of employees, for example, employees' rights in association, hiring workers, wages, working hours, overtime calculation, social security, and rights and obligations other employees.

In the CLA document for the 2018-2020 period, article XXIV concerning the entry into force and expiration of the collective work agreement, it is explained that "if a new CLA has not been established on the expiration date of this CLA, then this CLA is entirely valid until the new CLAB comes into force". The results of interviews with management and representatives of Labor Unions (All Units), stated that currently the latest CLA draft is still in the discussion stage to agree on points that will be included in the latest CLA so that the parties agree to extend the validity period of the 2018 PKB period - 2020 which can be proven by a Collective Agreement document regarding the implementation of the CLA until the formation of a new CLA which was signed by management representatives and representatives of all Labor Unions on December 24, 2022. In addition, the company can show recordings of meetings between the company and the Labor Union regarding the process of discussing the most recent CLA carried out on January 28, 2023. In accordance with the CLA negotiation schedule, it is planned that the signing of the CLA will be held in June 2023.

6.2.3

Companies can show proof of legal compliance with regular working hours, deductions, overtime, sick leave, vacation entitlements, maternity leave, reasons for termination, notice period before termination, and other employment conditions. For example:

- Leave application form for SPNA workers with NIK 210066 who apply for leave on 21 January 2023 for 5 working days (30 January – 3 February 2023). The request for leave was approved by the company on January 24, 2023 by the direct supervisor (assistant), personnel, Head of Administration and Manager.
- Based on the results of a review of the St. Boiler (NIK 00140 and NIK 10011) for December 2022 it is known that the calculation and payment of overtime wages for these workers are in accordance with the provisions stated in the CLA and there are no underpayments or miscalculations and an Overtime Warrant can be shown.
- Leave Application Form for Non-Staff Plant Administration workers with the initials "AK" dated October 10, 2022 regarding 90 Days Maternity Leave.

6.2.4

The company provides several facilities and infrastructure for employee welfare, such as:

- Housing area
- Houses of worship such as mosques and churches.
- PT Sinar Kencana Inti Perkasa Medical Center
- school bus
- Sports field (Volly, Tennis, Football, Badminton and others)
- Garbage dump.
- Clean water
- Daycare
- electricity and so on

The company has monitored the condition of the facilities and employee welfare facilities and infrastructure every month and recorded it in the public facility monitoring form which contains information including: type of facility and location, number, month of monitoring and description. Based on the results of monitoring public facilities, for example at SKPE for the period January - December 2022, it is known that all existing facilities are in good condition. Based on the results of field observations, for example at housing locations, sports facilities, prayer facilities (mosques), TPA, and educational facilities at SKPE and SPNE it is known that all of these facilities are in good condition and can be used by all workers and their families. This is in line with the results of interviews with representatives of trade unions and workers (plantations and factories) which stated that the welfare facilities provided by the company in the form of housing, sports facilities, prayer facilities (mosques), daycare, educational facilities and others, can be used by all workers. along with his family.

6.2.5

Based on the results of interviews with workers, it is known that there are cooperatives that provide basic needs at SKPM at reasonable prices, besides that access to the market is quite easy by using a vehicle and there are sellers of basic needs around the housing area.

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. 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 that has been calculated based on actual and rational price at certification unit location. 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). As follow:

Worker Class	IDR
Temporary Worker	4,024,843
Permanent Worker 4A	3,992,885
Permanent Worker 4B	4,025,926
Permanent Worker 3	4,025,926
Permanent Worker 2	4,047,593
Permanent Worker 1	4,099,593

6.2.7

The results of interviews with the unions revealed that there are still workers with contract status in the company. This is in line with the review of the staff list document for December 2022 where there is still use of contract workers both in the Own Estate and Scheme Smallholder areas. Meanwhile, workers with contract status are not employed in permanent jobs (Harvesting and Mill Processing) and only for field workers (plant maintenance) in the Own Estate, but there are still Harvest workers with contract status in the Smallholder Scheme (SPNA).

Regarding the use of harvest workers with contract status at SPNA due to considering plans for replanting at SPNA in 2023 and

2024, besides that the company can show several documents including:

- Minutes of Meeting on March 10, 2022 which was attended by company representatives and KUD Gajah Mada regarding Farmer Profit Sharing Meetings and Employee Appointment Plans.
- Minutes of the meeting on March 15, 2022 which was attended by company representatives and KUD Gajah Mada regarding the Plan to Appoint Daily Employees as Permanent Employees.
- Minutes of meeting on March 17 2022 which was attended by company representatives and KUD Gajah Mada regarding the Plan to Appoint Supervisors and Harvesters as Permanent Employees.
- Letter from Acting Estate Manager SPNA No. 079/SPNA-KUD-GM/EXT/III/2022 dated March 21, 2022 to the Chairman of KUD Gajah Mada regarding Applications for Appointment of Permanent Employees for Foremen and Harvesters. The appointment timeline is planned for 2023 – 2030 for all 218 workers. In addition, in connection with the replanting plan at SPNE for 2023 – 2024, the appointment of contract employees will take precedence over foreman workers in 2023 and then continue for harvest workers in stages starting in 2026 – 2029.

Status:	
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6.3
The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.3.1
 The company has a policy regarding freedom of association no. KHI-smart/018-00 dated 1 August 2017 signed by the HR Managing Director. The unit of certification also shows Circular Letter from the Vice President of Agronomy No. 020/HR PSM6/01/11 dated 03 January 2011 concerning Freedom of Association. The letter states that the company provides freedom for employees to associate and assemble which is written in Indonesian.

The company then shows the CLA document for the 2018 – 2020 period in article II regarding Organizational Recognition which, among other things, explains that Employers recognize trade unions as workers' organizations that have the right and act on behalf of their members in the implementation of this CLA. Employees recognize the Sinar Mas Group as a business entity acting on behalf of its members in general employment issues.

Based on the results of interviews with workers at both Mill and Estate, it was stated that the company already has a Labor Union (SPSI) as a means of communication and submission if there are complaints where workers are given freedom and there is no intervention in union activities.

6.3.2
 Companies can show recordings of Trade Union meetings, for example:

- Minutes of the meeting on 10 December 2022 in the SKPM Meeting Room regarding the Submission of Company Policy which was attended by 6 participants who were representatives of the Labor Union and the Company.
- Minutes of the CLAB Discussion Meeting on January 28, 2023 at the Kalimantan Selatan Regional Office 2 which was attended by representatives from the Labor Union and Companies.

6.3.3
 The company has a labor union, namely SPSI as a forum for workers to express their aspirations to the company in each of their respective units. Companies can show documents forming a Labor Union, for example:

SKPE

- Proof of registration of trade unions at the Kotabaru District Manpower and Transmigration Office with Proof of Registration Number 560.568/25/Naker dated October 16, 2022.
- Letter No. 568/134/HI-DKT/2019 from the Kotabaru District Manpower and Transmigration Office regarding changes to the management of SPSI PT SKIP Sungai Kupang Estate for the 2019-2024 period consisting of chairman, vice chairman, secretary, treasurer, public relations section 1 - 3.

SKPM
 Letter from the Kotabaru District Manpower Office regarding Changes in the Management of the PT SKIP Sungai Kupang Mill Workers Union No. 568/174/Naker-2/2020 dated 2 July 2020. The registration of the Labor Union No. 007/HIPK/LKS-

BP/VI/2010.

SPNE/SPNA

Letter from the Kotabaru District Manpower Office regarding the Registration of Labor Unions Number 568/124/SP/Naker-2/2018 and Decree Number KEP-05/ORG/DPC F-SPP/KTB/03/2019 dated 29 March 2019 regarding ratification of the Management SPNE/SPNA Work Units for the 2019 – 2024 period.

Based on the results of interviews with workers at both Mill and Estate, it was stated that the company already has a Labor Union (SPSI) as a means of communication and submission if there are complaints where workers are given freedom and there is no intervention in union activities.

Status : Comply

6.4

Children are not employed or exploited.

6.4.1; 6.4.2; 6.4.3

PT Sinar Kencana Inti Perkasa has a GAR Social and Environmental Policy to implement policies related to hiring workers in accordance with applicable regulations and has been signed by the Head of Upstream, CEO-Downstream & Commercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement, in 2015. In point 3 Work Environment and Industrial Relations states that companies prohibit the employment of children and take action to prevent the use of child labor in our activities, besides that there is also a statement of zero tolerance against immoral treatment and harassment. Take corrective action if child labor is found and ensure proper follow-up and provide safety protection assistance. In addition, the company has issued a Circular Letter from the Human Resources Director No. 002/SE-HRDV/03/09 dated 31 March 2009 concerning Minimum Age Limits stated that companies set a minimum age limit of 18 years based on Law no. 13 of 2003 and there has been a warning regarding the prohibition of using child labor and areas that are dangerous for children to be placed where they can be seen clearly.

Based on the verification of the Worker's List document in December 2022, there were no workers who were under 18 years of age at the time of initial recruitment. In addition, there are also no students who are carrying out work practices in company operations. The results of interviews with the Kotabaru District Manpower and Transmigration Office and representatives of the workers' union at Estate and Mill found that there were no workers under the age of 18 and for the past year there had been no incidents of sexual harassment in the company's work environment.

6.4.4

The company showed the fact of integrity for contractors such as integrity fact of PT Sarana Lintas Bersama with contract number 004/SP/SKIP/SKPM/11/2022 valid thru 20 November 2024 stating that: Respect human rights and do not discriminate, do not do forced labor, do not employ underage workers and workers who come from trafficking in persons (article 4).

In addition, based on the results of interviews with FFB contractors and suppliers, it was conveyed that the parties were aware of the prohibition on work practices involving child labor, forced labor, and workers from human trafficking.

Status : Comply

6.5

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

6.5.1

The company has a policy to prohibit all forms of sexual harassment and all other forms of harassment which are indicated in the GAR Social and Environmental Policy (GSEP) document. The policy was approved on September 8, 2015, by the Head of Upstream, CEO of Down Stream & Commercial, Executive Director & CFO, and MD of Sustainability & SSE. It is stated that the company does not tolerate acts of sexual harassment and any other forms of harassment and violence.

During the field visit, warnings regarding the prohibition of acts of sexual harassment and violence can be seen, especially in the employee housing area. In addition, based on the results of interviews with workers, it was stated that so far there had never been a case related to incidents of sexual harassment and violence as well as other forms of violence and harassment.

6.5.2

The company have a policy to protect reproductive rights and prevent all forms of sexual harassment and violence. The policy explains that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The committee gender has socialized to the employees and the representatives of the committee gender are available in each division.

Based on the results of interviews with workers, it was stated that the company had provided protection for women's reproductive rights including the provision of menstruation leave, maternity leave and provided other alternative jobs for workers who handle chemicals if they were pregnant or breastfeeding.

6.5.3

The certification unit has identified the needs of young mothers through gender committee (*Komite Perempuan*) meeting. Seen in the document of Schedule of Young Mother Needs Year 2023 that prepared by Gender Committee (signed by Gender Committee Chairperson), consist of immunization, *posyandu* and giving break time for breastfeeding.

One of the methods for assessing the needs of young mothers is through direct interviews with workers, one of which is carried out during *posyandu* activities and when the worker concerned is carrying out content control, this is in line with the results of interviews with female workers.

Based on interview with gender committee representative and sampled female workers, it is known that the young mother with infant was allowed for 30 minutes to breastfeed or store breastmilk in a daycare.

6.5.4

The certification unit have a Procedure of Complaint and Grievance No. SOP/SMART/SUST/IV/003 dated 8 March 2022. The procedure has a guarantee of anonymity and whistle-blower. Based on interview with Gender Committee (*Komite Perempuan*) representative and sampled female workers explained that they already understood how the certification unit procedures to resolving disputes, grievance and complaints. Anonymity and complainants are protected as requested by them.

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 company also has a Sinarmas Agribusiness and Food Business and Human Rights Policy which was ratified on 12 December 2019 by the Head of Policy and Compliance Division. In point 9 of the policy, it is explained that "Respect and protect the rights of whistleblowers and human rights defenders".

Based on interviews with women workers, gender committees and labor union by phone, 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	
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6.6	No forms of forced or trafficked labour are used.	
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6.6.1

Based on the results of interviews with workers, trade union representatives and representatives of the Kotabaru District Manpower and Transmigration Office, it was stated that so far there have been no complaints or issues related to the implementation of forced labor by the company.

6.6.2

Based on the results of the interviews and review of the labor list documents, information was obtained that there were no foreign workers working at PT SKIP. The status of workers working at PT SKIP include permanent workers and contract workers, all of whom have been equipped with work agreements that regulate work mechanisms starting from the jobdesk, workers' rights and obligations to the wage system.

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

The unit of certification has established a person in charge of Occupational Safety and Health (OSH) which has been approved by the Manpower Office, which among other things is explained as follows:

- Sungai Kupang Mill has an OHS organization based on the Decree of the Head of the Kalimantan Selatan Province Manpower and Transmigration Office Number: 566/315/Was-NKT/2018 concerning Ratification of the Occupational Safety and Health Advisory Committee at PT. Sinar Kencana Inti Perkasa – Sungai Kupang Mill. Stipulated on July 3 2018. OHS Committee Secretary on behalf of Luni Masdia Junaidi who is an OHS Expert. Companies can show an OHS Expert appointment letter based on the Decree of the Minister of Manpower of the Republic of Indonesia No. 5/326/AS.01.03/II/2022 issued on 7 February 2022. The decree is valid for 3 years.
- SPNE has an OHS organization based on the Decree of the Head of the Manpower and Transmigration Office of Kalimantan Selatan Province Number: 566/139/Was-NKT/2021 concerning Ratification of the Occupational Safety and Health Advisory Committee at PT. Sinar Kencana Inti Perkasa – Sungai Panci Estate. Stipulated on June 30, 2021. Furthermore, the company submitted a change to the P2K3 structure through Letter No. 10/P2K3-SPNE/10/2022 dated October 15, 2022 and was received by the Regional Labor Inspection Agency Region IV on October 26, 2022. OHS Committee Secretary on behalf of Adam Febriansyah Guci who is an OHS Expert. Companies can show an OHS Expert appointment letter based on the Decree of the Minister of Manpower of the Republic of Indonesia No. 5/17757/AS.02.04/XII/2021 issued on December 31, 2021. The decree is valid for 3 years.
- SKPE has an OHS organization based on the Decree of the Head of the Manpower and Transmigration Office of Kalimantan Selatan Province Number: 566/219/Was-NKT/2019 concerning Ratification of the Occupational Safety and Health Advisory Committee at PT. Sinar Kencana Inti Perkasa – Sungai Kupang Estate. Stipulated on 20 June 2019. Subsequently, the company submitted a change to the structure of the OHS Committee through Letter No. 003/SKPE-EXT/08/2022 dated 20 August 2022 and was received by the Regional Labor Inspection Agency Region IV on 25 August 2022. Secretary of the OHS Committee on behalf of Ajie Prasetyo who is an OHS Expert. Companies can show an OHS Expert appointment letter based on the Decree of the Minister of Manpower of the Republic of Indonesia No. 5/17759/AS.02.04/XII/2021 issued on December 31, 2021. The decree is valid for 3 years.
- Companies can show approval of the OHS Committee for SPNA based on the Decree of the Head of the Kalimantan Selatan Provincial Manpower Office No. 566/482/Was-NKT/2018 dated 9 October 2018. Adam Febriansyah Guci who is an OHS Expert. OHS Committee Secretary on behalf of Adam Febriansyah Guci who is an OHS Expert. Companies can show an OHS Expert appointment letter based on the Decree of the Minister of Manpower of the Republic of Indonesia No. 5/17757/AS.02.04/XII/2021 issued on December 31, 2021. The decree is valid for 3 years.

Records of periodic meetings:

- OHS Committee meetings have been held routinely every month with discussions of OHS issues and their follow-ups, for example the OHS Committee meeting on 17 October 2022 at the SKPE unit with discussions including OHS work programs, evaluation if there are work accidents, OHS inspections, recordings of routine meetings, inspection results periodic health checks, and a list of company employees as a basis for monitoring the OHS plan.
- OHS Committee meetings have been held routinely every month with discussion of OHS issues and their follow-ups, for example the OHS Committee meeting on 8 December 2022 at the SPNE unit with discussions including OHS work programs, evaluation if there are work accidents, OHS inspections, recordings of routine meetings, inspection results periodic health checks, and a list of company employees as a basis for monitoring the OHS plan.

6.7.2

The unit of certification shows emergency and work accident response procedures which are documented in Indonesian and are listed in:

- SOP for handling accidents and occupational diseases (SOP/SMART/HESS-EHSD-10).
- SOP for Emergency Preparedness and Response (SOP/SMART/General/SADV/II/005).

The results of field observations and interviews in the Estate and Mill areas revealed that harvest, spray, warehouse and Mill workers could explain OSH procedures, including emergency response procedures, and their procedures were clearly understood by all workers.

The company also has an Emergency Preparedness and Response Structure approved by the heads of each unit. For example, the Sungai Panci Estate unit is set for November 14, 2022. The organizational structure is as follows:

- Coach
- Chairman
- Secretary
- Chief Daily
- Fire Team, Security Team, Removal Team, Evacuation Team, Health Team, and Liaison Team.

The results of interviews with firefighters at Sungai Panci Estate and Sungai Kupang Estate show an understanding of fire prevention and management in the event of a land fire.

There are officers assigned to the field and work sites who have received training in first aid in accidents as evidenced by a training certificate. The officers are first aid officers who have been trained, for example Hendi Herliyanto certificate number: 566/2177/Was-NKT/2019 on June 17 2019.

First aid kit identification

The company can show a list of first aid kits that are placed in the workplace or brought by the foreman/foreman to the field at the Estate and Mill. The number of first aid kits owned by the company are:

- Sungai Panci Estate 60 First Aid Kits.
- Sungai Kupang Mill in the amount of 7 First Aid Kits
- Sungai Kupang Estate in the amount of 58 First Aid Kits
- Sungai Pot Plasma in the amount of 31 First Aid Kits

Based on the results of field observations in the Estate and Mill areas, it is known that the first aid kit is in complete condition with a total of 21 items according to regulations and the contents of the first aid kit can be used at any time.

Work Accident Records

Based on document verification, it is known that there will be work accidents in 2022, namely in the SPNE unit. The number of work accidents totaled 3 Work Accidents. Companies can show work accident investigation minutes, and proof of KK1 reports to BPJS Ketenagakerjaan. As an example, the following is a record of Sinarim's work accident:

- A statement from the SPNE Estate Manager on November 23 2022 explaining that they are willing to assist the health facility in providing and completing documents, allowing BPJS Ketenagakerjaan to use data and willing to reimburse participants for the care and treatment costs.
- Minutes of work accident investigation that occurred on November 23, 2022 Sinarim. In the document, it was explained that the work accident occurred due to a slip and fall and caused the left knee and ankle to swell.
- Stage 1 Work Accident Case Report with form 3 KK 1 which was reported to BPJS Ketenagakerjaan on 24 November 2022.

Based on the results of field observations in the Estate and Mill areas, it is known that the company has installed OHS symbols, has a fire extinguisher, installed an MSDS, and an evacuation route in the work area.

6.7.3

The company has shown PPE Matrix Documents for Estate and Mills. The document describes the type of PPE that must be worn for each type of work. For example, in harvesting work, the PPE that must be used is a helmet, goggles, combination gloves, and boots. Based on the results of field in SKPE, it is known that workers have used PPE according to company standards. In addition, the worker also explained that if the PPE is damaged, the worker can report it to the foreman to ask for the replacement of the PPE.

Based on the results of the field visit to the SPNA, SPNE, SKPE, and SKPM, it is known that there is a storage area for PPE and spray equipment as well as sanitation facilities for employees after the spraying work is completed. Based on the results of field visits and interviews with workers, it is known that workers have used PPE completely and company management always monitors workers regularly regarding the use of PPE properly and correctly. The company has also provided PPE in the form of masks, aprons and shoes to workers. For example, on April 11 2022 to Spray Workers at the Sungai Kupang Estate.

6.7.4

The company has registered all employees into work accident insurance, namely employment insurance. This can be proven by paying employment insurance premium every month. It is also verified during interview to the workers and Labor Union. Based on document review, all workers have been registered in the accident insurance.

In addition, for health care, the company provides clinic facilities and employees can seek free treatment. In addition, based on interviews with workers, it is known that the company also provides health insurance to employees.

Companies can show recorded proof of payment via bank transfer as well as a list of social security program participants (BPJS Health and BPJS Employment), for example the details for SKPM and SPNE for December 2022 are as follows:

Unit	Description	Number of Worker
	Number of employees as of December 2022	111
SKPM	BPJS Employment as of December 2022	111
	BPJS Health as of December 2022	111
	Number of employees as of December 2022	661
SPNE	BPJS Employment as of December 2022	662
	BPJS Health as of December 2022	649

Based on the data in the table above, it is known that there is a difference between the number of participants in the SPNE social security program and the number of workers, this is due to employee turnover to registered workers in the following month.

6.7.5

Companies can show work accident records using Lost Time Accident (LTA). The calculation of work accidents using LTA up to December 2022 is as follows:

- SKPM: FR 0 and SR 0
- SKPE: FR 0 and SR 0
- SPNE: FR 3 and SR 23
- SPNA: FR 4 and SR 12

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 shown an integrated pest control plan contained in the SOP / SMART /MCAR/ VII / TA-HPT) date July 15, 2020 which aims as a guide in Integrated Pest Management activities as one of the activities in the process of treating oil palm plants. The job description explains the work stages of Pest and Disease Control which are presented briefly as follows. The EWS stages consist of Detection and Census. Detection aims to determine as early as possible the occurrence of pest attacks (EWS) including insects and vertebrates, if a pest or disease attack is found, then a census is carried out. Detection activities are carried out periodically every 2 months.

The company also controls Caterpillars pests by planting and maintaining host plants for natural enemies of Caterpillars pests such as *Turnera subulata*. Companies can show records of the development of these beneficial plants.

Based on the monitoring documents for owl kennels, it is known that the company has used *Tyto alba* as a method of biological pest control.

The company shows records of Pest observation and control, including:

- Pest control has been carried out in an integrated manner (integrated pest management/IPM), which combines various biological and chemical control techniques. Biological control is carried out by using owls to control rat pests and planting biological control agents such as *Turnera subulata* to develop natural enemies of oil palm leaf-eating caterpillars. Chemical control is carried out if the level of attack exceeds the threshold value. There is a document monitoring the activity of owls which is carried out routinely every month. For example, for SPNE Division 5, it is listed in the 2022 Gupon Monitoring Data document, which explains the Barn Owl Box data for October 2022, namely that there are 31 Barn Owl Box and all Barn Owl Box are active.
- Caterpillars Detection Recap Documents, for example SKPE 2022, it is known that there was an attack by Caterpillars in Division 5 with a mild category.
- Rat Census Document and Rat Poison Application 2022 Division 1 SKPE, it is known that there were rat pest attacks that exceeded the threshold in the April 2022 rat census, namely in blocks B2, C2 and C3 respectively 7.78%, 6.96% and 8.62 %. The company has carried out controls using elkatrile rodenticides until the 1st rotation on April 11, 2022.

Based on the results of field observations in Block E15 Division 5 and Block E37 Division 2 Sungai Panci Estate, it is known that there are no indications of caterpillar and rat attacks in the area. In addition, there is also a Barn Owl Box available at that location.

7.1.2

Verification of documents and interviews with management as well as field observations in plantations found that there were no species referred to in the global database and CABI.org and Permen LHK No. P94/MENLHK/SEKJEN/KUM.1/12/2016 regarding invasive species used by the unit of certification. Furthermore, based on document review, field observations, and interviews with workers and external stakeholders, it is known that the company does not use fire for pest control.

7.1.3

Based on a review of pest control documents, pest control procedures owned by the company, as well as interviews with workers in the field during the assessment activities, it is known that the company does not use fire in pest control.

Status : Comply

7.2

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

7.2.1 & 7.2.2

The certification unit has SOPs and work instructions for weed management, guidelines covering selection, storage, application, handling of contaminants, knowing the signs and symptoms of pesticide poisoning and first aid for poisoning cases. To ensure that the pesticides used are in accordance with the target, the unit of certification will identify the types of weeds found in the operational area.

Justification for the use of pesticides has been demonstrated through census analysis, for example as follows:

Rat Census Document and Rat Poison Application 2022 Division 1 SKPE, it is known that there were rat pest attacks that exceeded the threshold in the April 2022 rat census, namely in blocks B2, C2 and C3 respectively 7.78%, 6.96% and 8.62 %. The company has carried out controls using elkatrile rodenticides until the 1st rotation on April 11, 2022.

The unit of certification has documented pesticide toxicity records in the Monthly Pesticide Toxicity Data document. The document records product name, active ingredient, LD50, area treated, amount of active ingredient applied per Ha, and total application. This document is continuously recorded and updated by the Estate Sustainability Officer on a monthly basis.

Brand	Active Ingredients	License number	Validity period	Target
Erkatril 0.0375 BB	<i>Coumatetralyl : 0.0375%</i>	RI 01120120124451	6 October 2022	Rat
Garlon	<i>Triclopyr butoxy ethil ester</i>	RI 0103011984695	16 April 2023	Broadleaf weeds and woody weeds
Rolifos 150 SL	<i>Glufosinate-ammonium</i>	RI 01030120103683	31 January 2025	Broad-Leafed

				Weeds, Narrow- Leafed Weeds
Roll Up 480 SL	<i>Glyphosate isopropylammonium</i>	RI 01030120042133	3 September 2023	Broad- Leafed Weeds, Narrow- Leafed Weeds

Based on the document review, it is known that the company has used registered pesticides and there is no limited use of pesticides.

7.2.3

The unit of certification has carried out IPM quite effectively, without using chemicals for pest control and not using pesticides as prophylaxis. Pesticides are used routinely for weed control and if the circle and lane conditions are still standard enough then weed control will be stopped.

The IPM program has been listed which is then broken down into a monthly work plan and a daily work plan. The IPM program prioritizes routine monitoring of Pest presence. Pesticides are the last control alternative if indeed observations show values above the control threshold. Basically, the application of IPM aims to minimize the use of pesticides in pest control.

The unit of certification has shown the Pest and Disease Census Recapitulation document which contains the realization of the implementation of pest and disease detection and census activities. Justification for the use of pesticides has been demonstrated through census analysis, for example the Rat Census Document and Rat Poison Application Year 2022 Division 1 SKPE, it is known that there are rat pest attacks that exceed the threshold in the rat census for the April 2022 period, namely in blocks B2, C2 and C3 respectively 7.78 %, 6.96 % and 8.62 %. The company has carried out controls using elkatrile rodenticides until the 1st rotation on April 11, 2022.

Based on document review and field observations, several IPM programs with a biological approach have been implemented such as LEC (Leaf Eating Caterpillar) by planting beneficial plants such as *Turnera subulata* and *Casia cobanensis*. In addition, his party has also carried out routine early detection which is listed in the monthly report of the early warning system.

7.2.4

Based on the results of a review of the 2022 list of pesticide use documents, there is the use of pesticides to control rats and this can be proven by the company based on the 2022 Rat Poison Census Document and Rat Poison Application Division 1 SKPE, it is known that there are rat pest attacks that exceed the threshold in the rat census period April 2022, namely blocks B2, C2 and C3 respectively 7.78%, 6.96% and 8.62%. The company has carried out control using elkatrile rodenticides up to the 1st rotation on April 11, 2022. So based on the explanation above it can be concluded that there is no use of pesticides for prophylactic purposes where the use of pesticides is based on the results of the census first.

7.2.5

The certification unit has shown the President Director of SMART Tbk issued a memorandum not to use Paraquat in 2016. Regarding Pesticides that are categorized as WHO Class 1A or 1B, there is a Social and Environmental Policy which states it is minimized and eliminated as part of the plan, and may only be used in circumstances Extraordinary. Based on document verification and field visits to Pesticides Storage, no Paraquat and WHO Class 1A or 1B, or those listed by the application of the Stockholm or Rotterdam Conventions were used by the company.

7.2.6

The unit of certification has provided training on safe working methods in the handling or application of pesticides, for example as follows:

- Best Management Practices (BMP) training which includes the handling/application of pesticides, fertilization, sanitation,

and PHT on 20 January 2022 at SKPE with 49 participants.

- Best Management Practices (BMP) training which includes the handling/application of pesticides, fertilization, sanitation, and PHT on 7 June 2022 at SPNE with 47 participants

The results of field observations in rinse houses, PPE warehouses and interviews with SPNE, SKPE, and SPNA pesticide applicators show that applicators have been given regular training on safe work methods. This is evidenced by the explanation of the correct way of working in accordance with procedures including how to use and handle risks in accordance with material safety sheets. There is a Material Safety Data Sheet (MSDS) and symbols for hazardous and toxic materials that are properly installed on the walls and doors of the warehouse. Pesticide applicators also use personal protective equipment in accordance with the specified hazard identification and material safety data sheets such as respirator masks, gloves, safety shoes, aprons and goggles. Furthermore, clean water and soap are available in the field. In addition, employees are also informed about safe work steps in each roll call in the morning before work. Meanwhile, the spraying workers who were interviewed also stated that after the spraying activities they would wash and dry their PPE and spraying equipment (spray tanks, jerry cans, etc.), and shower/change clothes in a special place near the division office's pesticide warehouse. Based on field observations, the company has a place to store all PPE and spraying equipment after use.

Based on the explanation above, it is concluded that those who apply pesticides are employees who have attended training, while employees understand the hazards and risks associated with the chemicals used.

7.2.7

Based on observations of Pesticide warehouses at SKPE, SPNE, and SPNA, it is known that all pesticides have been stored properly in warehouses, separated by type, equipped with balance sheets, hazard symbols, fire extinguishers, MSDS, first aid kits, etc. Used pesticide containers will be used for mixing and distributing pesticides to the field. While the rest is sent to the Hazardous Waste Temporary Warehouse. Moreover, based on monitoring the employee housing complex, it was found that there was no use of used pesticide containers for household use.

7.2.8

PT Sinar Kencana Inti Perkasa has established ex agrochemical waste management listed on waste management procedures SOP/SMART/LEMS-EHSD/SADV/II/002 and agrochemicals containers handling working instructions (IK/SMART/LEMS-EHSD/SADV/002/001). This procedure stated that all ex-chemicals containers were kept on temporary hazardous storage on estate/mill. Based on interview with spraying team found that workers recognized how to properly disposed waste materials and workers have been trained by company about waste and hazardous materials handling. Based on filed observation on SKPE, SPNE, SPNA mixing areas and chemical container washing areas acquired information that company has managed agrochemical containers by rinse them on isolated placed and regularly submitted to third party contractors. Evidence for ex agrochemical disposal to related licensed third parties i.e. hazardous manifest are available and able to seen on indicator 7.3.1.

The unit of certification has provided training on safe working methods in the handling or application of pesticides, for example as follows:

- Best Management Practices (BMP) training which includes the handling/application of pesticides, fertilization, sanitation, and PHT on 20 January 2022 at SKPE with 49 participants.
- Best Management Practices (BMP) training which includes the handling/application of pesticides, fertilization, sanitation, and PHT on 7 June 2022 at SPNE with 47 participants

Based on an interview with management representative in KUD Gajah Mada sighted they are understood procedures of pesticide application, as socialized and trained by the company.

Based on the results of interviews with pesticide applicators (SKPE, SPNE, and SPNA), with 9 worker on Block P32, Division 4 SPNA, it is known that workers have received routine training every year by the certification unit and during field visits the workers have applied good and correct use of pesticides according to the procedures owned.

7.2.9

Based on information from the plantation manager, and previous reports, it is known that there is no application of pesticides through the air method by plane. All pesticides have been applied by either manual spraying.

7.2.10

Companies can show records of special health checks for pesticide workers conducted in 2022, namely:

- The results of the special medical examination (Cholinesterase) for the SKPE unit which was conducted on March 17, 2022 for 82 workers with normal overall results.
- The results of the special health examination (Cholinesterase) for the SPNE unit conducted on June 10, 2022 for 123 workers with normal overall results.
- The results of the special medical examination (Cholinesterase) for the SPNA unit conducted on June 6, 2022 for 42 workers with normal overall results.

Based on the results of interviews with spray workers at SKPE, SPNE, and SPNA it is known that spray workers admit that they have had their health checks carried out by employees and the results of the checks are notified to workers. The results of document verification of the results of a special medical examination in 2022, the results of the overall examination are normal.

7.2.11

The company has a policy that prohibits pregnant and breast-feeding personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor breast-feeding female personnel who work with pesticide. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or breast-feeding.

Status : Comply

7.3

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

7.3.1

The company already has SOPs regarding waste management both solid, liquid and airborne waste which are listed in one procedure, namely Waste Management SOP Number SOP/SMART/LEMS-EHSD/SADV/002 revised 0.0 effective date 2 July 2014 which was approved by the Division Head Environmental & Sustainability.

The company also has separate procedural documents for the Management of Hazardous Waste and Hazardous Materials listed in the documents namely Work Instructions for the Management of Hazardous Waste and Ex-Chemicals with document number IK/SMART/LEMS-EHSD/SADV/002/2001 revision 0.0 effective date 2 July 2014 which was approved by the Division Head Environmental & Sustainability effective date 2 July 2014.

All of these procedures aim to regulate the management of liquid waste, solid waste, air waste, hazardous waste, domestic waste, and medical or infectious waste, both originating from plantation operations, factory operations and the daily activities of the community or workers who live in in the company's residential complex.

The management that must be carried out for this waste includes:

- Solid waste: such as empty fruit bunches, fibers, shells, are fully utilized to support plantation activities and palm oil processing factories. The company also utilizes shells and fiber which are sold back to other companies to be used as fuel. Apart from being sold for the shell and fiber itself, it is also used for boiler fuel. While the empty janjang is used as organic fertilizer in oil palm plantations. Boiler ash as one of the solid wastes produced can be applied to paving roads or applied to land. Solid waste generated from domestic activities is collected and disposed of in landfills that have been determined by the company.
- Liquid waste: Liquid waste resulting from processing at the factory is managed in a Wastewater Treatment Plant pond to then be channeled and applied to the oil palm plantation land owned by PT Sinar Kencana Inti Perkasa to the location listed in the permit for the utilization of liquid waste on plantation land. Meanwhile, for domestic liquid waste generated from toilet activities, it is channeled into a septic tank, and for domestic liquid waste generated from bathing and washing activities, it is channeled through ditches or drainage. Drainage channels are maintained so that they function properly, are clean and are not clogged which can cause odor pollution.
- Air waste: inventoried and recorded in the GHG inventory document and calculations related to the emissions produced. The company conducts routine monitoring every month for ambient air quality testing which will then be monitored and reported in the quarterly RKL/RPL report to the relevant agencies.

- Hazardous waste : stored in Temporary Storage in accordance with the provisions in the regulations. The handling of Hazardous waste is carried out according to the type of characteristics regulated in the Hazardous Waste Handling SK (IK/SMART/LEMS-EHSD/SADV/002/001). All Hazardous waste may not be utilized without a Hazardous Waste Utilization Permit from the relevant agency, therefore it must be handed over to the collector or Hazardous waste transporter.
- Medical waste: stored in medical waste bins that have been provided and identified and then when collected will be sent to the nearest hospital that has facilities and permits for destruction.

The company already has work instructions regarding hazardous waste management through the document IK/SMART/LEMS-EHSD/SADV/002/001 Rev 0.0 which explains:

- Hazardous Waste classification: used oil and used hydraulic oil, rags, plastics and filters, used batteries, light bulbs, clinical waste, used chemical packaging.
- storage: Hazardous is stored in a designated place, Hazardous packaging must always be closed during storage. Hazardous waste stored in the division may only be stored for 1 week and must be sent to Hazardous Waste Temporary Storage every week and it is not allowed to use used chemicals, oil and all types of Hazardous Waste in housing. In addition, it was also explained that Hazardous waste should not be stored for more than 90 days from the date it was generated
- Hazardous Waste labeling: an appropriate label must be affixed to each Hazardous waste which includes the date the waste was generated, symbol and label and Hazardous Waste code, balance sheet and transportation of Hazardous Waste outside the Hazardous Waste producing area
- Safety of Hazardous Waste transportation: Hazardous Waste transportation may only be carried out by vehicles that are registered and authorized by the relevant agency.
- Training & health check. Involvement of waste generators in identifying, handling, labeling, transporting, storing, and responding to Hazardous Waste spills, and operators are required to carry out periodic health checks
- Hazardous Waste Reporting: reporting to the relevant agency every three months to the agency.

In addition to the procedural documents for Hazardous Waste Management, the company also has procedural documents for the management of agrochemicals and Hazardous Waste materials contained in the SOP/SPO/SMART/LH-08 document dated 1st July 2010, regarding Warehouse Management. This procedure describes all activities related to the receipt of all goods, both Hazardous and Non-Hazardous. The contents of the procedure in outline are as follows:

- Receive goods prior to receipt, carry out inspections according to the officer's specifications, when receiving chemicals, the head of the Warehouse returns chemicals that are not equipped with an MSDS
- After the goods are received and the MSDS has been completed, it will become a reference for handling these chemicals, relating to storage, transfer of use and disposal,
- Goods that have been labeled and recorded will be recorded in the inventory list according to the provisions, Warehouse staff will carry out inspections of goods storage
- Moving goods, especially for agrochemicals, must be carried out in closed packaging and equipped with tools
- Release and collection of goods must be done VIA SAP, with the FIFO principle. If the results of the inspection of goods are found to be expired, then they are returned to the supplier (when received).

Based on the results of interviews with the Environmental Officer, it can be seen that the company has routinely carried out testing and monitoring of test results and made reports for the management of the waste and reported it to the relevant agencies in accordance with the required provisions.

The results of field observations at SKPM, SKPE, SPNE and SPNA and housing areas also show that the company has carried out waste management in accordance with its SOP. The results of interviews with workers and the surrounding community such as Saking Baru Village also obtained information that there were no complaints related to the waste produced by the company. Based on this information, it can be concluded that the company already has a waste management SOP and has been implemented properly.

Company has shown a permit for the utilization of liquid waste for Land Application (LA) in accordance with the Kotabaru District

Permit No. 503/IPAL/BPPTPM/2017 concerning Wastewater Disposal Permits which are valid from January 5, 2022, to January 6, 2022. Furthermore, the company has also carried out the process of obtaining a permit again, which is indicated in the technical approval document for compliance with quality standards for the utilization of wastewater to land with No. 660.3.4/533/DLH-PPKL/VIII/2022 which was published on 11 August 2022 as well as the minutes of verification of the operational feasibility of utilizing wastewater on oil palm plantation land by Environmental Office of Kotabaru District which was carried out on 24 November 2022.

Company already shown a Hazardous Waste Temporary Storage Permit from the competent authority located based on Recommendation Letter No. 660/16/PSLB3/DLH/2020 dated 28 September 2020 from the Environmental Office of Kotabaru District regarding Technical Recommendations for Hazardous Waste Management for Hazardous Waste Storage Permit Activities to PT SKIP which are valid for 5 (five) years. And permit No.503/0835/PSLB3-P-DPMPTSP/2020 was also issued from the PMPTSP (Investment and One-Stop Integrated Services) of Kotabaru Regency regarding PT SKIP's Hazardous Waste Temporary Storage Permit dated September 29 2020 which is valid for 5 (five) years. The types of B3 waste that are allowed to be stored are used oil, used batteries, used filters, contaminated waste, medical waste, TL lamps, electronic waste, chemical packaging and other types of B3 waste.

The company has shown proof of shipment of Hazardous waste that was transported together, namely from the Sungai Kupang Mill, Sungai Kupang Estate and Sungai Panci Estate to a licensed collector, namely PT Sinar Bintang Albar, using vehicle No. Police DA 8085 JD who has obtained a transportation permit from the Directorate General of Land Transportation No. SK.00302/AJ.309/DJPD/2018/100001116-00033. In accordance with the electronic document dated 22 November 2022 and the submission of hazardous and toxic waste (LB3) from PT SKIP as follows:

- Used battery of 0.05 tons with manifest number KLHK-1674549833.
- Used filter of 0.236 tons with manifest number KLHK-1674458447
- Used B3 packaging of 0.35 tons with manifest number KLHK-1674277908.
- Used Majun of 0.012 tons with the manifest number KLHK-1674278206.
- medical waste of 0.0117 tons with the manifest number KLHK -1674544612.
- Used Oil of 0.9045 tons with manifest number KLHK-1674277929.

Based on the results of interviews with the management, it was stated that the last waste transportation was carried out on February 2, 2023. When the Surveillance audit activity 1.3 was carried out on February 6 – 11, it was found that the waste manifest document had not yet been issued, so that comparisons were not made between documents recording waste leaving LB3 logbook with manifest. Even so, the company can show the Minutes of the last waste transportation on February 2, 2023, with the types of waste sent being used oil, contaminated Majun cloth, used oil filters, used LB3 packaging, and medical waste to PT SBA as the waste transporter.

Based on data comparison between the Hazardous waste transportation report, manifest, logbook, and Hazardous waste balance, it can be concluded that all generated waste has been recorded and transported at the same time with the appropriate amount. The company has also compiled documents related to the management and monitoring of Hazardous waste every quarter in the form of a Report on the Implementation of Hazardous Waste Management for the first, second, third and fourth quarters of 2022 and reported it to the Kotabaru District Environmental Office, with report evidence including:

- Receipt 003/EHSD-SKIP/LH-SKPM/I/2023 to Environmental Office of Kotabaru for Hazardous Waste Management Report for Quarter IV 2022 Plantation and Factory PT SKIP – SKPM January 31, 2023
- Electronic receipt number 1661501268-3223 on August 26, 2022 for the 2022 Q1 Hazardous Waste Management Report to the Kotabaru District Environmental Service and DLH Kalimantan Selatan Province.

B3 waste management in general is also included in the RKL-RPL report every semester with evidence of reporting as explained in indicator 3.1.1. All Hazardous Waste handling is handed over to 3rd party Transporters and Hazardous Waste Managers who already have permits from the relevant agencies.

Based on the results of interviews with the Environmental Service of Kotabaru District, it is known that the certification unit has complied with all reporting provisions relating to environmental management aspects (such as waste management and pollution) in accordance with the provisions of laws and regulations in a disciplined and orderly manner. It is not known that there have

been cases of environmental pollution that caused negative impacts to the community and the environment around the company due to the company's operational activities. It is also known that the certification unit has never experienced delays in mandatory reporting related to the results of monitoring and management of liquid, solid, and air waste to the relevant agencies.

7.3.2

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

Based on field observation to Hazardous Waste Storage in SKPM, SKPE, SPNE and SPNA, hazardous waste from each unit has been stored to hazardous waste storage which has been equipped with emergency response facilities such as fire extinguisher, alarm, spill kit, emergency shower, secondary containment and first aid kit. Hazardous waste has been stored based on toxicity and hazardous characteristics, e.g., empty chemical containers and battery waste are stored in different location in hazardous waste storage. Besides, each stored waste is given MSDS and recorded in a logbook. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. Based on interview with management representative, solid waste management, e.g., in housing area of SKPE and SPNE is sorted into organic and inorganic waste. Organic waste is composted in back yard while inorganic waste is disposed into landfill.

7.3.3

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

Based on field observation to Hazardous Waste Storage in SKPM, SKPE, SPNE and SPNA, hazardous waste from each unit has been stored to hazardous waste storage which has been equipped with emergency response facilities such as fire extinguisher, alarm, spill kit, emergency shower, secondary containment and first aid kit. Hazardous waste has been stored based on toxicity and hazardous characteristics, e.g., empty chemical containers and battery waste are stored in different location in hazardous waste storage. Besides, each stored waste is given MSDS and recorded in a logbook. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. Meanwhile, domestic waste from housing area is disposed into landfill in each unit. Based on interview with management representative, solid waste management, e.g., in housing area of SKPE and SPNE is sorted into organic and inorganic waste. Organic waste is composted in back yard while inorganic waste is disposed into landfill.

Status : Comply

7.4

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

7.4.1

The unit of certification has shown SOP Fertilization (SOP/SMART/MCAR/IX/TA-PPK) which aims as a guideline in applying fertilization in accordance with management policies. The scope of fertilization activities in the SOP includes all activities related to fertilizing oil palm in nurseries, Immature and Mature, both inorganic fertilization and oil palm products based on the results of soil and leaf analysis. The unit of certification has implemented procedures to optimize production, including:

- Regular sampling of soil and leaves by SMARTRI to ensure the elements needed by plants to produce optimally. The results of the soil and leaf analysis tested will be the basis for determining the dosage of fertilization in each estate.
- Fertilization activities that prioritize the principles of right time, right target, right dose and right application. In addition, marginal soils are given extra fertilization in the form of empty fruit bunches.
- Application of palm oil liquid waste (POME) to increase soil fertility with a total liquid waste discharge applied during January - December 2022 of 157,892 m3.

- Maintenance of ground cover plants to reduce evaporation (to maintain soil moisture). For example planting legumes (*Mucuna Bracteata*) and maintaining soft ferns (*Nephrolepsis bisserata*). All spraying employees are always advised in the morning meeting not to spray the plants.
- The company's commitment not to use herbicide-based active ingredients since 2016. Based on information from managers and staff, this shows the company's commitment to support RSPO guidelines to reduce/not use class 1A and 1B herbicides.
- Monitoring of SOP implementation, among others, is carried out through an internal audit mechanism which is carried out by the OIA Department every semester.

Based on observations in Block M4 Division 4 SPNE it was found that POME had been applied to the land in accordance with the permits and recommendations they had. This activity demonstrates the company's efforts to increase soil organic content so as to increase soil nutrients needed by roots, especially on marginal soils and prevent overflow/spill over into the field.

7.4.2

The company has carried out soil and leaf test results as input for the company's fertilization recommendations. as for testing as follows:

- Soil Analysis Number 093/TANAH/AL/ANLZ/05/2022 dated 27 May 2022 issued by the Smart Research Institute – Analytical laboratory for a total of 24 samples. The parameters analyzed included texture, pH, organic C, N, P, K, Mg, exchange base, P Bray, CEC, and H-Al exchange. Soil analysis is carried out as a reference in recommending the use of fertilizers.
- Leaf Analysis Number 151/DAUN/LAB-SMARTRI/IV/2022 dated 19 April 2022 issued by the Smart Research Institute – Analytical laboratory for a total of 40 samples. The parameters analyzed include N, P, K, Mg, Ca, B, and Cl. Leaf analysis is carried out as a reference in recommending the use of fertilizers.

7.4.3

The unit of certification has several procedures that explain the strategy for recycling nutrients that have been implemented in the field, including:

- SOP/SPO/SMART/LH-09 regarding Waste Management
- IK.SMART/MCAR/IX/TA -PPK / 14 concerning Fertilization with Palm Oil Mill Effluent
- SOP/SMART/LEMS-EHSD/SADV//002 Rev 0.0 regarding Waste Utilization

In addition to chemical fertilizers, the unit of certification has also implemented a nutrient cycle strategy for soil fertility purposes, through the application of by-products, such as empty bunches mulch (EFB) and land application with palm oil mill waste (POME). For example, a by-product application note is presented as follows:

- From January to December 2022, the total EFB utilized was 34,378 tons. Based on the results of field visits to Sungai Kupas Estate and Sungai Panci Plasma, it is known that the company has applied EFB as organic fertilizer.
- From January to December 2022, the total POME applied to the permitted area is 157,892 m3. Based on monitoring of Block M4 Division 4 SPNE, it is known that land application has been implemented properly. There is no overflow/spill onto the field.

7.4.4

The unit of certification shows records of fertilizer application for the period January to December 2022. For example, a summary of fertilizer application in 2022 PT SKIP is summarized in the following table:

No	Fertilizer Type	Recommendation	Realization
		Kg	Kg
1	Urea	959,299.84	959,299.84
2	NPK 12	62,589.78	62,589.78
3	NPK 15	31,279.36	31,279.36
4	Kieserite Powder	67,471.12	67,471.12
5	Kieserite Granular	20,820	20,820
6	RP	349,175.55	349,175.55
7	TSP	641,528.76	641,528.76
8	MOP	864,505.28	864,505.28

9	Borate	29,487.13	29,487.13
10	Super Dolomite	110,852.50	110,852.50

Based on the results of the recommendation report and the realization of fertilization for the 2022 period, it is known that the realization of the fertilization carried out is in accordance with the fertilization recommendations that are owned.

Status : Comply

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

7.5.1

The company shows the maps contained in the following documents:

- Soil Map Unit (Semi Detail Survey) SKPE scale 1:65,000 in 2019
- Soil Map Unit (Semi Detail Survey) SPNE 1:50,000 in 2021
- Soil Map Unit (Semi Detail Survey) SPNA 1:100,000 in 2011.

Based on the document, it is known that the types of soil in the company area include: *typic sulfaquepts, typic hapludluts, lithic hapludults, aquic hapludults, typic hapludults inclusion aquic dystrodepts, typic hapludults inclusion typic dystrodepts and rocks.* Slope class between 0 - 40%.

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

7.5.2

Based on the results of the study of the soil type map document, it is known that the land slope class is between 0 – 40%, in addition, based on field observations in the replanting area of Block L26 and K26 SKPE, it is known that there is no extensive replanting activity in the area with steep slopes.

7.5.3

Based on the results of the study of the area statement documents and interviews, it is known that the company did not carry out any new plantings.

Status : Comply

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

7.6.1

The company shows the maps contained in the following documents:

- Soil Map Unit (Semi Detail Survey) SKPE scale 1:65,000 in 2019
- Soil Map Unit (Semi Detail Survey) SPNE 1:50,000 in 2021
- Soil Map Unit (Semi Detail Survey) SPNA 1:100,000 in 2011.

Based on the document, it is known that the types of soil in the company area include: *typic sulfaquepts, typic hapludluts, lithic hapludults, aquic hapludults, typic hapludults inclusion aquic dystrodepts, typic hapludults inclusion typic dystrodepts and rocks.* Slope class between 0 - 40%. The land suitability classes include S2 (Medium Appropriate), S3 (Marginal Appropriate), N (Not Appropriate).

7.6.2 & 7.6.3

Based on the results of the study of the area statement documents and interviews with management, it was found that the company did not develop new plantings.

Status : Comply

**7.7
No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.**

7.7.1 until 7.7.7

Based on the results of the study of the soil type map document and interviews with management, it was found that there is no peat soil type in the company area, so this indicator is not relevant.

Status : Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The company has a SOP for identification, management and maintenance of water sources and quality as stated in the SOP for Management and Monitoring of Water Resources Number SOP/SMART/BCOS-EHSD/SADV/II/2004 rev 0.0 which is approved by the Head of Upstream and is valid since 1 July 2014. The purpose of this SOP is to maintain the existence and sustainability of the condition, nature and function of water resources so that they are always available in sufficient quantity & quality to meet plantation operational needs.

The SOP describe as follows:

1. Identification of water sources: Rivers, POM Reservoir (Surface Water), Estate Water Reservoir (Surface Water), and Drilling Wells (Underground Water).
2. Management of water sources: delimits at least 50 m (according to the HCV recommendation), 10 m buffer zone for water storage areas, all water sources are identified, warning signs and mapped.
3. Maintenance of water sources: demarcation of riparian (rivers) and creating a 10 m buffer zone around the catchment area, prohibition of spraying and fertilizing as well as socialization, periodic water quality analysis, and distance from housing and other activities that can contaminate water sources at least 1000 m.

To ensure that the supply of water sources can be sustainable, efforts are being made

- Construction of a water dam (reservoir) that has a spillway to monitor the water level/level. The level (height of the spillway) is determined to ensure that there is enough water for the people downstream
- Ensure that the use and management of water in operations will not negatively impact other users within the same catchment area, including local communities and water users in general;
- Ensuring that local communities, workers and their families have sufficient access to clean water for drinking water use and Bathing, Washing, Latrine.

Based on the explanation above, it can be concluded that the company already has SOPs for identifying, managing and maintaining water sources and quality and has available maps of water bodies that are quite informative and in accordance with actual conditions in the field.

7.8.2

The company has a topographical map of the plantations with a scale of 1:50,000 based on this map. In general, the topography of the Sungai Panci and Sungai Kupang plantations is flat and slightly undulating. While the location of the distribution of the river is explained in the Report on the Identification of Biodiversity and Protected Areas.

The company has a surface water quality monitoring program which is carried out every 6 months and which is carried out by a KAN accredited laboratory (LP-001-IDN). The monitoring locations are at 4 sample points which are divided into 2 rivers, namely the Kupang River Block F 5/6 downstream, the Kupang River Block D 3/4 upstream, the downstream Babi River, and the upstream Babi River. The company conducts surface water tests using quality standards that refer to class II quality standards based on Kalimantan Selatan Governor regulations number 5, year 2007. The results of these tests will then be reported to the relevant Office through the RKL-RPL Report each semester with report evidence as stated in indicator 1.1.2.

The following is a surface water quality monitoring program carried out by the certification unit in the 2nd semester of 2022, namely:

- Monitoring of Wastewater which is carried out once a month.
- Monitoring of surface water located in the Kupang River Block F 5/6 downstream, Kupang River Block D 3/4 upstream, downstream Babi River, and upstream Babi River which is conducted every 6 months.
- Groundwater monitoring is carried out in 3 monitoring wells in the SPNE location and is carried out every 6 months.

From the program above, the certification unit has carried out all surface water monitoring in the second half of 2021, including:

Babi River Surface Water Testing

Parameter	Standards	Downstream	Upstream
Residu terlarut	1000 mg/L	115	144
pH	6 - 9	7.33	7.48
BOD	3 mg/L	1.52	1.60
COD	25 mg/L	12.6	14.8
Amoniak	0.2 mg/L	<0.0030	<0.0030
Kadmium	0.01 mg/L	<0.00043	<0.00043
Tembaga	0.02 mg/L	<0.015	<0.015
Timbal	0.03 mg/L	<0.0015	<0.0015
Minyak lemak	1 mg/L	0.60	0.80
Detergent	0.2 mg/L	<0.0031	<0.0031

Based on the data above, it can be concluded that the results of testing the quality of river water in the upstream and downstream areas show that all parameters are still below the quality standards of Kalimantan Selatan Governor regulations number 5, year 2007.

Clean Water Testing

Parameter	Maximum Standards	Office	Housing staff	Pondok 3
pH	6.5-8.5	7.44	7.89	6.50
CaCO ₃ (mg/L)	500 mg/L	112	129	29,6
Deterjen (mg/L)	0.05 mg/L	<0.0016	<0.0016	<0.0016
E.coli (CFU/100 mL)	0	0	0	0

Based on the data above, it can be concluded that the results of testing the quality of clean water in workers' housing show that all parameters are still below the quality standards of Minister of Health Regulation No. 32 of 2017.

Based on these explanations and descriptions, it can be concluded that the unit of certification already has a surface water quality monitoring program that has been implemented and is well documented.

The results of field observations to Babi River in SPNE show that the map owned by the company is in accordance with the actual conditions in the field. Likewise for the slope area where from the results of field observations there were no areas with steep slope levels so that the map owned by the company is in accordance with the actual conditions in the field.

Based on the explanation above, it can be concluded that the company already has a topographical map and the location of the river distribution with information that is quite complete and in accordance with the actual conditions in the field.

7.8.3

Companies can show documents on the results of measuring the quality of liquid waste applied to land, namely the results of testing liquid waste listed in the Environmental Pollution Control documents for the first, second, third and fourth quarters of 2022 and the RKL-RPL reports for semesters I and II of 2022.

This test was carried out by a KAN accredited laboratory with Number (LP-448-IDN) with reference to KepMenLH regulation Number 28 of 2003. The results of waste quality testing for the period October 2022 – December 2022 (Quarter IV of 2022) are as follows:

POME Water Testing

Parameter	Units	Standards	October 2022	November 2022	December 2022
pH	-	6 - 9	7.76	8.09	7.90
BOD	Mg/l	5000	1,138.4	12.50	784.4
COD	Mg/l	-	2,496.4	2,741.5	1,720.27
Oil/Fat	Mg/l	-	37.45	39.12	20.81
Cadmium (Cd)	Mg/l	-	<0.0015	0.0024	<0.0015
Copper (Cu)	Mg/l	-	0.0362	0.1134	0.1292
Lead (Pb)	Mg/l	-	0.0030	<0.0020	<0.0071
Zinc (zn)	Mg/l	-	0.2903	0.1119	0.1304

Liquid waste quality testing is also carried out for domestic wastewater which is carried out by a KAN-accredited laboratory with the number (LP-790-IDN) with reference to PermenLHK No 68 of 2016 concerning Domestic Wastewater Quality Standards. The following presents the results of domestic waste quality for the period October 2022 – December 2022 (Quarter IV of 2022) for the December 2022 test results:

Domestic Liquid Waste Testing

Parameter	Units	Standards	December 2022
pH	-	6 - 9	7.8
BOD	Mg/l	-	2.41
COD	Mg/l	-	33.7
Oil/Fat	Mg/l	-	2.97
TSS	Mg/l	-	3
Amoniak	Mg/l	-	0.046
Total coliform	Mg/l	-	2200

Based on the data above, it is known that the company has routinely tested the quality of factory and domestic wastewater once a month, and based on the test results it is known that there are no test results that exceed the predetermined quality standards.

Based on the results of interviews with the Kotabaru District Environmental Service regarding the management of liquid waste at the WWTP, there were no issues related to environmental pollution. The results of interviews with the community from Sangking Baru village, the company also stated that there was no pollution from liquid waste produced by the company. Based on this explanation, it can be concluded that the company has met the quality standards for waste water that is disposed of and/or used according to the quality standards for waste water for disposal and/or utilization and does not cause pollution to the environment.

7.8.4

The Certification Unit already has a Surface Water Utilization Permit with no. 503/16/SIPA/DS-DPMPTSP/VI/2020 issued by DPMPTSP of Kalimantan Selatan Province on June 18 2020 which is valid until July 31 2023. The permit is in the form of SSO which informs that the water sources allowed to be taken in the permit are for Sungai Village Kupang. Allot the use of permits for factories and households.

The following is shown for the total budget for water use during the period January - December 2022, as follows:

No	Month	FFB Processed (ton)	Water use for		
			POM Wash	Processing Water (m ³)	Total (m ³)
1	January	11,817.74	590.89	7,681.53	8,272.42
2	February	10,010.11	500.51	6,506.57	7,007.08
3	March	10,602.53	530.13	6,891.64	7,421.77
4	April	11,729.59	586.48	7,624.24	8,210.71
5	May	13,451.78	672.59	8,743.66	9,416.24
6	June	17,149.30	857.47	11,147.05	12,004.51
7	July	15,479.72	773.99	10,061.82	10,835.81

8	August	15,344.80	767.24	9,974.12	10,741.36
9	September	15,715.80	785.79	10,215.27	11,001.06
10	Oktober	16,342.91	817.15	10,622.89	11,440.04
11	November	16,007.50	800.38	10,404.88	11,205.25
12	Desember	15,584.39	779.22	10,129.85	10,909.07
TOTAL		169,236.19	8,461.81	110,003.52	118,465.33

The following is presented for the actual use of water for the 2021 – 2022 period:

No	Month	FFB Processed (ton)	Water use for		Total (m ³)
			POM Wash	Processing Water (m ³)	
1	January	10,304.04	515.20	6,697.63	7,212.83
2	February	8,802.98	440.15	5,721.94	6,162.09
3	March	11,833.24	591.66	7,691.61	8,283.27
4	April	12,039.55	601.98	7,825.71	8,427.69
5	May	11,603.89	580.19	7,542.53	8,122.72
6	June	15,932.59	796.63	10,356.18	11,152.81
7	July	17,516.81	875.84	11,385.93	12,261.77
8	August	16,435.04	821.75	10,682.77	11,504.52
9	September	16,029.80	801.49	10,419.37	11,220.86
10	Oktober	14,204.78	710.24	9,233.11	9,943.35
11	November	13,165.07	658.25	8,557.30	9,215.55
12	Desember	15,835.76	791.79	10,293.25	11,085.03
TOTAL		163,703.56	8,185.18	106,407.31	114,592.49

Based on the description of the data above, it is known that the company has set a surface water usage budget for the period January to December 2022, and has recorded water usage for the same period. From the table above, it can be seen that the total actual water use during 2022 totaled 114,592.49 M3 while the budget determined was 118,465.33 M3. This shows that the company's water use does not exceed the budget determined by the company.

The company can also show proof of payment of the water levy to the UPTB Management and Regional Revenue of the Kotabaru District for the period from October to December 2022 with the payment period being made once a month at the end of each month. Example of proof of payment of the most recent water levy:

- Surface Water Tax Notification Letter and Bank Transfer Proof dated 11 November 2022 for the period of water use in September 2022 and October 2022.
- Notification of Surface Water Tax and Proof of Bank Transfer dated 20 December 2022 for water use in November 2022.
- Surface Water Tax Notification Letter and Bank Transfer Proof dated January 28, 2023 for water use period in December 2021.

Based on the results of a field visit to the PAP section in Sungai Kupang Mill, it is known that the condition of the flow meter at the location is still functioning properly, so that the recording of water usage can be carried out routinely and properly monitored by the operator in charge of recording the flow meter data. Based on the results of interviews with the operator, it is known that the operator understands his job duties and functions well and uses PPE that is in accordance with what has been identified and provided by the company according to the type of work he is doing.

Based on the explanation above, the company already has water usage documents for palm oil processing units along with supporting documents in the form of Surface Water Use Permit Documents, recapitulation of water use, and proof of payment of surface water use fees.

Status : Comply

7.9
Efficiency of fossil fuel use and the use of renewable energy is optimized.
7.9.1

Company maximizes use of renewable energy as a substitute for fossil fuel usage. Company uses shells and fiber as alternative energy to replace diesel. Monitoring of the use of shells and fiber, electricity use, and use of diesel fuel has been carried out every month by the company. Company has routine monitoring of the use of fossil fuels and renewable energy such as shells and fiber as well as an evaluation of the efficiency of energy use in 2021 as follows:

Month	Processed FFB (tons)	Use of Shells (tons)	Use of Fiber (tons)	Use of fossil fuel (Liter)	Energy required /tons of CPO (KCAL)
Jan	14,734	847	1,842	9,777	5,422,111
Feb	10,290	59	1,286	13,963	6,750,484
Mar	17,003	978	2,125	12,074	6,934,606
Apr	14,295	82	1,787	14,666	6,710,525
May	14,165	814	1,771	11,403	5,304,441
Jun	13,733	790	1,717	11,221	4,999,337
Jul	13,524	778	1,690	13,689	4,833,538
Aug	12,230	703	1,529	12,383	4,467,502
Sept	10,980	631	1,373	5,798	4,067,025
Oct	10,168	585	1,271	12,779	4,438,581
Nov	12,347	710	1,543	11,455	5,104,644
Dec	12,522	720	1,565	7,765	4,500,176
Total	155,990	8,969	19,499	136,973	63,532,970

During the January-December 2021 period, the use of shells and fiber for boiler purposes has saved the use of fossil fuel by 59,912 liters.

The certification unit has increased the efficiency of using fossil fuels and optimizing renewable energy by using of shells and fiber as boiler fuel for turbine generators. The use of energy generated from the turbine is monitored every day. Certificate unit has shown records of the use of shells and fiber as renewable energy and the use of diesel as a fossil fuel for the period January – December 2021.

The company uses shells and fiber as boiler fuel to generate turbine power, which can reduce the use of fossil fuels. There is the documentation of shells and fiber uses on document of "Perhitungan Efisiensi Energi" period Jan 2022 to Dec 2022. For example, use of shells and fiber period Jan to Dec 2021 has produces 4,280,880.00 kWh of electricity from turbine, while electricity generated from diesel fuel 172,330.64 kWh. The efficiency renewable energy use per ton of palm product in the mill is 14.29 KWh / MT CPO.

Certification unit also has shown records of fossil fuel for Periode January to December of 2022. Based on provided data, it is known that to process 163,703,560 Kg FFB, needs 815,587 L of fossil fuel. To reduce of fossil fuel usage, company use shells and fiber. Use of shells as 9,412,955 Kg and use of fiber as 20,462,945 Kg have produced as 92,600,965,009 Kcal. Whereas 1 Kg of shells use is equivalent to 4,105 Kcal, and 1 Kg use of Fiber is equivalent to 2,637 Kcal, and 1 L use of Fossil fuel is equivalent to 9063 Kcal.

Based on these data, after calculating it is known that the total Kcal from the use of fiber and shells can save the use of diesel fuel as much as 89,701 L, with a diesel price per liter of IDR 14,032, so the total cost efficiency of saving diesel is IDR 1,248,126,023.

Based on the results of interviews and document verification, it shows that all solid waste in the form of shells and fiber is used

to substitute diesel fuel as boiler fuel, while empty fruit bunches are used for fertilizer substitution by being applied to the land. The company also utilizes liquid waste which is used to substitute fertilizer for land through Land Application. All of these wastes are utilized and recorded usage data in detail and traceable. However, until this audit stage is carried out, the company has not utilized waste air.

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 an inventory of GHG emission sources that are listed in the identification document for the source of greenhouse gas emissions produced by estates and mills. Based on the document review, it can be concluded that the company has identified the source of GHG produced by PT Sinar Kencana Inti Perkasa. Identification of significant sources of GHG emissions are identified and a mitigation plan has been developed by the company that includes estates and mills. Significant GHG emissions include land use change, processing of POME, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plan includes the proper use of fertilizers and application as recommended, limiting the use of electricity, transportation and maintenance of machines, and periodic air quality tests.

The company has also reported the GHG calculation results to the public with a summary report which can be viewed on the RSPO website. This calculation has carried out routinely every year for January to December periode, for example below this, has shown GHG Calculation of PT Sinar Kencana Inti Perkasa with the data based on January to December periode of 2022.

Summary Emission:

Emmission per product	tCO2e/tProduct
CPO	2.71
PK	2.71

Extraction	%
OER	19,69
KER	5.14

Land use	Ha
Planted area on mineral soil	18176.24
Planted on peat	0.00
Total oil palm planted area	18176.24
Conservation Area (Forested)	0.00
Conservation Area (Non Forested)	326.91
FFB Production per hectarage	11.16 t/ha

Estate/Plantation field emission and Sinks

Description	Own		Group		3 rd Party		Total
	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	
Land conversion	77537.37	5.42	27472.81	0.41	0.00	0.00	105010.18
CO2 emissions from fertilizer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N2O emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00

from peat								
N2O from Fertilizer	5117.67	0.43	0.12	0.00	0.00	0.00	6117.99	
Fuel consumption	1299.67	0.09	0.02	340.45	0.09	0.01	1640.12	
Peat oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Sinks								
Crop sequestration	- 65723.34	-4.59	-1.25	- 36134.13	-9.36	-0.54	- 101857.47	
Sequestration in Conservation area	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total	19231.69	1.34	0.37	-8320.87	-2.16	0-0.13	77917.61	

Mill Emissions and Credits

Description	tCO2	tCO2e/t FFB
Emissions sources		
POME	32088.74	0.20
Fuel consumption	324.36	0.00
Grid electricity	0.00	0.00
Credits		
Export of grid electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	32088.74	0.20

Emissions from Palm Kernel Crusher

Emission Source	tCO2e
PK from own mill	0.00
PK from other source	0.00
Fuel Consumption	0.00
Total Crusher Emissions	0.00

Palm oil mill effluent (POME) treatment

Diverted to compost	0%
Diverted to anaerobic digestion	100%

POME diverted to anaerobic digestion

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

GHG calculation on January to December 2022 period shown net emission of GHG are decreasing compared to 2021 net GHG

is 1.13tCO₂e/t product meanwhile for year 2020 period shown net emission GHG is 2.71 tCO₂e/t product.

7.10.2

Based on document verification and interview with management, there are no new developments in the operational area of PT SKIP.

7.10.3

Identification of environmental aspects and impacts is carried out annually for sources of pollution and emissions at the Palm Oil Mill as stated in the identification and evaluation form of environmental aspects F/SRUM/LEMS-EHSD/SADV/001/001. Environmental aspects are identified in each palm oil mill activity, namely: entrance gate, weighbridge, parking lot, grading, loading ramp, sterilizer, thresher, press, but and kernel, clarification, storage tank, CPO dispatch, engine room, boiler, water Treatment Plants, chemical warehouses, temporary storage for hazardous waste, diesel fuel stations, vehicle washing offices, housing, and warehouses for lubricants or fuel oil.

The company has identified significant GHG emissions and pollutants from plantation and mill operations. Identification of sources of GHG emissions, among others:

- Fuel for electricity
- Operational vehicle fuel
- Use of CaCO₃
- Use of HCl and NaOH
- Use of Al₂(SO₄)₃
- Process at WWTP

Mitigation programs (reduce and minimize) that have been implemented by the company include:

- Substituting diesel fuel with renewable energy (shells and fiber) in the CPO production process
- Maintenance and repair of generators and turbines on a regular basis
- Reducing electricity consumption and the use of air conditioning
- Periodic maintenance and repairs to operational vehicles
- Supervise the use of CaCO₃
- Monitor the use of chemicals
- Wastewater application

Company has RKL-RPL Implementation Report every semester. For example, report for the period 2021 semester 2 which contains the results of air emissions and ambient tests and has been reported to the relevant agencies. Emission and ambient air testing were carried out in October 2021 (by Testing Laboratory No. LP-001-IDN) which contained the results of measuring the emission air quality of boilers and generators that met the quality standards stipulated in the Minister of Environment Regulation No. 07 of 2007, and the ambient air quality in factories and plantations has met the quality standards set out in Government Regulation No. 22 of 2021.

Status : Comply

7.11

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

7.11.1

Based on field observation to estate operational areas and information from village representatives, as well as representatives from Environment Agency and Agriculture/Plantation Agency of Kotabaru District, it was known that there is no use fire for land preparation and replanting activities.

7.11.2

Company has determined efforts to prevent and control land fires in 2021 with several activities, including: conducting an inventory of fire-prone locations, creating an early detection system to detect fires (establishing guard posts/monitoring towers, conducting periodic patrols, utilizing data information of satellite), preparing fire prevention tools and means of extinguishing fires, creating procedures to prevent and combat fires, preparing teams/organizations responsible for preventing and overcoming fires as well as conducting socialization or training on fire prevention and control. Company has shown

organizational structure for emergency preparedness and response in its plantations in 2022 which consists of a supervisor, chairman, secretary, general assistant, daily head, fire management team, security team, removal team, evacuation team, health team and liaison team. In addition, the company has facilities and infrastructure for controlling land/garden fires whose condition was monitored lastly on October 1, 2021. Based on the results of monitoring in 2021, it is known that there has never been a land fire incident. This is also reinforced by information from relevant agencies in Kotabaru District.

7.11.3

The company already has Human Resources (HR) capable of preventing and tackling land fires in the form of an Emergency Preparedness and Response Structure that is approved by the heads of each unit. For example, the Sungai Panci Estate unit is set for November 14, 2022. The organizational structure is as follows:

- Coach
- Chairman
- Secretary
- Daily Chief
- Fire Team, Security Team, Removal Team, Evacuation Team, Medical Team and Liaison Team.

The results of interviews with firefighters at Sungai Panci Estate and Sungai Kupang Estate show an understanding of fire prevention and management in the event of a land fire.

The company also has officers who have attended Fire OHS training as evidenced by certificates having attended Fire Occupational Safety and Health training for class D C B A-Ministry of Manpower Republic of Indonesia which was held on October 24 2022 - November 12 2022 organized by PT Samudra Karya Mustika with the name of the officer namely Luni Masdia Junaidi with training certificate number 33218/SERT/SKM/2022. Based on the results of interviews with company representatives, the Fire K3 certificate from the Ministry of Manpower has not yet been issued and the certificate that has just been issued is only a certificate that has attended Fire K3 training.

Based on the explanation above, it can be concluded that the company has Human Resources (HR) capable of preventing and overcoming land fires.

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 field verification and interview with stakeholders shown there is no new planting after November 2005 for PT Sinar Kencana Inti Perkasa. PT SKIP are subsidiaries of Golden Agri Resources and has been submit Disclosure of Liability to RSPO on 29 August 2014 with Zero Liability. Based communication between CB and RSPO by email on June 21 2017 its confirmed that PT SKIP has zero liability status for SKPE and SPNE. Whilst for the SPNA it is known that there was no new planting year above November 2005, with the oldest planting year was on 1997, and the youngest planting year was below November 2005.

7.12.2

The company has identified protected areas and areas of high conservation value by the Biodiversity and Conservation Environment and Health and Safety Department, namely for SKPE in 2014 with a total HCV area of 140.01 Ha with the following details:

- Block M-N River Rim with an area of 33.93 Ha.
- The tidal area of Block L30 (species habitat) is 77.89 Ha
- Tidal area B07 Q13 (species habitat) covering an area of 28.19 Ha.

As for the SPNE in 2011 and re-identification was carried out in 2017 to ensure the actual situation on the ground, in order to obtain information on the area of the HCV area of 151.75 Ha with the following details:

- The tidal area of Block L30 (species habitat) is 77.89 Ha
- Tidal area B07 Q13 (species habitat) covering an area of 28.19 Ha.

Based on the explanation above, it is known that PT SKIP's HCV area in total is 291.76 Ha, which comes from 140.01 Ha of SKPE's HCV area totaling 151.75 Ha of SPNE's HCV area but based on the distribution of Area categories according to the 2022 update carried out by the Section PT SMART SPO, details of the area and its categories are as follows:

SKPE : 140.01 Ha

- The HCV area that enters the planted area is 43.02 Ha.
- The HCV area that enters the road area is 2.68 Ha.
- An HCV area that enters a ditch/swamp/river area of 6.11
- The HCV area that is included in the conservation area (Non-HCV/NKT) is 88.20 Ha.

SPNE : 151.75 Ha

- The HCV area that enters the planted area is 67.23 Ha.
- The HCV area that enters the road area is 3.07 Ha.
- An HCV area that enters a 5.20 Ha ditch/swamp/river area.
- The HCV area that is included in the conservation area (Non-HCV/NKT) is 76.25 Ha.

Total area of HCV : SKPE + SPNE

291.76 Ha : 140.01 Ha + 151.75 Ha

Based on the explanation above, it can be concluded that the company already has documents identifying protected areas and areas of high conservation value.

Based on the results of field observations in the Kali Bening River conservation area at SPNE, it is known that the boundaries of the conservation area are well managed, there are HCV Area signboards and prohibitions on hunting and prohibition on spraying/application of chemicals, it is also known from these observations that no planting was found in the buffer area zone. The area is left natural and undisturbed. Based on the results of interviews with management representatives, it is known that the company has been diligent in socializing the existence of the HCV area to workers and the community around PT SKIP.

7.12.3

Based on the notice on the RSPO website it is known that the High Forest Cover Landscapes and High Forest Cover Countries have not been established by the RSPO. So that this standard has not yet been assessed.

7.12.4

PT SKIP has an HCV management plan for 2022 which consists of:

HCV Type	Program
Riparian Side	<ul style="list-style-type: none"> • Boundary setting • Maintenance of boundary markers (every 3 months) • Install spray limit signs • Direct outreach (once a year) • Boundary area rehabilitation (once a year) • HCV Security (every month) • Maintenance of rehabilitation plants (every 3 months) • Planting green plants (once a year)
Tidal Area	<ul style="list-style-type: none"> • Boundary setting • Maintenance of boundary markers (every 3 months) • Install spray limit signs • Direct outreach (once a year) • Boundary area rehabilitation (once a year) • HCV Security (every month)
Cemetery	<ul style="list-style-type: none"> • Maintenance of boundary markers (every 3 months) • Install spray limit signs

	<ul style="list-style-type: none"> • Direct outreach (once a year) • Boundary area rehabilitation (once a year) • HCV Security (every month)
RTE Species	<ul style="list-style-type: none"> • Direct socialization once a year • Maintenance of HCV warning boards every 3 months • HCV security every month
HCV Monitoring	<ul style="list-style-type: none"> • Monitoring of HCV attributes every 3 months • Monitoring of HCV conditions every 3 months • Monitoring of RTE species every 3 months • Monitoring of HCV rehabilitation once every 3 months

HCV management plan as listed above was development from HCV Identification results and consultation with relevant stakeholders such as Environmental agency, Natural Conservative agency, and surroundings village participant in early stage of public consultation for HCV Identification Assessment by Internal Group of Smart, Tbk.

The company has regularly monitored HCV and wildlife and documented it in the form of an annual report. Monitoring results for the 2021 and 2022 periods show that the company has carried out HCV management in the form of HCV boundary delineation and marking, direct and indirect outreach, protection of water resources, ecosystems and habitats. Monitoring that has been carried out by the company includes monitoring of HCV attributes, monitoring of changes in land cover, monitoring of wild animals and plants, monitoring of water resources (discharge and sedimentation rate), social and cultural monitoring. In general, HCV areas in the form of swamp areas are in good condition and there is no activity of hunting animals and application of chemicals, the condition of the riparian zone is without land clearing and application of chemicals, and the condition of the buffer zone is maintained and maintained.

In addition, the company has also sent reports to relevant agencies with evidence including:

- Receipt of Report on Management and Monitoring of High Conservation Value Areas for semester 1 of 2022 on 21 June 2022 to BKSDA.
- Receipt of Report on Management and Monitoring of High Conservation Value Areas for semester 2 of 2022 on 23 November 2022 to BKSDA.

Based on the results of field observations in the Kali Bening River conservation area at SPNE, it is known that the boundaries of the conservation area are well managed, there are HCV Area signboards and prohibitions on hunting and prohibition on spraying/application of chemicals, it is also known from these observations that no planting was found in the buffer area zone. The area is left natural and undisturbed. Based on the results of interviews with management representatives, it is known that the company has been diligent in socializing the existence of the HCV area to workers and the community around PT SKIP.

Based on the explanation above, it is known that the company has carried out activities in order to maintain protected areas and high conservation values and reported them to the competent authority.

7.12.5

Based on document review and interviews with local communities in surrounding villages obtained information that there is no local community land in the company's operational area.

7.12.6

Company has RTE protection policies and rules and HCV management which are available in:

- Memorandum of Senior Managing Director Operation dated 6 January 2009 Regarding Watershed Protection.
- SOP for Management and Monitoring of HCV number SOP/SMART/BCOS-EHSD/SADV/II/002 dated 1 July 2014.
- SOP for water resources management and monitoring SOP/SMART/BCOS-EHSD/SADV/II/2014 dated 1 July 2014.
- Internal Office Memo from MD Services & Project No. 1231/M-Int/MDSP-VIC/XI/11 dated 25 November 2011 regarding Zero Tolerance Policy towards Endangered Animals.
- Circular from SMD Operations No. 002/SE-SMD OPS/IX/2010 dated 20 September 2010 regarding protected animals.

The company monitors the management of the HCV area and the presence of wild animals every three months. The monitoring includes the condition of the boundary markers and the condition of river borders, the presence of wild animals in the company, hunting/destroying conservation areas around the plantations and monitoring areas with high erosion potential and rehabilitation by planting woody plants. The last monitoring took place in December 2021.

To provide protection for these RTE species, the management unit has created a board prohibiting hunting, patrolling, rehabilitating riparian as habitat and reporting to the relevant agency (Natural Resources Conservation Agency). In addition, the company also conducts routine inspections for the protection of HCV/RTE species, the last inspection was carried out in December 2021. The results of the Patrol show that there is no poaching, destruction of ecosystems and no wild animal traps in the HCV area. Based on interview with workers in SKPE, SPNE, and SPNA, they have been aware of RTE species in the operational areas of PT SKIP which are not allowed to be hunted or kept at their house.

7.12.7

Company has conducted regular monitoring of HCV and wildlife and it is documented in the form of a report every year. Monitoring results for the 2022 period show that the company has managed HCV in the form of delineating HCV boundaries and marking, direct and indirect socialization, protection of water resources, ecosystems and habitats, and HCV rehabilitation. Monitoring that has been carried out by the company includes monitoring of HCV attributes, monitoring of land cover changes, monitoring of wildlife and plants, monitoring of water resources (discharge and sedimentation rate), social and cultural monitoring. In general, the HCV area in the form of a swamp area is in good condition and there is no hunting activity for animals and the application of chemicals, the condition of the river border is no land clearing and chemical application, and feeding conditions are maintained and maintained. Moreover, the result of HCV monitoring in 2022 are similar with the result of HCV monitoring in 2021 whereas there was no found any indication of illegal logging, illegal planting in riparian area, installation of Protected area signboard and HCV borderline was in good condition and there was no indication of prohibiting hunting was witnessed by the HCV Officer or other workers and local people around HCV area of PT SKIP.

The results of the monitoring are used for follow-up improvements to the management plan in 2022 which has been made by the company including monitoring of HCV attributes, monitoring of land cover changes, monitoring of wildlife and plants, monitoring of water resources (discharge and sedimentation rate), and social and cultural monitoring. Company has developed its HCV management and monitoring plan by participatory ways which has been involving relevant parties including Forestry Agency of Kalimantan Selatan Province, contractor, and surrounding community.

7.12.8

There were no new plantings at PT SKIP. Land clearing of SKPE (own estate) and SKPA (plasma) plantations began in 1992/1993. The 2007 plant in block I50 is an additional plant for the 1994 plant which was damaged by swine. Plants in 2013 are the second cycle of replanting for an area of +131.2 hectares in P288-P33. Disclosure to RSPO on 29 August 2014 with a statement that the SKPE unit has zero liability. As mentioned in indicator 7.12.1, the company has made another communication with RSPO through email on June, 2017 that informed the confirmation of liability status for SKPE and SPNE which was confirmed that PT SKIP has zero liability status for SKPE and SPNE. Whilst for the SPNA it is known that there was no new planting year above November 2005, with the oldest planting year was on 1997, and the youngest planting year was below November 2005.

	Status : Comply	
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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-3	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product). PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) Trademark License Number RSPO-1-0096-11-100-00	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product). PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) Trademark License Number RSPO-1-0096-11-100-00	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product). PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) Trademark License Number RSPO-1-0096-11-100-00	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	The Mill does not use RSPO Trademark on its product (on-product) and non-product (off-product). PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) Trademark License Number RSPO-1-0096-11-100-00	√
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

Golden Agri-Resources, Ltd Time Bound Plan (TBP) is explained in table 1.5. Golden Agri-Resources run forty nine (49) mills and one hundred and eighty (180) estates (own and smallholders) in Indonesia and has achieved RSPO certified for thirty one (31) mills and supply base in Indonesia. Golden Agri-Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri-Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri-Resources, Ltd on 27 January 2023 made by Head of Operations Sustainability.

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

MUTU Auditor has verified company partial certification and concludes that:

- There 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>Company Group/Holding Statement: The company has carried out a Compliance Audit / Internal Compliance Verification (ICV) to see compliance with RSPO standards and also the Set up System in the Company's units to be certified.</p> <p>There are Compliance Audit (ICV) reports for each company including:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul – Sawita Mill : Pre Audit 2015, Compliance Audit 24 - 31 May 2021 2. PT Smart Tbk – Bukit Kapur Mill: Pre Audit 2015, Compliance Audit 15 November 2021 3. PT Sinar Kencana Inti Perkasa – Kasuari Mill: Pre Audit 2015, Compliance Audit 11 October 2021 4. PT Agrolestari Mandiri – Pekawai Mill: Pre Audit 2015, Compliance Audit 01 March 2021 5. PT Binasawit Abadi Pratama – Perdana Mill: 14 June 2021 6. PT Agrokarya Prima Lestari – Kuayan Mill: Pre Audit 2014, Compliance Audit 13 September 2021 7. PT Mitrakarya Agroindo – Tangar Mill: Pre Audit 2015, Compliance Audit 27 September 2021 8. PT Paramita Internusa Pratama – Belian Mill: Pre Audit 2015, Compliance Audit 28 June 2021

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

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"> 1. PT Krusing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit plan on 17 May 2022. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit plan on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit plan on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit plan on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit plan on 28 March 2022. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari Persada) that has been certified with an internal audit plan on 8 August 2022. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit plan on 7 November 2022. <p><i>Notes:</i> <i>Verification of the realization of the internal audit carried out on the newly acquired units will be carried out at the nearest RSPO surveillance audit activity with the internal audit schedule that has been set.</i></p> <p>The company has carried out a Compliance Audit / Internal Compliance Verification (ICV) to see compliance with RSPO standards and also the Set up System in the Company's units to be certified.</p> <p>There are Compliance Audit (ICV) reports for each company including:</p> <ol style="list-style-type: none"> 1. PT. Agrolestari Mandiri – Pekawai Mill: Compliance Audit 07 February 2022

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		2. PT. Kresna Duta Agrindo – Gunung Kombeng Mill: Compliance Audit 21 February 2022 3. PT. Harapan Rimba Raya – Sungai Kedang Mill: Compliance Audit 17 May 2022 4. PT. Kruing Lestari Jaya – Sungai Perak Mill: Compliance Audit 23 May 2022 5. PT. Kresna Duta Agrindo – Rantau Panjang Mill: Compliance Audit 06 June 2022 6. PT. Sawitakarya Manunggal – Sawita Mill: Compliance Audit 13 June 2022 7. PT. Binasawit Abadi Pratama – Perdana Mill: Compliance Audit 20 June 2022 8. PT. Paramitra Internusa Pratama – Belian Mill: Compliance Audit 26 June 2022 9. PT. Bahana Karya Semesta – Sungai Air Jernih Mill: Compliance Audit 03 October 2022 10. PT. Sawit Mas Sejahtera – Sungai Kikim Mill: Compliance Audit 03 October 2022 11. PT. Sinar Kencana Inti Perkasa – Kasuari Mill: Compliance Audit 03 October 2022 12. PT. Sinar Kencana Inti Perkasa – Demta Bulking: Compliance Audit 06 October 2022 13. PT. Aditungal Mahajaya - Sako Mill: Compliance Audit 14 November 2022 14. PT. Agrolestari Sentosa – Jalemo Mill: Compliance Audit 21 November 2022 15. PT. Mitrakarya Agroindo – Tangar Mill: Compliance Audit 05 December 2022 16. PT. Agrokarya Prima Lestari – Kuayan Mill: Compliance Audit 05 December 2022 17. PT. Sinar Kencana Inti Perkasa – Sungai Magalau Mill: Compliance Audit 12 December 2022 18. PT. SMART - Bukit Kapur Mill: Compliance Audit 12 December 2022 2.0 <i>Auditor Verification:</i> 3.0 Internal Audit report available for uncertified management unit: 1. PT. SMART - Bukit Kapur Mill: Compliance Audit 12 December 2022 2. PT. Agrolestari Sentosa – Jalemo Mill: Compliance Audit 21 November 2022 3. PT. Binasawit Abadi Pratama – Perdana Mill: Compliance Audit 20 June 2022 4. PT. Aditungal Mahajaya - Sako Mill: Compliance Audit 14 November 2022 5. PT. Mitrakarya Agroindo – Tangar Mill: Compliance Audit 05 December 2022 6. PT. Kruing Lestari Jaya – Sungai Perak Mill: Compliance Audit 23 May 2022

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>7. PT. Bangun Nusa Persada – Kenari Mill: Compliance Audit 19 September 2022</p> <p>In 2022, GAR has made additional units by acquiring 4 factories namely Sungai Perak Mill, Sungai Kedang Mill, Bukit Perak Mill, Bumi Palma Mill and 15 plantations (11 own plantations namely Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Pahu Estate, Bukit Permai Estate, Bukit Lestari Estate, Kharisma Estate and 4 plasma plantations/KKPA namely Sungai Pikan Plasma, Sungai Tohan Plasma, Sungai Pahu Plasma, Kharisma Plasma).</p> <p>Internal audit activities have been carried out, as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit on 17 May 2022. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari Persada) that has been certified with an internal audit on 8 August 2022. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit on 7 November 2022.
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.12	<p>Company Group/Holding Statement:</p> <p>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> <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>

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>HCVRN, is PT Sawit Mas Sejahtera – Sumatera Selatan (2 reports).</p> <p>HCV assessments for 17 reports was conducted in the period of 2010 to 2018 by external (consultant) and internal parties. The HCV assessment is carried out by a team assessor with a Team Leader who has been approved by the RSPO. The reference for the HCV assessment using the HCV Toolkit 2008. The peer review is carried out by an independent consultant who has also been approved by the RSPO.</p> <p>Assessment of PT Sawit Mas Sejahtera – Sumatera Selatan has used Integrated HCV-HCS with the consultants who have been licensed in HCVN and HCSA</p> <p>The company continues to follow up on the RaCP process, so that the RSPO timebound for uncertified units can be realized immediately.</p> <p>In the 2021 period, several companies were acquired by GAR according to the notarial deed of amendment dated 04 August 2021, including:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya 2. PT Harapan Rimba Raya 3. PT Rimbaraya Tamajaya 4. PT Agrolestari Subur Sejahtera 5. PT Agrolestari Hijau Sentosa 6. PT Kharisma Riau Sentosa Prima 7. PT Mitranusa Permata <p>The company is still collecting information and documentation regarding the fulfillment of RaCP obligations for the newly acquired company. The timeline that has been prepared for the fulfillment of this RaCP is:</p> <ul style="list-style-type: none"> • Submission of Disclosure and LUCA on semester 1 of 2022 • Submission of Concept Notes on Semester 2 of 2022 • Approval RaCP Proposal on Semester 1 of 2023 <p>For the RaCP process, smallholders scheme will be adjusted to the 2023 timebound along with the new acquisition company.</p> <p>Auditor Verification: Based on auditor verification, not all uncertified unit conduct new clearing after Nov 2005, but for uncertified unit with land clearing after Nov 2005 has follow RaCP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> 1. PT Kencana Graha Permai - Kalimantan Barat (Delima Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022,

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>and is currently still being reviewed by the RSPO Compensation Panel.</p> <p>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.</p> <p>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.</p> <p>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</p> <p>5. PT Kartika Prima Cipta – Kalimantan Barat (Muara Tawang Estate), the LUCA report which is still in the RSPO review process.</p> <p>6. PT Agrolestari Mandiri – Kalimantan Barat (Pekawai Mill and supply bases), the LUCA report which is still in the RSPO review process.</p> <p>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.</p> <p>8. PT Paramitra Internusa Pratama – Kalimantan Barat (Belian Mill, Belian Estate and Tengkawang Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>12. PT Binasawit Abadi Pratama – Kalimantan Tengah (Perdana Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>13. PT Aditunggal Mahajaya – Kalimantan Tengah (Sungai Ayawan Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>14. PT Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p>

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. PT. Agrolestari Sentosa – Kalimantan Tengah (Jalemo Mill and supply bases). The concept note was submitted on 22 September 2022 and is currently being reviewed by the RSPO.</p> <p>23. PT. Binasawit Abadi Pratama – Kalimantan Tengah (Perdana Mill and Supply Bases). LUCA was submitted to the RSPO on 18 April 2018, feedback from RSPO on October 14 2021 and is currently still in the process of land cover verification by the company.</p> <p>24. PT. Aditunggal Mahajaya – Kalimantan Tengah (Sako Mill and supply bases). LUCA report PT. Agrokarya Prima Lestari and PT. Aditunggal Mahajaya is still in the review process and is currently preparing its clarification for resubmission (2nd resubmission). As for the status of the LUCA report of PT. Mitrakarya Agroindo with Pass status on 10 June 2022.</p> <p>25. PT. Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill dan supply bases), stages in the RaCP process have not been fully completed</p> <p>26. PT. Kruing Lestari Jaya – Kalimantan Timur (Sungai Perak Mill dan supply bases), RaCP disclosure has not been made to the RSPO</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: GAR and its subsidiaries planted after January 2010. There are companies that had conducted the RSPO New Planting</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Procedure (NPP) and have gone through a 30-day public consultation process in April 2014. These companies include:</p> <ol style="list-style-type: none"> 1. PT Satya Kisma Usaha – Jambi 2. PT Kresna Duta Agroindo – Kalimantan Timur 3. PT Mitra Karya Agroindo – Kalimantan Tengah 4. PT Binasawit Abadipratama – Kalimantan Tengah 5. PT Aditunggal Mahajaya – Kalimantan Tengah 6. PT Agrolestari Sentosa – Kalimantan Tengah 7. PT Agrokarya Primalestari – Kalimantan Tengah 8. PT Buana Adhitama – Kalimantan Tengah 9. PT Agrolestari Mandiri – Kalimantan Barat 10. PT Paramitra Internusa Persada – Kalimantan Barat 11. PT Persada Graha Mandiri – Kalimantan Barat 12. PT Bangun Nusa Mandiri – Kalimantan Barat 13. PT Kartika Prima Cipta – Kalimantan Barat 14. PT Kencana Graha Permai – Kalimantan Barat 15. PT Cahaya Nusagemilang – Kalimantan Barat <p>Auditor Verification: Based on auditor verification, not all uncertified unit conduct new clearing after January 2010 but for all uncertified unit with land clearing after January 2010 has follow NPP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base): there is no new land clearing after January 2010 2. PT Agrolestari Mandiri (Pekawai Mill and supply base): NPP on 26 April 2014 3. PT Binasawit Abadi Pratama (Perdana Mill and supply base): NPP on 8 July 2014 4. PT Agrokarya Prima Lestari (Kuayan Mill and supply base): NPP on 26 April 2014 and PT Buana Adhitama (supply base) conduct NPP on 4 June 2014. 5. PT Mitra Karya Agroindo (Tangar Mill and supply base): NPP on 26 April 2014 6. PT Paramitra Internusa Pratama (Belian Mill and supply base): NPP on 3 June 2014, PT Kartika Prima Cipta (supply base) conduct NPP on 8 July 2014 and PT Persada Graha Mandiri (Supply base) conduct NPP on 6 June 2014. 7. PT Sawit Mas Sejahtera (Sungai Kikim and supply base): there is new planting after January 2010 in Sungai Kikim Estate and Sungai Saling Estate, the company not conduct NPP. This is become subject of sanction. For PT Buana Sawit Mas (supply base) conduct NPP on 8 July 2014. 8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): there is no new land clearing after January 2010. 9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): NPP on 26 April 2014 10. PT Adi Tunggal Mahajaya (Sako Mill) (under construction): NPP on 25 April 2014, PT Agrokarya Prima Lestari (supply base) conduct NPP on 26 April 2014 and PT Mitra Karya Agroindo (supply base) conduct NPP on 26 April 2014.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>11. PT SMART (Bukit Kapur Mill and supply base): there is no new land clearing after January 2010.</p> <p>12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014.</p> <p>13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): NPP on 8 July 2014.</p> <p>14. PT Sawitakarya Manunggul (Sawita Mill and supply base): there is new land clearing after January 2010 in Sawita KKPA and company not conduct NPP. This is become subject of sanction.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p>Company Group/Holding Statement: No land conflicts. The company has a land conflict resolution mechanism in accordance with the RSPO criteria 4.2, 4.6, 4.7 and 4.8. This procedure is contained in the SOP for handling social conflicts with the registration number SOP/SMART/SCRD/NSDV/I/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/I/001 revision 2 dates April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/GIMS-SCMD/USDV/I/001 revision 2 dated 11 April 2017, handling complaints appropriately and quickly. GAR has initiated to become a member of the RSPO DSF as a "Grower" category.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <ol style="list-style-type: none"> 1. Complaint dated July 11, 2021 to PT SMART Tbk (West Kalimantan Region) regarding the alleged purchase/supply of fresh fruit bunches (FFB) and crude palm oil (CPO) from PT Kapuasindo Palm Industri (PT KPI), a subsidiary of the Kencana Group (not members of the RSPO), who have committed a series of violations against workers and indigenous peoples in the district. Last Status RSPO Complaints Panel has issued a decision letter regarding the complaint on 17 January 2022 in which it was decided to terminate the entire complaint. The decision letter has been submitted to both parties, and time is given if anyone wishes to appeal until April 11, 2022. (RSPO Complaint Panel Decision is attached). 2. Complaint on 2 March 2020 to GAR (Central Kalimantan Region) from Forest Peoples Program & Elk Hills Research regarding alleged land legality and bribery cases. On the part of GAR itself, GIS-2 analysis for land clearance alerts after November 2014 from discussions with RSPO GIS manager

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>on 21 May 2021 has agreed on the sampling method. GAR's clarification report was sent on September 8, 2021. As for the legal review on anti-bribery policies & practices, the company rejected the ToR for Legal Review on March 26, 2021. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 15, 2021, the RSPO is waiting for the results of a review from the consultant.</p> <p>3. Complaint on 19 October 2018 to GAR (Kapuas Hulu Region, West Kalimantan) from the Forest Peoples Program (FPP) & Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding legality. On 26 August 2021, the RSPO Complaint Panel decided to proceed with further investigations. The investigation carried out will be fully funded by the RSPO, and carried out by PROFUNDO Parties. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 6, 2021, the RSPO is waiting for the results of a review from the consultant.</p> <p>4. Complaint on 13 October 2014 to PT Kartika Prima Cipta (West Kalimantan) from Forest Peoples Program (FPP) & Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding the FPIC process and 6 other issues. RSPO with the approval of GAR and FPP divides the conflict resolution verification process into 5 phases (phase 1 related to NPP, maximum land holding and new land development, phase 2 related to legality, phase 3 related to smallholders, phase 4 related to FPIC and phase 5 related to HCV), where GAR has responded to phase 5 on 26 August 2021. The information submitted has responded to all stages and GAR is currently waiting for a decision from the RSPO Complaint Panel. The latest status as of 15 December 2021, the RSPO Complaint Panel has reached a decision for phase 2 and is awaiting discussion of phases 3 and 4.</p> <p>5. The results of the Compliance Audit conducted for the 2021 period in the uncertified unit that there was no land conflict and the unit had disseminated the SOP for Handling Complaints and Dissatisfaction, Human Rights Policy and SOP for Handling Social Conflicts both internally and externally, in general the FPIC process has been carried out according to procedures, so that there are no land or social conflicts.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is no land conflicts in the following uncertified management unit:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul (Sawita Mill and supply base) 2. PT SMART (Bukit Kapur Mill and supply base) 3. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) 4. PT Agrolestari Mandiri (Pekawai Mill and supply base) 5. PT Binawit Abadi Pratama (Perdana Mill and supply base) 6. PT Agrokarya Prima Lestari (Kuayan Mill and supply base)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>7. PT Mitra Karya Agroindo (Tangar Mill and supply base).</p> <p>8. PT Paramitra Internusa Pratama (Belian Mill and supply base)</p> <p>9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base).</p> <p>10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base).</p> <p>11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base)</p> <p>12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</p> <p>13. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base)</p> <p>14. PT Bangun Nusa Mandiri (Kenari Mill and supply base)</p> <p>15. PT Agro Lestari Sentosa (Jalemo Mill and supply base)</p> <p>16. PT Adi Tunggal Mahajaya (Sako Mill and supply base)</p> <p>17. PT Kruing Lestari Jaya (Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA)</p> <p>18. PT Harapan Rimba Raya (Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA).</p> <p>19. PT Rimbaraya Tamajaya (Sungai Pahu Estate and Sungai Pahu KKPA), which will be supply base for Sungai Kedang Mill.</p> <p>20. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill that has been certified</p> <p>21. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill that has been certified</p> <p>22. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill that has been certified</p> <p>23. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</p> <p>Based on the auditor's search through news from the internet, no information on land conflicts was found in the above uncertified management unit. However, on the RSPO website (Complaint Panel) there is information about complaints from various stakeholders against GAR and this has been explained by the company regarding the progress of the settlement as described above.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. Based on information from electronic media on March 1, 2022, there was information that PT. Agro Lestari Sentosa for not building plasma plantations for the community. Based on confirmation with representatives of PT. Agro Lestari, it is known</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>that the plasma area is still in the NPP process and the target is to complete the NPP by the end of the 2023 quarter.</p> <p>In addition, based on electronic media on December 13, 2022, there is information on problems between Koperasi Perkebunan Bataduh Raya and PT. Bangun Nusa Mandiri. Based on confirmation with representatives of PT. Bangun Nusa Mandiri is known that there have been 15 agreements between cooperatives and companies, including PT. BNM is committed to building a plasma of 557.47 Ha and developing an area of 180 Ha for partnerships. Regarding overlapping land, the solution is <i>Vaicias</i> Data, namely the handover of land in PT. BNM with the Head of the Village and Koperasi Perkebunan Bataduh Raya</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 4.2	<p>Company Group/Holding Statement: The company has a procedure for handling employee complaints before becoming into conflicts. The procedure is SOP/SMART/SCRD/NSDV/002 revision 1 dated 18 May 2016.</p> <p>Procedures related to employee complaints are regulated in the internal flow of form because employees are included in the category of internal stakeholders. The media of complaint used is an official letter submitted through the worker union or put in the suggestion box provided in strategic locations.</p> <p>During 2021, there were no new complaints regarding employment through the RSPO website, as for the progress of previous complaints, they have closed status.</p> <p>Auditor Verification: There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p> <p>Auditor Verification: There is information from electronic media on November 24, 2021, it is known that there was mediation by the Head of the Central Seruyan Sector Police regarding the termination of employment of one of the employees of PT. Adi Tunggul Mahajaya. As for the demands submitted, namely the issue of compensation for work termination that was not provided by the company and the 2014 CSR agreement, namely related to clean water, local workers, agriculture, fish ponds, health, transportation cooperation agreements and receipt of FFB from the community, as well as CPO transport SPK from the community. Based on confirmation with PT. Adi Tunggul Mahajaya, it is known that the employee has the status of a contract employee/PKWT for 1 year and is not renewed because he does not meet the competency requirements. In addition, based on labor regulations after the UUCK was issued, companies are no longer obliged to provide compensation to workers whose contracts have been</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>terminated. The realization of CSR is carried out in stages and this demand is the program of the previous Village Head.</p> <p>In addition, there was an issue in the electronic news on September 30 2022 that there was an employee who had died who had been abandoned by PT. Kruing Lestari Jaya and their rights are not fulfilled. However, there is information from the management of the Ikentim organization that there was no abandonment of the corpse. This is in accordance with confirmation from the management representative of PT. Kruing Lestari Jaya that the company has facilitated the corpse to be delivered and buried in Resak according to the wishes of the family</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Subsidiaries of GAR which still on going to process HGU consist of:</p> <ol style="list-style-type: none"> 1. PT Djuandasawit Lestari (Muara Kandis Estate & Muara Tawas Estate) 2. PT Sawit Mas Sejahtera (Sawit Mas Estate) 3. PT Bumi Sawit Permai (Bumi Sawit Estate) 4. PT Forestralestari Dwikarya (Tanjung Rusa Estate) 5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate) 6. PT Ivo Mas Tunggal (Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate, Nenggala Estate) 7. PT Buana Wiralestari Mas (Kijang Estate, Nagamas Estate, Nagasakti Estate) 8. PT Ramajaya Pramukti (Ramarama Estate) 9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate) 10. PT Agrokarya Prima Lestari (Muara Tawang Estate, Kuayan Estate, Bukit Sentuhai Estate, Tajur Beras Estate, Seranau Estate) 11. PT Buana Adhitama (Sapiri Estate) 12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate) 13. PT Mitra Karya Agroindo (Sungai Nusa Estate) 14. PT Aditunggal Mahajaya (Sungai Ayawan Estate) 15. PT Satya Kisma Usaha (Medang Sari Estate) 16. PT Buana Adhitama (Bukit Dua Estate) 17. PT Agrolestari Sentosa (Jalemo Estate) 18. PT Binasawit Abadipratama (Perdana Mill) 19. PT Agrokarya Prima Lestari (Kuayan Mill) 20. PT Mitrakarya Agroindo (Tangar Mill) 21. PT Agrolestari Sentosa (Jalemo Mill)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>22. PT Adi Tunggal Mahajaya (Sako Mill)</p> <p>23. PT Smart Tbk. (Sungai Cantung Estate, Bukit Kapur Estate, Bukit Kapur Mill)</p> <p>24. PT Bangun Nusa Mandiri (Gaharu Estate, Kenari Estate, Kenari Plasma, Gahari Plasma, Kenari Plasma)</p> <p>Beside that, there are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> 1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma) 2. PT Ramajaya Pramukti (Ramarama Plasma) 3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma) 4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma) 5. PT Djundasawit Lestari (Pandawa Plasma) 6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma) 7. PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma) 8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma) 9. PT Sawitakarya Manunggul (Sawita Plasma) 10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma) 11. PT Kresna Duta Agroindo (Rantau Panjang Plasma) 12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma) 13. PT Paramitra Internusa Pratama (Belian Plasma) 14. PT Paramitra Internusa Pratama (Muara Tawang KKPA) 15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA) 16. PT Mitrakarya Agroindo (Sulin Plasma) 17. PT Agrokarya Prima Lestari (Sapiri Plasma) 18. PT Adi Tunggal Mahajaya (Sako Plasma) 19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma) 20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma) <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate) 2. PT Sumber Indah Perkasa (Mambruk Estate) 3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate) 4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate) <p>In the 2021 period, several companies were acquired by GAR according to the notarial deed of amendment dated August 4, 2021, including:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya 2. PT Harapan Rimba Raya

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>3. PT Rimbaraya Tamajaya 4. PT Agrolestari Subur Sejahtera 5. PT Agrolestari Hijau Sentosa 6. PT Kharisma Riau Sentosa Prima 7. PT Mitranusa Permata</p> <p>The company is still collecting information and documentation related to compliance with legal documents such as HGU, Environmental Documents and SHM (for plasma).</p> <p>Auditor Verification: Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance. Supply base for Kasuari Mill are PT Sinar Kencana Inti Perkasa and PT Sumber Indah Perkasa. The legal non compliance which still on process is EIA revision in PT Sumber Indah Perkasa and Hazardous waste permit in PT Sinar Kencana Inti Perkasa. - PT Binasawit Abadi Pratama (Perdana Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Agrokarya Prima Lestari (Kuayan Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. Supply base for Kuayan Mill are PT Agrokarya Prima Lestari and PT Buana Adhitama. - PT Mitrakarya Agroindo (Tangar Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. - PT Sawit Mas Sejahtera (Sungai Kikim Mill and supply base), there is a legal non-compliance. Supply base for Sungai Kikim Mill are PT Sawit Mas Sejahtera and PT Bumi Sawit Permai. The legal non compliance which still on process is EIA revision. - PT Agrolestari Sentosa (Jalemo Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Adi Tunggal Mahajaya (Sako Mill and supply base), there is a legal non-compliance. Supply base for Sako Mill are PT Adi Tunggal Mahajaya, PT Mitra Karya Agroindo and PT Agrokarya Prima Lestari. The legal non compliance which still on process is Land Use Title (HGU). - PT SMART Tbk (Bukit Kapur Mill and supply base), doesn't have land use title (HGU), the HGU is still on process. - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base, doesn't have land use title (SHM), the SHM is still on process. Supply base for Gunung Kombeng Mill is communities plantation. - PT Bangun Nusa Mandiri (Kenari Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> - PT Djuanda Sawit Lestari: there is an area is still in process for HGU in Muara Wahau Estate (574.58 Ha) - PT Satya Kisma Usaha – Kalimantan Tengah: there is an area is still in process for HGU in Medang Sari Estate (24,41 Ha) - PT Sawit Mas Sejahtera: there is an area is still in process for HGU in Sawit Mas Sejahtera Estate (2,291 Ha) - PT Bumi Sawit Mas: there is an area is still in process for HGU in Bumi Sawit Mas Estate (773 Ha) - PT Sumber Indah Perkasa: there is an area is still in process for HGU in Sungai Buaya Estate (155.46 Ha) and Sungai Merah Estate (241.54 Ha) - PT Ivomas Tunggal: there is an area still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha) - PT Buana Wiralestari Mas: there is area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha) - PT Ramajaya Pramukti: there is an area still in process for HGU Rama Rama Estate (318.76 Ha) - PT Bumipalma Lestariopersada: there is an area still in process for HGU Bumi Palma Estate (39.21 Ha) - PT Kruing Lestari Jaya (Sungai Perak Mill and supply base), doesn't have land use title (HGU), the HGU is still on process <p>In 2022, GAR has made additional units by acquiring 4 factories namely Sungai Perak Mill, Sungai Kedang Mill, Bukit Perak Mill, Bumi Palma Mill and 15 plantations (11 own plantations namely Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Pahu Estate, Bukit Permai Estate, Bukit Lestari Estate, Kharisma Estate and 4 plasma plantations/KKPA namely Sungai Pikan Plasma, Sungai Tohan Plasma, Sungai Pahu Plasma, Kharisma Plasma).</p> <p>Internal audit activities have been carried out, as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit on 17 May 2022. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Lestari) that has been certified with an internal audit on 28 March 2022.</p> <p>6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma LestariPersada) that has been certified with an internal audit on 8 August 2022.</p> <p>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 on 7 November 2022.</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, with details as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya). 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma LestariPersada) which has been certified. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa). <p>The acquisition company already has legality in the form of HGU, but other legalities such as environmental documents and other permits are being collected and will be completed when an internal audit of the acquisition units is carried out.</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate) 2. PT Sumber Indah Perkasa (Mambruk Estate)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate)</p> <p>4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate)</p> <p>PT. Agrolestari Sentosa (Jalemo Mill and supply bases), still on process to revise EIA document.</p> <p>There are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> 1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma) 2. PT Ramajaya Pramukti (Ramarama Plasma) 3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma) 4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma) 5. PT Djundasawit Lestari (Pandawa Plasma) 6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma) 7. PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma) 8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma) 9. PT Sawitakarya Manunggul (Sawita Plasma) 10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma) 11. PT Kresna Duta Agroindo (Rantau Panjang Plasma) 12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma) 13. PT Paramitra Internusa Pratama (Belian Plasma) 14. PT Paramitra Internusa Pratama (Muara Tawang KKPA) 15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA) 16. PT Mitrakarya Agroindo (Sulin Plasma) 17. PT Agrokarya Prima Lestari (Sapiri Plasma) 18. PT Adi Tunggal Mahajaya (Sako Plasma) 19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma) 20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma) <p>Based on auditor verification, there is still progress in obtaining legality documents for the uncertified units so that GAR has included the certification plan for the uncertified units in the timebound plan.</p>

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1 & ASA-2 (Full Remote Audit)

NCR No.	: 2022.01	Issued by	: Yudhi Yuniarto
Date Issued	: 11 February 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 10 February 2023
Standard Ref. & Requirement	: 2.2.2 All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party		
<p>Evidence observed (filled by auditor): The certification unit can show the contract documents for each contractor in each of the following:</p> <ol style="list-style-type: none"> Work agreement on behalf of PT Satrindo Jaya Agro Palma with No. SKPE/EST/06/21/010-Akt FFB dated June 1, 2021 for the work of transporting FFB. Work agreement on behalf of Abdul Aziz Sigit Saputra with No. SPNA/EST/10/2021/014-Akt FFB dated October 1, 2021 for the work of transporting FFB. Work agreement on behalf of Darmadi with No. SPNA/EST/10/2021/015-Akt FFB dated October 1, 2021 for the work of transporting FFB. Work agreement on behalf of Supriyo with No. SPNA/EST/10/2021/016-Akt FFB dated October 1, 2021 for the work of transporting FFB. Work agreement on behalf of Dedy Supriyatmoko with No. SPNA/EST/10/2021/017-Akt FFB dated October 1, 2021 for the work of transporting FFB. Work agreement on behalf of CV Dwika Jaya with No. 003/SP/SKIP/SKPM/12/2018-CPO dated 21 November 2018 for the work of transporting CPO. Work agreement on behalf of PT Sarana Lintas Bersama with No. 004/SP/SKIP/SKPM/12/2018-CPO dated 21 November 2018 for the work of transporting CPO. Work agreement on behalf of CV Karya Sari with No. SPNE/SPJ/Mar-21/012-Gravel Procurement dated March 15, 2021 for gravel procurement work. <p>During the audit, PT Satrindo Jaya Agro Palma and PT Sarana Lintas Bersama were able to show proof of payment for <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> as well as employee salary slips for the period November and December 2021. In addition, the certification unit also showed a Healthy Indonesia Card for FFB transport contractors a.n Darmadi. Meanwhile, other contractors have not been able to show related documents (work agreement with employees, <i>BPJS</i> and salary slips).</p>			
<p>Non-Conformance Description (filled by auditor): The certification unit has not been able to show evidence related to the fulfillment of legal obligations by all the third parties concerned.</p>			
<p>Root Cause Analysis (filled by organization audited): The company already has work agreements with third parties, namely transport contractors and gravel procurement. However, completeness for contractor documents such as work contracts, <i>BPJS</i>, employee lists and pay slips are not yet complete in the relevant units.</p>			
<p>Correction (filled by organization audited): Regional SPO and Assistant SPO coordinate with contractors to complete documents, namely <i>BPJS</i> and employee salary slips.</p>			

Corrective Action (filled by organization audited):

SPO Region and SPO Assistant carry out regular outreach to contractors and conduct periodic evaluations of contractors in accordance with the plan and time of work.

Assessor Evaluation and Conclusion (filled by auditor):

Verification date February 10, 2023

The company has identified root cause analysis, preventive actions and corrective actions, while the evidence of improvements shown includes:

- FFB Transport Contractor. Abdul Aziz Sigit Saputra, an. Darmady, an. Dedy Supriyatmoko and a.n Supriyo are SPK holders as well as vehicle unit owners who operate vehicles for FFB transportation activities directly so they do not employ other people in operational activities. Related to this, the company can show proof of BPJS membership for all of these contractors.
- The company shows proof of payment for Health and Employment BPJS and employee salary slips for PT Sarana Lintas Bersama and CV Dwika Jaya, for example, for the November 2022 period.
- In addition, documentation of Regulatory Compliance Evaluation can be shown both for external FFB contractors and suppliers, for example as of January 2023 which includes evaluations such as:
 - Quality of contractor performance
 - Timely completion of work
 - Compliance with Labor Regulations
 - Compliance with K3 implementation
 - Housekeeping/ 5R
 - Compliance with Environmental Regulations
 - Compliance with Business Ethics
 - Recommendation

Based on the explanation above, the discrepancy is declared to **have been fulfilled**.

Verified by : **Septian Maulana**

NCR No.	: 2022.02	Issued by	: Yudhi Yuniarto
Date Issued	: 11 February 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 10 February 2023
Standard Ref. & Requirement	: 6.2.7 Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.		
Evidence observed (filled by auditor):			
<ol style="list-style-type: none"> 1. GAPKI Decree No. 002/PPG/II/2013 dated February 8, 2013 regarding the Activity Flow of the Work Implementation Process in the Oil Palm Plantation Business Sector. Where in the attachment to the Decree it is known that harvesting and processing FFB into CPO is categorized as the main activity. 2. Based on the verification of the SPNA Manpower Recap document in 2021, it is known that the status of all employees (except foreman) are contract workers. 3. The certification unit shows a sample of 8 contract work agreements for harvesting workers, for example: work agreements with No. 21129/SPNA-SPK-PKWT/10/2021 dated October 1, 2021 with the initials WO. 4. The certification unit showed a letter from KUD Gajah Mada dated May 4, 2020. In the letter, it was known that no plasma employees were appointed from contract workers to permanent workers. This takes into account several things including: 			

- a. There is a downward trend in production which means a decrease in farmers' income
- b. The existence of non-permanent work such as maintenance work whose number of working days is not fixed, so that if a maintenance employee is appointed as a permanent worker, it will be an excessive cost.
- c. The plasma replanting plan, which falls in 2022, will result in higher costs and no production.
- 5. Based on interviews with people from Telaga Sari Village revealed that the Sungai Panci Plasma (SPNA) is fully managed by PT Sinar Kencana Inti Perkasa.
- 6. Based on interviews with the KUD Gajah Mada Supervisory Agency revealed that workers at SPNA were still contract worker status. The cooperative is still in the discussion stage regarding the status of employees at SPNA.
- 7. Based on interviews with harvest workers by telephone revealed that the employees had worked for 11 years with contract worker status and signed a work contract which was renewed every year.

Non-Conformance Description (filled by auditor):

The certification unit has not been able to show evidence that permanent workers are employed for all key jobs.

Root Cause Analysis (filled by organization audited):

KUD Gajah Mada through an official letter from KUD stated that they were not yet willing to directly appoint employees from Contract Worker to PT (permanent status). Taking into account the process of replanting the Sungai Panci Plasma in 2023

Correction (filled by organization audited):

The company and KUD Gajah Mada have made an agreement regarding the appointment of harvest employees and harvest foremen from Contract Workers to Permanent Workers. The form of the agreement is the plan/timeline for hiring Contract Workers to become Permanent Workers

Corrective Action (filled by organization audited):

The company is represented by the Head of Administration and the Head of KUD monitoring the process of hiring workers from Contract Workers to Permanent Workers

Assessor Evaluation and Conclusion (filled by auditor):

Verification date February 10, 2023

The company has identified root cause analysis, preventive actions and several documents of proof of improvement including:

- Minutes of Meeting on March 10, 2022 which was attended by company representatives and KUD Gajah Mada regarding Farmer Profit Sharing Meetings and Employee Appointment Plans.
- Minutes of the meeting on March 15, 2022 which was attended by company representatives and KUD Gajah Mada regarding the Plan to Appoint Daily Employees as Permanent Employees.
- Minutes of meeting on March 17 2022 which was attended by company representatives and KUD Gajah Mada regarding the Plan to Appoint Supervisors and Harvesters as Permanent Employees.
- Letter from Acting Estate Manager SPNA No. 079/SPNA-KUD-GM/EXT/III/2022 dated March 21, 2022 to the Chairman of KUD Gajah Mada regarding Applications for Appointment of Permanent Employees for Foremen and Harvesters. The appointment timeline is planned for 2023 – 2030 for all 218 workers. In addition, in connection with the replanting plan at SPNE for 2023 – 2024, the appointment of contract employees will take precedence over foreman workers in 2023 and then continue for harvest workers in stages starting in 2026 – 2029.

Based on the evidence of improvement shown, the discrepancy is declared to **have been fulfilled** by observing the actual appointment of employees according to a predetermined timeline.

Verified by : **Septian Maulana**

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-3

NCR No. :		Issued by :	
Date Issued :		Time Limit :	
NC Grade :		Date of Closing :	
Standard Ref. & Requirement :			
Evidence observed (filled by auditor)			
Non-Conformance Description (filled by auditor):			
<i>There were no Non-conformity has been found during this ASA-3 Audit Assessment</i>			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
<i>Follow up on next audit</i> (filled by auditor):			
Verified by :			

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.1	<p>At the time this audit took place, the company showed Letter No. 12/DL-SKIP/C/XXII dated 03 October 2022 regarding Application for Confirmation of Forest Areas, in which the company conveys its current status and asks for a solution to the overlapping HGU land included in the forest area area. The letter has been well received by the Forest Area Consolidation Center (BPKH) Region V and has been replied to by the BPKH with Letter No. S.1051/BPKH.V/PKH/UM/10/2022 dated 24 October 2022 concerning Information on the Status of Forest Areas, which explains that solutions related to the existence of forest areas in the HGU area of PT Sinar Kencana Inti Perkasa are still in the stage/process of completion .</p> <p>As stipulated in PP 43 of 2021 concerning Settlement of Inconsistencies in Spatial Planning, Forest Areas, Permits, and/or Land Rights if there is a delay, as explained in Article 11 Paragraph 5, Settlement of Inconsistencies in Permits, Concessions, Land Rights, and/or Rights Management in Forest Areas in continuity as referred to in paragraph (1), paragraph (2), and paragraph (3) shall be carried out no later than 3 (three) years from the enactment of this Government regulation.</p> <p>Based on an interview with the Head of the Forest Area Inauguration and Planning Section at the Forest Area Consolidation Agency (BPKH) of the Kalimantan Selatan Province, it was conveyed that currently it is true that revisions to the operational area of PT SKIP which are included in the forest area status are being processed and have arrived at the relevant ministry in Jakarta .</p> <p>Companies have the opportunity to always ensure and follow up with relevant agencies regarding progress related to the status of areas that are included in the company's operational area.</p>
2	3.6.2	<p>The Company has SOP/SMART/HESS-EHSD/SADV/I/012 dated 5 December 2012 Employee Health Examination. The SOP explains that health checks for special health checks such as cholinesterase and spirometry for officers dealing with pesticides are carried out 2 times a year. The company has conducted a Special Health Examination for Cholinesterase in the 1st semester of 2022, while for the 2nd semester of 2022 it has not been carried out due to the unavailability of reagents/catalysts. Meanwhile, the spirometry examination has not been carried out in either semester 1 or semester 2 of 2022 due to the Covid 19 pandemic. Companies can show a letter from the <i>Kalse/1</i> doctor on January 9 2023 regarding the MCU schedule for employees in the Kalimantan Selatan Region 1 for the 2023-2024 period. The letter explained that the special spirometry health examination schedule would only be carried out in semester 2 of 2023 and the special Cholinesterase examination would be carried out in mid-February 2023 after the reagents/catalysts were available. The company has the opportunity to ensure that the special health check is carried out according to a predetermined schedule.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Commitment to implement the principles of sustainable oil palm plantation management.
2	Teamwork and competent human resources in their respective fields.
3	Presentation of documents that are quite good during the audit process.
4	Achieved Blue Proper by the Ministry of Environment and Forestry of the Republic of Indonesia in 2022
5	Did not use pesticides with the active ingredient Paraquat anymore.

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Environmental Agency of Kotabaru District</p> <ul style="list-style-type: none"> • The company has obtained an environmental and social impact assessment and has obtained an environmental permit and environmental documents in the form of an AMDAL according to the AMDAL Approval Letter No. 104/ANDAL/RKL-RPL/BA/VIII/1996 by the Minister of Agriculture of the Republic of Indonesia on 9 August 1996 for a Study Area of 16,485 with a factory capacity of 60 tons of FFB/hour. • There is no additional scope for the past 1 year. • The company has reported on the implementation of environmental monitoring & management plans regularly every semester. • The company has a Domestic Liquid Waste Disposal Permit and Liquid Waste Disposal Permit for Land Application. DLH informed that the results of field verification related to the LA technical approval in November 2022 had been corrected by the company on every minor finding from the verification. These improvements have been reviewed, and have been approved for the issuance of the LA SLO. The LA SLO has been published at the end of December 2022, and companies are welcome to take the physical SLO document to the Kotabaru District DLH. • The company has a Hazardous waste storage permit, and is known to have cooperated with a licensed Hazardous waste transporter. • No open burning issues for the past year. • Environmental Agency knows the replanting activity and there are no issues related to land clearing by burning. • The company has obtained a PROPER certificate from the Minister of Environment and Forestry with the Blue category for the 2022 assessment period. • Over the past 1 year, it is known that there have been no issues, either from the community or local NGOs, related to environmental pollution by companies. The company is considered quite good at managing the environment so that there are no complaints from the public regarding environmental pollution. • Environmental Agency provides advice to companies, not only to focus on reporting on environmental management and monitoring for POM only in the RKL-RPL Report, but is expected to be able to tell in detail about the environmental management carried out for the Plantation Unit. 	<p>There are no negative issues that need further verification.</p>
<p>Heavy Equipment Contractor : PT Lingkar Orbit Nusantara</p> <ul style="list-style-type: none"> • Jobs in the field of heavy equipment rental, for chipping work for replanting activities. 	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> • There is a joint cooperation agreement drawn up based on the agreement of both parties. The contract has included information regarding the provisions of rights and obligations for the cooperating parties. • PT Lingkar Orbit Nusantara is known to have complied with government regulations such as fulfilling workers' PPE, and paying wages according to the minimum wage • During the cooperation period, it is known that there were no problems or delays in payments made by the company. 	<p>There are no negative issues that need further verification.</p>
<p>Contractor : PT Satrindo Jaya Agropalma (SJA)</p> <ul style="list-style-type: none"> • The type of work being carried out is for the transport of FFB, and has an SPK that is extended every 6 months • There are no complaints to the company regarding the ongoing cooperation contract • The company routinely conveys socialization related to OHS, policies and procedures that apply in the company • Payments have been made according to the agreement of both parties • Wages for contractor workers are in accordance with the applicable minimum wage. • Contractor workers have been registered with BPJS for both Health and Manpower BPJS. • PT SJA conveyed suggestions regarding road access to the factory which had started to deteriorate, so that it could be brought to the attention of the company immediately. 	<p>There are no negative issues that need further verification.</p>
<p>Gender Committee (Komite Perempuan) (Interviewee: Gender Committee Chairperson of SPNE, SPNA and SKPM)</p> <ul style="list-style-type: none"> • The management structure of the gender committee includes male and female gender whose program of activities focuses on implementing gender equality, protecting women's reproductive rights and a forum for complaints if there are incidents such as harassment and violence in the company's operational activities. • As a protection for women's reproductive rights, the company has provided, among other things, the right to leave on the first and second day of menstruation, pre- and postnatal leave, special time for female workers to breastfeed their children, <i>posyandu</i> and postnatal health checks. • The company has also conducted health checks for workers with certain risks and other workers. 	<p>There are no negative issues that need further verification.</p>
<p>CPO Transport Contractor :</p> <p>1. CV Dwika Jaya</p> <ul style="list-style-type: none"> • Have a valid cooperation agreement with the company. 	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> • The Cooperation Contract is drawn up based on the agreement of both parties and it contains information regarding the provisions of rights and obligations for the cooperating parties. • CV Dwika Jaya is known to have complied with government regulations such as fulfilling workers' PPE, and paying wages according to the UMK. • There have been no problems with contract payments so far. • In carrying out work, CV Dwika Jaya uses its own unit and its own workers with permanent worker status. • Communication with the company is going well, and CV Dwika Jaya understands the procedure for submitting complaints to the company. <p>2. PT Sarana Lintas Bersama</p> <ul style="list-style-type: none"> • There is a Cooperation Agreement that was drawn up jointly based on the agreement of the two parties, which is still valid and is extended once a year. • The contract has included information regarding the provisions of rights and obligations for the cooperating parties. • PT Sarana Lintas Bersama is known to have complied with government regulations such as fulfilling workers' PPE, and paying wages according to the minimum wage • There have been no problems with contract payments so far. And it is done by transfer to PT Sarana Lintas Bersama's account. • In carrying out work, PT Sarana Lintas Bersama uses units that are rented, while the workers come from PT Sarana Lintas Bersama employees who have permanent employee status. • Communication with the company is going well, and PT Sarana Lintas Bersama understands the procedure for submitting complaints to the company. 	<p>There are no negative issues that need further verification.</p>
<p>Land Agency of Kotabaru District</p> <ul style="list-style-type: none"> • Within one year there was no application for the issuance of a new Land title of Cultivation right certificate. • There is no known issue of land disputes with the community, or differences with the government regarding overlapping land ownership status in the last 2 years. • Communication between the company and the land office went smoothly and well, without any problems. • The company is known to be diligent in monitoring land boundaries owned by the company and other areas, properly and regularly reporting this to the BPN. So far, the results of this monitoring have not identified any obstacles or conflicts arising from unclear land boundaries or claims from the local community. 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Worker Cooperative Sinar Menuju Sejahtera</p> <p>In the Cooperative Articles of Association / Bylaws document, it is stated that the field of activity includes the provision of buying and selling goods and savings and loans. However, the realization of savings and loan activities has not been carried out. The cooperative manages the office in the company and the members come from SKPM workers. So far, there have been no complaints regarding the support provided by the company for the continuity of the cooperative's operational activities.</p>	<p>There are no negative issues that need further verification.</p>
<p>Worker Cooperative of SPNE (Palma Indah Sejahtera Cooperative)</p> <p>The Employee Cooperative has been established since 2014 which is engaged in the savings and loan sector, whose members consist of workers at SPNE. The Annual Member Meeting for the 2022 financial year has not been held and so far there have been no complaints regarding the lack of support from the company for the existence and operational activities of cooperatives.</p>	<p>There are no negative issues that need further verification.</p>
<p>Sinar Menuju Sejahtera Worker Cooperative</p> <p>In the <i>AD/ART</i> of Cooperatives, it is stated that the field of activity includes the provision of buying and selling goods and savings and loans. However, the realization of savings and loan activities has not been carried out. The cooperative manages the office in the company and the members come from SKPM workers. So far, there have been no complaints regarding the support provided by the company for the continuity of the cooperative's operational activities.</p>	
<p>Plantation Agency Kotabaru District</p> <ul style="list-style-type: none"> • The company already has a realization of partnership partnerships for plasma plantations in which every development or activity is informed through routine reports such as the Plantation Business Development Report. • In addition, the company also has a FFB buying and selling partnership with independent smallholders around the company, so far there have been no complaints regarding the application of grading or payment. • The company has carried out the 2022 Plantation Class Assessment. • The company also has fire monitoring, prevention and control facilities which are considered to be quite adequate and are routinely submitted through fire prevention and control reports. In addition, in the last 2 years there have been no incidents of fire in the company's operational area or the surrounding area. The company is also active in fostering the Fire Care Community group. 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Manpower and Transmigration Agency Kotabaru District</p> <ul style="list-style-type: none"> • During 2022 there is no record of industrial relations disputes occurring at PT SKIP. • There is a Labor Union at PT SKIP and has a Collective Labor Agreement for the 2018 – 2020 period and is currently still in the process of negotiating a new CLA so that the CLA for the 2018 – 2020 period will be extended. • The status of workers includes Contract Workers and Permanent Workers where there are still harvest workers with Contract Worker status who work at SPNA. • So far there have been no issues entered or recorded at the Kotabaru District Employment Office regarding the use of child labor, the existence of forced labor, payment of wages lower than the minimum wage and the use of illegal labor. • The agency has suggestions regarding the appointed PIC to communicate with the agency, if possible, those who stay at PT SKIP, such as managers and heads of administration. 	<p>There are no negative issues that need further verification.</p>
<p>Pulau Panci Village (Head of Administration) and Sangking Baru Village (Village Head)</p> <ul style="list-style-type: none"> • The company absorbs workers from the village. • There are no problems or conflicts over land ownership between the company and the surrounding community. • There have been no issues regarding environmental pollution in the last 1 year. • The company has socialized about protected animals and conservation areas and put up signs prohibiting hunting certain animals around the plantation area. • Socialization of the prohibition of burning has been carried out for land clearing activities. • The company routinely provides assistance to villages, both in the form of CSR and direct assistance. • There is no communication problem between the village and the company and the company always responds to requests from the village. 	<p>There are no negative issues that need further verification.</p>
<p>SKPE Workers' Union (SPSI). SKPM Workers' Union (SPSI). SPNE and SPNA Workers Union (SPSI).</p> <p>Positive Issues</p> <ul style="list-style-type: none"> • Trade unions have been registered with the Office of Manpower • There is no compulsion to become a member of the Labor Union for Employees • PPE is provided free of charge by the Company and if it is 	<p>Auditor Verification: Based on the results of interviews with management, then presented with supporting document evidence, it is known that:</p> <ol style="list-style-type: none"> 1. The process of drafting the PKB takes quite a long time, because it is still in the negotiation stage between the proposals put forward by the unions and the company's ability to implement the wishes

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>damaged it will be replaced by the Company.</p> <ul style="list-style-type: none"> • Union membership dues are determined jointly, voluntarily and without coercion. • The company always facilitates unions to hold meetings, both in terms of administration and providing infrastructure such as meeting rooms for trade unions. • It is known that the minimum wage is in accordance with the provisions of the Kotabaru District Minimum wage. <p>Negative Issues:</p> <ul style="list-style-type: none"> • The CLA for all unions is no longer valid, and is still in the stage of preparing a new CLA. The Worker's union hopes that the process for drafting the new CLA can be completed and approved soon, because it has been more than two years that the new CLA has not been issued. • It is known that many workers are still with BHL status (temporary daily workers), and Temporary Worker for routine work such as harvesting. Many of the Temporary Worker members have worked for more than 5 years but have not been appointed as Permanent Worker's employment status. • Among SPNA and SPNE workers, the issue of controlling pets (chickens) has raised complaints from chicken rearing workers, who feel that the company's actions in controlling the existence of these pet chickens are a unilateral decision. • PPE for SPNA and SPNE, reportedly causing complaints from SPNA and SPNE workers who feel that the PPE provided now is not up to standard and uncomfortable to use, just like boots for harvesters. 	<p>of the workers. This discussion was carried out openly, and involved all union members as well as company management, so that the negotiations did not find a middle point and the agreement made the preparation of a new CLA take quite a long time. The company will endeavor to complete the new CLA Preparation Process in 2023.</p> <ol style="list-style-type: none"> 2. Based on the results of field verification and document review, the Auditor team did not find any workers with the status of casual daily laborers or PKWT status who carry out routine work such as harvesting. Based on information and information from the company, it is known that the PKWT workers are part of KUD Gajah Mada (plasma plantations) and are not employees of PT SKIP, so they are outside SKIP's responsibility. This is also evidenced from the Employee Register Document shown by the company. 3. Based on clarification from the company, and based on the results of field visits to employee housing locations, it is known that there are several houses that raise chickens and are considered quite disturbing to comfort such as the smell of feces that is generated, or when the chickens are not put in the cage they can defecate anywhere. The company has conducted outreach regarding controlling the pet chickens belonging to some of these workers, prior to carrying out the control. However, the results have not been effective, and there are still many workers who do not know about the socialization or early notification prior to controlling the chickens. This will be the company's evaluation in delivering outreach related to the policy of prohibiting the keeping of pet chickens outside the cages. And the Company will review again, whether keeping chickens is allowed in residential areas even though they are kept in cages, because so far the ban has only been for chickens kept without cages. 4. Based on the results of verification in the field, no similar complaints were found from workers in other units. And based on document verification it is known that the PPE provided is in accordance with the HIRAC documents that are owned. Based on the results of interviews with the company, it is known that the company will re-evaluate the stock of PPE used, for the comfort and safety of workers.

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>FFB Supplier - CV Karya Sari and CV Joya Anugrah Jaya</p> <ul style="list-style-type: none"> • CV Karya Sari and CV Joya Anugrah Jaya sent FFB to Sungai Kupang POM that came from their own plantations and also from other farmers' plantation. They act as agents (indirect FFB Supplier). • There is a work contract between the FFB supplier and PT SKIP. • The cooperation contract contains information related to the criteria for fruit received, pricing, payment mechanisms, payment deadlines, submission of complaints. • informed that there are no problems related to payment, and so far there has never been a delay in payments made by the Company to FFB suppliers. 	<p>There are no negative issues that need further verification.</p>
<p>KUD Gajah Mada (Sungai Panci Plasma)</p> <ul style="list-style-type: none"> • Has had cooperation with PT SKIP and has been stated in the Cooperation MOU which was carried out in two stages, namely stage 1 in 1997 and stage 2 in 1999. • Over the past year, PT SKIP and KUD Gajah Mada have collaborated in the management of plantation units and the purchase of FFB from KUD Gajah Mada's. • Determining the price of FFB as stated in the Cooperation contract, informed that payment is made according to the price determined by the Provincial Plantation Agency and there has never been a discrepancy in it. • Payment of the FFB price is made directly by PT SKIP, to every farmer registered with KUD Gajah Mada. Payments to farmers are made based on the percentage of hectare area and the fruit supply that is sent to the Sungai Kupang POM. The results of the percentage of hectares and fruit areas are determined based on a routine meeting once a month facilitated by the KUD Gajah Mada management for all members. The results of the meeting became the basis for calculating fruit payments to each farmer multiplied by the FFB price set by the government in the same period. • There have never been any problems related to the implementation of payments to farmers. 	<p>There are no negative issues that need further verification.</p>
<p>Issues from internet The auditor team obtained issues originating from online media, with the following link: https://koranbanjar.net/sengketa-lahan-warga-desa-suka-maju-kotabaru-dengan-perusahaan-pt-skip-tak-kunjung-usai/ Based on the link, it was conveyed that there were issues regarding plasma land disputes at PT SKIP.</p>	<p>The results of the auditor's verification of the certification unit obtained information that the incident was not at PT SKIP which is the scope of this RSPO certification, but at another unit outside the scope of certification and currently this matter is in the process of being resolved.</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 Sinar Kencana Inti Perkasa Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Saturday, 18 February 2023</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>MUTU International Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Saturday, 18 February 2023</p> </td> </tr> </table>	<p>PT Sinar Kencana Inti Perkasa Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Saturday, 18 February 2023</p>	<p>MUTU International Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Saturday, 18 February 2023</p>
<p>PT Sinar Kencana Inti Perkasa Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Saturday, 18 February 2023</p>	<p>MUTU International Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Saturday, 18 February 2023</p>		

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Comm	Date of Contact	Response	
						Yes	No
1	Environmental Agency	Kotabaru District	-	Interview by phone	7 February 2023	✓	
2	National Land Agency	Kotabaru District	-	Interview by phone	7 February 2023	✓	
3	Labour and Transmigration Agency	Kotabaru District	-	Interview by phone	7 February 2023	✓	
4	Plantation Agency	Kotabaru District	-	Interview by phone	7 February 2023	✓	
5	Gender Committee	Kotabaru District	-	Direct Interview	7 February 2023	✓	
6	Worker Union of SKPE, SPNE, SPNA and SKPM	Kotabaru District	-	Direct Interview	7 February 2023	✓	
7	Pulau Panci Village	Kotabaru District	-	Direct Interview	7 February 2023	✓	
8	Sangking Baru Village	Kotabaru District	-	Direct Interview	8 February 2023	✓	
9	SKPE: - 2 warehouse officer - 2 worker in Daycare - 1 Worker in Housing Complex - 1 Worker in Hazardous waste storage - 5 Spraying worker - 4 Maintenance worker - 6 Harvester	Kotabaru District	-	Direct Interview	8 February 2023	✓	
10	SPNE : - 2 warehouse officer - 2 worker in Daycare - 1 Worker in Housing Complex - 1 LA officer - 1 Worker in Hazardous waste storage - 3 harvest workers - 3 spraying workers	Kotabaru District	-	Direct Interview	7 February 2023	✓	
11	SPNA: - 5 maintenance worker - 1 FFB loading worker - 9 Spraying Worker - 6 Harvester - 6 Loose Fruit Picker	Kotabaru District	-	Direct Interview	9 February 2023	✓	
12	SKPM: - 1 WB Operator - 1 WWTP officer - 1 WTP officer - 1 boiler operator - 1 engine room operator	Kotabaru District	-	Direct Interview	8 February 2023	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Comm	Date of Contact	Response	
						Yes	No
	- 1 grading operator - 1 St Nut & Kernel officer - 1 sterilizer operator - 1 thresher operator - 1 Boiler Operator - 9 Grading Worket - 1 Engine Room Operator						
13	Worker Cooperative Sinar Menuju Sejahtera	Kotabaru District	-	Direct Interview	7 February 2023	✓	
14	Worker Cooperative Palma Indah Sejahtera	Kotabaru District	-	Direct Interview	7 February 2023	✓	
15	PT Satrindo Jaya Agro Palma (contractor)	Kotabaru District	-	Interview by phone	8 February 2023	✓	
16	PT Lingkar Orbit Nusantara (contractor)	Kotabaru District	-	Interview by phone	7 February 2023	✓	
17	CPO Transporter (CV Dwika Jaya and PT Sarana Lintas Bersama)	Kotabaru District	-	Interview by phone	7 February 2023	✓	
18	FFB Supplier (CV Karya Sari and CV Joya Anugrah Jaya)	Kotabaru District	-	Interview by phone	8 February 2023	✓	
19	WWF	Indonesia	wwf-indonesia@wwf.or.id	Questionnaire by email	2 February 2023		✓
20	Sawit Watch	Indonesia	info@sawitwatch.or.id	Questionnaire by email	2 February 2023		✓
21	WALHI	Indonesia	informasi@walhi.or.id	Questionnaire by email	2 February 2023		✓
22	AMAN	Indonesia	rumahaman@aman.or.id	Questionnaire by email	2 February 2023		✓

Appendix 2. Assessment Program

DATE	6 – 11 February 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 6 February 2023		
05.30 – 14.05	JAKARTA → MAKASSAR → KOTABARU	All Auditor
14.30 – 16.30	From the airport to the audit location	All Auditor
16.30 – 17.00	Opening Meeting <ul style="list-style-type: none"> Auditee Speech (introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	Management PT SKIP All Auditor
Tuesday, 7 February 2023		
08.00 – 12.00	Public Consultation <ul style="list-style-type: none"> Stakeholders consultation to related agencies. Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities and previous land owners. Interview with gender Committee, worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any). 	HEN & SEP HEN & SEP HEN & SEP
08.00 – 12.00	Field Observation to Sungai Panci Estate Aspect to be Verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Asspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of workers Facilities (Housing, school, worship place). 	HAS HAS RAB
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Continue Stakeholders consultation, Document verification and completing checklist	All Auditor
16.30 – 17.00	Submission of audit progress	All Auditor
Wednesday, 8 February 2023		
08.00 – 12.00	Field Observation to Sungai Kupang Estate Aspect to be Verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Asspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of workers Facilities (Housing, school, worship place). 	HAS SEP RAB & HEN
12.00 – 14.00	Break	All Auditor

DATE	6 – 11 February 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 16.30	Field Observation to Sungai Kupang POM: <ul style="list-style-type: none"> Supply Chain Verification (FFB Receiving, Weighbridge) Implementation of Environmental aspect, Inspection to chemical Storage, Hazardous Waste Storage, Workshop, WTP, Fire control simulation Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, Security Post, FFB Sorting, Processing Activity, Despatch CPO) POME Pond, Land Application, Empty bunch area and Employee housing complex 	HAS & HEN HAS & HEN SEP RAB
16.30 – 17.00	Submission of audit progress	All Auditor
Thursday, 9 February 2023		
08.00 – 12.00	Field observation to Sungai Panci Plasma: Aspect to be Verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Asspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of workers Facilities (Housing, school, worship place). 	HAS SEP HEN & RAB
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Document verification and completing checklist	All Auditor
16.00 – 16.30	Submission of audit progress	All Auditor
Friday, 10 February 2023		
08.00 – 12.00	Document verification and completing checklist	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Document verification and completing checklist	All Auditor
17.00 –	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
Sabtu, 11 February 2023		
08.00 – 10.00	Closing Meeting <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non-conformities, OFI, timeline of CAR's, conclusion) Comments, responses, questions 	Management PT SKIP All Auditor
10.00 – 12.00	Travel from audit site to the airport in Batulicin	All Auditor
12.00 – 17.00	BATULICIN → BANJARMASIN → JAKARTA	All Auditor