

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

**[ ✓ ] Surveillance**

Name of Management Organisation : Pelakar Mill – PT Kresna Duta Agroindo Subsidiary of Golden Agri Resources, Ltd.  
 Plantation Name : PT Kresna Duta Agroindo: Batang Merangin Estate and Pelakar Estate  
 Location : Tangar Village, Bathin VIII Sub District, Sarolangun District, Jambi Province  
 Certificate Code : **MUTU-RSPO/141**  
 Date of Certificate Issue : 23 January 2020      Date of License Issue : 06 February 2023  
 Date of Certificate Expiry : 22 January 2025      Date of License Expiry : 22 January 2024

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	05 to 09 December 2022	Moh Arif Yusni, Benli Manurung, Rindu Galih Reza, and Alfiany Sukmawati	Haikal R. K	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	06 January 2023

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Figure 1. Location Map of PT Kresna Duta Agroindo

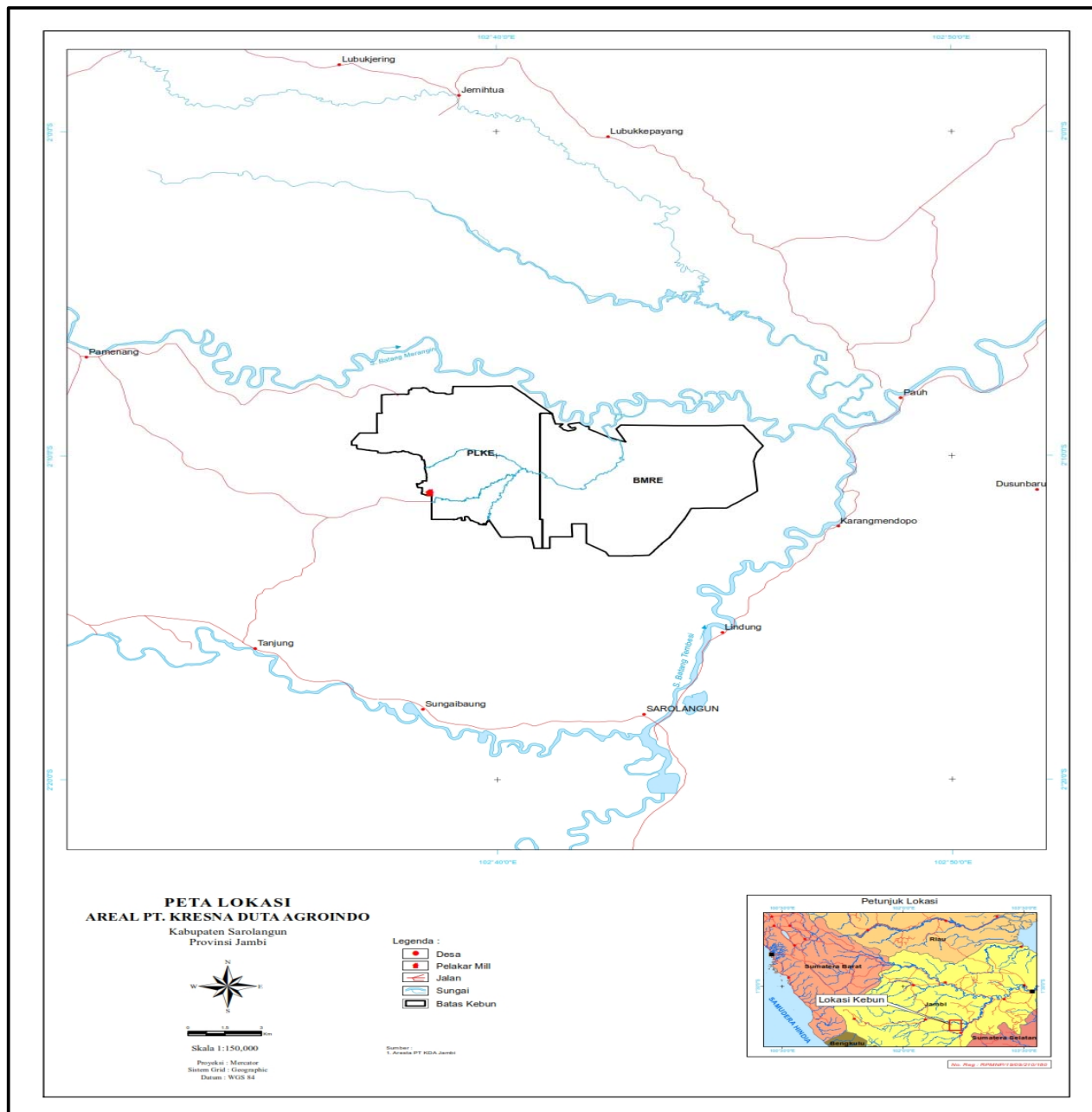
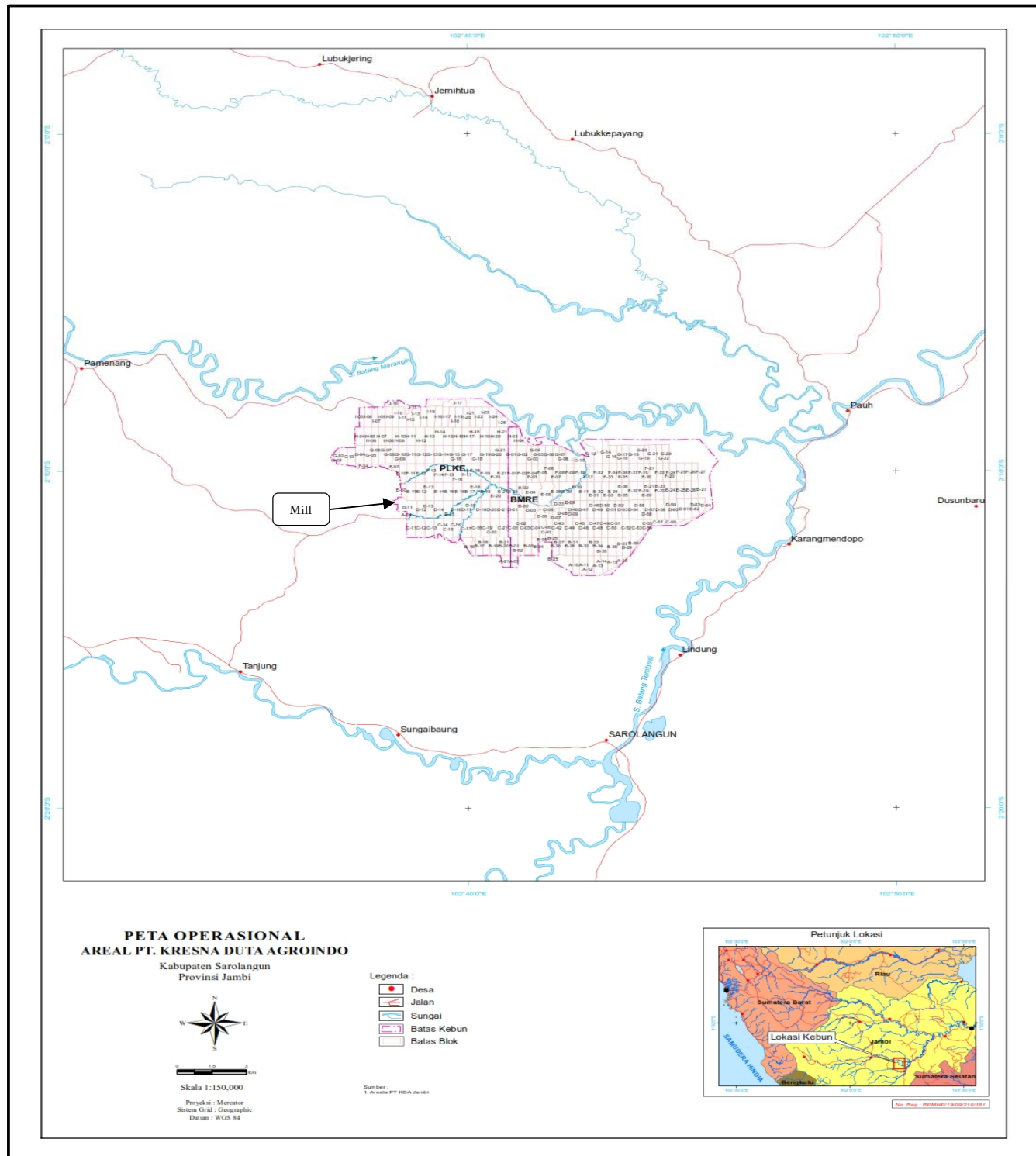


Figure 2. Operational Map of PT Kresna Duta Agroindo



**Abbreviations Used**

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Environmental Impact Assessment Analysis)
ANDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental impact analysis)
APD	:	<i>Alat Pelindung Diri</i> (Personal Protective Equipment)
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Material)
BHL	:	<i>Buruh Harian Lepas</i> (Casual Worker)
BKSDA	:	<i>Balai Konservasi Sumber Daya Alam</i> (Natural Resources Conservation Center)
BMRE	:	Batang Merangin Estate
BPJS; Kes	:	<i>Badan Penyelenggara Jaminan Sosial Kesehatan</i> (Agency for the Provision of Social Security Health)
BPJS-TK	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja</i> (Agency for the Provision of Social Security of Labor)
BPN	:	<i>Badan Pertanahan Nasional</i> (National land Agency)
CPO	:	Crude Palm Oil
CMSX	:	Cahaya Mitra Sawit
CSR	:	Corporate Social Responsibility
CV	:	<i>Commanditaire Vennootschap</i> (Company Register Status in Indonesia)
DLH	:	<i>Dinas Lingkungan Hidup</i> (Environmental Agency)
DPLH	:	<i>Dokumen Pengelolaan Lingkungan Hidup</i> (Environmental Management Documents)
DPMPTSP	:	<i>Dinas Penanaman Modal dan. Pelayanan Terpadu Satu Pintu</i> (Department of Investment and. One Stop Services)
EFB	:	Empty Fruit Bunch
EWS	:	Early Warning System
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed and Consent
GAR	:	Golden Agri-Resources
GIS	:	Geographic Information System
GRTT	:	<i>Ganti Rugi Tanam Tumbuh</i> (Compensation of Land Covers)
HCV	:	High Conservation value
HGU	:	<i>Hak Guna Usaha</i> (Land Title or Land Use Right)
HIRAC	:	Hazard Identification Risk Assessment and Control
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability and Carbon Certification
ISPO	:	Indonesian Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
Jamsostek	:	<i>Jaminan Sosial Tenaga Kerja</i> (Social Security of Labor)
KDA	:	Kresna Duta Agroindo
KER	:	Kernel Extraction Rate
LB3	:	<i>Limbah Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
LKS - Bipartit	:	<i>Lembaga Kerja Sama Bipartit</i> (Bipartite Institution)
LRWX	:	Loading Ramp Wagiantoro
Ltd.	:	Limited (company register status in Singapore)
MSDS	:	Material Safety Data Sheet
NGO	:	Non-Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OIA	:	Operational Internal Audit
P2K3	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (Committee of Health and Safety)
PIC	:	Person in Charge

PK	:	Palm Kernel
PKWT	:	Perjanjian Kerja Waktu Tertentu
PLKE	:	Pelakar Estate
PLKM	:	Pelakar Mill
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PR	:	Public Relation
RKL RPL	:	<i>Rencana Pengelolaan Lingkungan – Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	rare threatened and endangered
SARA	:	<i>Suku, agama, ras, dan antar golongan</i> (ethnicity, religion, race, and intergroup)
SCCS	:	Supply Chain Certification Standard
SEIA	:	Social Environmental Impact Assessment
SIA	:	Social Impact Assessment
SKT	:	<i>Surat Kepemilikan Tanah</i> (Land Ownership Certificate)
SMK3	:	<i>Sistem Manajemen Keselamatan dan Kesehatan Kerja</i> (Occupational Health and Safety Management System)
SOP	:	Standard Operation Procedure
UoC	:	Unit of Certification
UKL-UPL	:	<i>Upaya Pengelolaan Lingkungan dan Upaya Pemantauan Lingkungan Hidup</i>
WHO	:	World Health Organization
WWF	:	World Wildlife Fund
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>• RSPO Certifications Systems for Principles &amp; Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020).</li><li>• Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020.</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Pelakar Mill - PT Kresna Duta Agroindo, subsidiary of Golden Agri Resources Ltd	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	Organisation address and site address	<b>RSPO registered company:</b> 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.  <b>Liaison Office:</b> Sinar Mas Land Plaza, Tower II, 30th Floor. Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia.	
1.2.4	Telephone	(+62-21) 50338899	
1.2.5	Fax	(+62-21) 50389999	
1.2.6	E-mail	<a href="mailto:yahya.mustakim@sinarmas-agri.com">yahya.mustakim@sinarmas-agri.com</a>	
1.2.7	Web page address	<a href="http://www.goldenagri.com.sg">www.goldenagri.com.sg</a>	
1.2.8	Management Representative who completed the application for certification	Yahya Mustakim (Head of Sustainability Management System and Certification Operations Sustainability)	
1.2.9	Registered as RSPO member	1-0096-11-000-00 – 30 January 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply bases: Pelakar Mill, Pelakar Estate, Batang Merangin Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Pelakar Mill	Tanjung Village, Bathin VIII Sub-District, Sarolangun District, Jambi Province, Indonesia	S 02° 11' 07"E 102° 38' 32"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Pelakar Estate	Tanjung Village, Bathin VIII Sub-District, Sarolangun District, Jambi Province, Indonesia	S 02° 11' 10"E 102° 38' 47"
	Batang Merangin	Kasang Melintang Village, Pauh Sub-	S 02° 11' 49"E 102° 41' 35"

	Estate	District, Sarolangun District, Jambi Province, Indonesia		
<b>1.5</b>	<b>Description of Area Statement</b>			
1.5.1	Tenure			
	• State		9,632.37	Ha
	• Community		-	Ha
1.5.2	<b>Area Statement</b>			
	Total area		9,632.37	Ha
	Mature area		6,494.72	Ha
	Immature area		1,318.92	Ha
	Road		253.70	Ha
	Building		83.76	Ha
	Mill		9.97	Ha
	Trenches, swamps, Rivers		175.69	Ha
	Reserve Area (Low Land)		68.73	Ha
	Occupation/Enclave		1,015.02	Ha
	Nursery		45.26	Ha
	Conservation Area		166.60	Ha
	<i>*Total HCV area in PT KDA is 455.30 Ha, consisting of 196.79 Ha in the PLKE and 258.51 in BMRE.            *From total 196.79 Ha HCV in PLKE, an area of 117.10 is included in planted area and 79.69 Ha is included in others area (road, swamp, river and occupation area).            *From total of 258.51 Ha HCV in BMRE, an area of 36.81 is included in planted area; 166.60 Ha is in Conservation area and 55.10 Ha is included in others area (road, swamp, river and occupation area).</i>			
<b>1.6</b>	<b>Planting Year and Cycles</b>			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Pelakar Estate	Batang Merangin Estate	Total
	1990	47.86	-	47.86
	1991	68.11	-	68.11
	1992	287.01	124.97	411.98
	1994	865.18	192.94	1,058.12
	1995	371.93	-	371.93
	1996	733.91	-	733.91
	1997	184.38	140.62	325.00
	1998	-	296.18	296.18
	1999	-	202.93	202.93
	2000	90.17	905.78	995.95
	2001	-	102.71	102.71
	2005	-	75.06	75.06
	2006	-	943.13	943.13



	2012	-	758.37	758.37			
	2016	37.61	-	37.61			
	2017	-	65.87	65.87			
	Mature Plant	2,686.16	3,808.56	6,494.72			
	2018	-	51.30	51.30			
	2020	1,267.62		1,267.62			
	Immature Plant	1,267.62	51.30	1,318.92			
	TOTAL	3,953.78	3,859.86	7,813.64			
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Pelakar	60	220,212.82	42,228.74	19.18	11,262.13	5.12
					*Production data source from 12 months before assessment (November 2021 – October 2022)		
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/yea r)	%
	Pelakar Estate	4,405.90	2,686.16	40,862.67	15.21	40.862.67	18.56
	Batang Merangin Estate	5,226.47	3,808.56	63,639.77	16.71	63.639.77	28.90
	TOTAL	9,632.37	6,494.72	104,502.44	16.09	104,502.44	47.46
					*Production data source from 12 months before assessment (November 2021 – October 2022)		
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non- certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Tiga Serumpun KKPA (TSRA) (RSPO non-certified)	PT KDA (Associated smallholder)	1,021	1,945.71	11,090.53		
	Pelakar Estate (RSPO non-certified)	PT KDA	-	-	239.03		
	Batang Merangin Estate (RSPO non-certified)	PT KDA	-	-	654.55		
	PT Bahana Karya Semesta (RSPO non-certified)	Independent Supplier	-	-	956.45		
	KUD Karya Mulya (RSPO non-certified)	Independent Supplier	-	-	9,786.06		
KUD Segar Tani	Independent Supplier	-	-	39,117.08			

	(RSPO non-certified)				
	KT Tunas Baru (RSPO non-certified)	Independent Supplier	-	-	35,051.60
	KT Karmen (RSPO non-certified)	Independent Supplier	-	-	151.72
	LRWX (RSPO non-certified)	Independent Supplier	-	-	4,550.57
	PTPN VI (RSPO non-certified)	Independent Supplier	-	-	5,616.87
	CSMX (RSPO non-certified)	Independent Supplier	-	-	368.01
	KT Bangkit Sejahtera (RSPO non-certified)	Independent Supplier	-	-	6,508.16
	RITX (RSPO non-certified)	Independent Supplier	-	-	17.78
	KT Harapan Jaya (RSPO non-certified)	Independent Supplier	-	-	1,601.97
	<b>TOTAL</b>				<b>115,710.38</b>
	<i>*Production data source from 12 months before assessment (November 2021 – October 2022)</i>				
1.7.4	Product categories		<b>FFB, CPO, PK</b>		
<b>1.8</b>	<b>Tonnage of Product</b>				
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT) December 2021 – November 2022	
	FFB Processed		120,000	104,722.29	
	CPO Production		23,000	20,625.40	
	Palm Kernel (PK) Production		6,500	5,830.38	
1.8.2	Product selling				
	Type of selling product		Actual selling product for last year (December 2021 – November 2022) (MT)		
	CSPO sold as RSPO certified product		0		
	CSPK sold as RSPO certified product		5,284.61		
	CSPO sold under other scheme		20,493.39		
	CSPK sold under other scheme		0		
	CSPO sold as conventional		0		
	CSPK sold as conventional		0		
1.8.3	Estimate of Certified FFB Claim				
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>
	Pelakar Estate	4,405.90	2,686.16	40,000	14.89
	Batang Merangin Estate	5,226.47	3,808.56	60,000	15.75
	<b>TOTAL</b>	<b>9,623.37</b>	<b>6,494.72</b>	<b>100,000</b>	<b>15.40</b>

	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Pelakar	60	100,000	20,000	20	5,500	5.5	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
	<i>**Due to replanting program so the projection is lower than previous production.</i>							
1.9	Other Certifications							
	ISO 9001:2015			-				
	ISO 14001:2015			-				
	ISO 45001:2018			-				
	ISCC			Certificate ID EU-ISCC-Cert-ID218-20210202 issued by PT Intertek Utama Services valid from 22 December 2021 to 21 December 2022				
	ISPO			Certificate No. MUTU-ISPO/208 valid thru 28 July 2025				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
Management Unit			Estate (Supply Base)	Time Bound Plan	Location	Status		
Mill	Time Bound Plan							
Pangkalan Panji Mill (PT Sawit Mas Sejahtera)	2013	Sawit Mas Estate	2013	Sumatera Selatan Province	Certified			
		Sawit Mas Estate (HGU on progress – 2,291 Ha)	2022		-			
Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	Sumatera Selatan Province	Certified			
		Bumi Sawit Estate (HGU on progress – 773.39 Ha)	2022		-			
Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	Sumatera Selatan Province	Certified			
		Muara Kandis Estate	2013		Certified			
		Muara Kandis Estate (HGU on progress – 418.49 Ha)	2022		-			
		Muara Tawas Estate (HGU on progress – 57.7 Ha)	2022		-			
		Smallholder (KKPA Pandawa)	2024		-			
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Kalimantan Tengah Province	Certified			
		Sungai Seruyan Estate	2013		Certified			
		Terawan Estate	2013		Certified			
		Tangar Estate	2013		Certified			
		Bukit Tiga Estate	2013		Certified			
Bukit Perak Mill (PT	2013	Bukit Perak Estate	2013	Bangka Belitung	Certified			

Bumi Permai Lestari)		Bukit Permata Estate	2013	Province	Certified
		Bukit Permai Estate (PT Agrolestari Subur Sejahtera)	2024		-
		Bukit Lestari estate (PT Agrolestari Hijau Sentosa)	2024		-
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Bangka Belitung Province	Certified
		Tanjung Rusa Estate	2013		Certified
		Tanjung Rusa Estate (HGU on process 48.81 Ha)	2022		-
		Tanjung Sawit Estate (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Sawit Plasma (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Rusa KKPA	2024		-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung Province	Certified
		Sungai Buaya Estate (HGU on process – 155.46 Ha)	2022		-
		Smallholder (KKPA Gedung Aji Lama)	2014		Certified
		Smallholder (KKPA Mesuji)	2014		Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung Province	Certified
		Sungai Merah Estate (HGU on process – 241.54 Ha)	2022		-
		Smallholder (KKPA Gedung Aji Baru)	2014		Certified
Kasuari Mill (PT Sinar Kencana Inti Perkasa)	2023	Cendrawasih Estate	2023	Papua Province	ST-1
		Nuri Estate	2023		ST-1
		Rajawali Estate	2023		ST-1
		Mambruk Estate (PT Sumber Indah Perkasa)	2023		ST-1
Pekawai Mill (PT Agrolestari Mandiri)	2022	Kayung Estate	2022	Kalimantan Barat Province	ST-1
		Pekawai Estate	2022		ST-1
		Sungai Kelik Estate	2022		ST-1
		Nanga Tayap Estate	2022		ST-1
		Smallholder (Kayung Plasma)	2023		ST-1

Kenanga Mill (PT Kencana Graha Permai)	2014	Kencana Estate	2015	Kalimantan Barat Province	Certified
		Cendana Estate	2015		Certified
		Kenanga Estate (PT Cahaya Nusa Gemilang)	2023		-
		Delima Estate (PT Kencana Graha Permai)	2023		-
		Smallholder (Kencana Plasma)	2024		-
		Smallholder (Kenanga Plasma)	2024		-
Perdana Mill (PT Binasawit Pratama)	2025	Perdana Estate	2025	Kalimantan Tengah Province	ST-1
		Langgana Estate	2025		ST-1
		Semandau Estate	2025		ST-1
		Muara Dua Estate	2025		ST-1
Kuayan Mill (PT Agrokarya Lestari)	2025	Bukit Santuhai Estate	2025	Kalimantan Tengah Province	ST-1
		Tajur Beras Estate	2025		ST-1
		Seranau Estate	2025		ST-1
		Sungai Sambon Plasma	2025		-
		Sapiri Estate (PT Buana Adhitama)	2025		ST-1
		Sapiri Plasma	2025		-
		Bukit Dua Estate (PT Buana Adhitama)	2025		-
Belian Mill (PT Paramitra Internusa Pratama)	2022	Belian Estate	2022	Kalimantan Barat Province	ST-1
		Tengkawang Estate	2022		ST-1
		Muara Tawang Estate (PT Kartika Prima Cipta)	2022		ST-1
		Kapuas Hulu Estate (PT Persada Graha Mandiri)	2022		ST-1
		Sungai Beran Estate (PT Persada Graha Mandiri)	2022		ST-1
		Smallholder (Belian KKPA)	2024		-
		Smallholder (Muara Tawang KKPA)	2024		-
		Smallholders (Kapuas Hulu KKPA)	2024		-
Sungai Kupang Mill (PT)	2020	Sungai Kupang Estate	2020	Kalimantan Selatan	Certified

Sinar Kencana Inti Perkasa) Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2023	Sungai Kupang KKPA	2024	Province      Sumatera Selatan Province	-
		Sungai Kikim Estate	2023		-
		Sungai Pangi Estate	2023		-
		Sungai Musi Estate	2023		-
		Sungai Saling Estate	2023		-
		Sungai Enim Estate (PT Bumi Sawit Permai)	2023		-
		Sungai Lematang Estate (PT Bumi Sawit Permai)	2023		-
		Sungai Bungur Estate (PT Prima Cipta Mandiri)	2023		-
		Sungai Lingsing Estate (PT Prima Cipta Mandiri)	2023		-
Tangar Mill (PT Mitrakarya Agroindo)	2025	Sulin Estate	2025	Kalimantan Tengah Province	-
		Sulin Plasma	2025		-
		Nahiyang Estate	2025		-
		Katayang Estate	2025		-
Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa)	2023	Sungai Magalau Estate	2023	Kalimantan Selatan Province	-
		Senakin Estate	2023		-
		Sungai Manunggul Estate (PT Mitra Nusa Permata)	2024		-
Jalemo Mill (PT Agro Lestari Sentosa)	2025	Jalemo Estate	2025	Kalimantan Tengah Province	-
		Kajui Estate (PT Agro Lestari Sentosa)	2025		-
		Manuhing Estate (PT Agro Lestari Sentosa)	2025		-
		Manuhing KKPA	2025		-
Sako Mill (PT Adi Tunggal Mahajaya)	2025	Mentaya Estate	2025	Kalimantan Tengah Province	ST-1
		Kuayan Estate	2025		ST-1
		Sako Plasma	2025		-
		Sungai Ayawan Estate	2025		-
		Sungai Nusa Estate	2025		-
Padang Halaban Mill (PT SMART Tbk)	2011	Padang Halaban Estate	2011	Sumatera Utara Province	Certified
		Pernantian Estate	2011		Certified
		Adipati Estate	2011		Certified
		Kanopan Ulu Estate	2011		Certified
Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	Kalimantan Selatan Province	Certified
		Batu Mulia Estate	2012		Certified
		Sungai Panci Estate	2012		Certified

		Sungai Panci KKPA	2012		Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	Kalimantan Selatan Province	Certified
		Kintapura Estate	2012		Certified
		Kintapura Estate (HGU on process - 636.33 Ha)	2022		-
Langga Payung Mill (PT Tapian Nadenggan)	2012	Langga Payung Estate	2012	Sumatera Utara Province	Certified
		Paya Baung Estate	2012		Certified
		Normark Estate	2012		Certified
Hanau Mill (PT Tapian Nadenggan)	2012	Hanau Estate	2012	Kalimantan Tengah Province	Certified
		Tasik Mas Estate	2012		Certified
		Tanjung Paring Estate	2012		Certified
		Langadang Estate	2012		Certified
		Medang Sari Estate (PT Satya Kisma Usaha)	2025		-
Semilar Mill (PT Tapian Nadenggan)	2013	Semilar Estate	2013	Kalimantan Tengah Province	Certified
		Sei Rindu Estate	2013		Certified
		Mandang Estate (PT Buana Arta Sejahtera)	2013		Certified
		Puri Estate (PT Buana Arta Sejahtera)	2013		Certified
		Sei Rindu Estate (203.89 Ha)	2023		
Jak Luay Mill (PT Tapian Nadenggan)	2015	Pantun Mas Estate	2015	Kalimantan Timur Province	Certified
		Jak Luay Estate	2015		Certified
		Jak Luay KKPA	2023		-
		Long Buluh Estate	2015		Certified
		Long Buluh Estate (HGU on progress - 329.66 Ha)	2023		-
		Bukit Subur Estate	2015		Certified
		Bukit Subur Estate (HCV identification on process - 569.62 Ha)	2023		-
		Bukit Subur KKPA	2023		-
Leidong West Mill (PT MP Leidong West Indonesia)	2014	Leidong West Utara Estate	2014	Bangka Belitung Province	Certified
		Leidong West Selatan Estate	2014		Certified
		Bukit Intan Estate (PT Bumipermai Lestari)	2014		Certified
		Bukit Mas Estate (PT Bumipermai Lestari)	2014		Certified

Muara Wahau Mill (PT Kresna Duta Agroindo)	2014	Muara Wahau Estate	2014	Kalimantan Timur Province	Certified
		Gunung Kombeng	2014		Certified
Gunung Kombeng Mill (PT Kresna Duta Agroindo)	2024	Gunung Kombeng KKPA	2024	Kalimantan Timur Province	-
Rantau Panjang (PT Kresna Duta Agroindo)	2022	Rantau Panjang Estate	2023	Kalimantan Timur Province	-
		Rantau Panjang KKPA	2023		-
Jelatang Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi Province	Certified
Pelakar Mill (PT Kresna Duta Agroindo)	2020	Pelakar Estate	2020	Jambi Province	Certified
		Batang Merangin Estate	2020		Certified
		Tiga Serumpun KKPA	2024		-
Langling Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi Province	Certified
		Batang Gading Estate (PT Satya Kisma Usaha)	2023		-
		Batang Gading KKPA (PT Satya Kisma Usaha)	2024		-
Sungai Bengkal Mill (PT Satya Kisma Usaha)	2015	Sungai Bengkal Estate	2015	Jambi Province	Certified
		Sungai Bengkal Estate (RaCP process - 610.88 Ha)	2023		-
		Sungai Bengkal KKPA	2015		Certified
		Sungai Bengkal KKPA (RaCP process - 1,063.92 Ha)	2023		-
		Muara Kilis Estate	2015		Certified
		Muara Kilis Estate (RaCP process - 1,460.54 Ha)	2023		-
		Kilis KKPA	2024		-
Bukit Kapur Mill (PT SMART Tbk)	2025	Bukit Kapur Estate	2025	Kalimantan Selatan Province	ST-1
		Sungai Cantung Estate	2025		ST-1
Samsam Mill (PT Ivomas Tunggal)	2009	Samsam Estate	2009	Riau Province	Certified
		Samsam Estate (HGU on progress - 29.09 Ha)	2022		-
		Kandista Estate	2009		Certified
		Kandista Estate (HGU on progress - 158.46 Ha)	2022		-
		Palapa Estate	2009		Certified
Libo Mill (PT Ivomas Tunggal)	2009	Libo Estate	2009	Riau Province	Certified
		Nenggala Estate	2009		Certified



		Nenggala Estate (HGU on progress 419.9 Ha)	2022		-
		Sei Rokan Estate	2009		Certified
		Sei Rokan Estate (HGU on progress – 102.7 Ha)	2022		-
		Sungai Tapung Plasma	2009		Certified
Ujung Tanjung Mill (PT Ivomas Tunggal)	2009	Ujung Tanjung Estate	2009	Riau Province	Certified
		Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2023		-
		Kandis Sejahtera KKPA	2023		-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Riau Province	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2022		-
		Naga Sakti Estate	2010		Certified
		Naga Sakti Estate (HGU on process – 59.79 Ha)	2022		-
		Rama Bakti Estate	2010		Certified
Kijang Mill (PT Buana Wiralestari Mas)	2010	Kijang Estate	2010	Riau Province	Certified
		Kijang Estate (HGU on process – 56.07 Ha)	2022		-
		Kijang Kencana Plasma	2010		Certified
Ramarama Mill (PT Ramajaya Pramukti)	2010	Ramarama Estate	2010	Riau Province	Certified
		Ramarama Estate (HGU on process – 318.76 Ha)	2022		-
		Amartajaya Plasma	2010		Certified
		Smallholder (Ramarama KKPA)	2023		-
		Berkat Ridho KKPA	2023		-
		Produsen Rama Sawit KKPA	2023		-
Indrasakti Mill (PT Meganusa Inti Sawit)	2011	Indralestari Estate	2011	Riau Province	Certified
		Indrasakti Estate	2011		Certified
		Indragiri Plasma	2011		Certified
		Indrasakti Plasma	2011		Certified
		Mandian jaya KKPA	2022		Audited
Bumipalma Mill (PT Bumipalma Lestari Persada)	2012	Bumi Lestari Estate	2012	Riau Province	Certified
		Bumi Palma Estate	2012		Certified
		Bumi Sentosa Estate	2012		Certified
		Bumi Palma Estate (HGU on process – 39.21 Ha)	2022		-

		Kharisma Estate (PT Kharisma Riau Sentosa Prima)	2024		-
		Kharisma Plasma (PT Kharisma Riau Sentosa Prima)	2024		-
Sawita Mill (PT Sawitakarya Manunggul)	2022	Sawita Estate	2022	Kalimantan Selatan Province	ST-1
		Pamukan Estate	2022		ST-1
		Sawita KKPA	2024		ST-1
Kenari Mill (PT Bangun Nusa Mandiri)	2025	Gaharu Estate (PT Bangun Nusa Mandiri)	2025	Kalimantan Barat Province	-
		Kenari Estate (PT Bangun Nusa Mandiri)	2025		ST-1
		KerANJI Estate (PT Bangun Nusa Mandiri)	2025		ST-1
		Smallholder (Gaharu Plasma)	2025		-
		Smallholder (Kenari Plasma)	2025		-
Sungai Air Jernih Mill (PT Bahana Karya Semesta)	2023	Sungai Air Jernih Estate	2023	Jambi Province	-
		Sungai Mentawak Estate	2023		-
		Sungai Mentawak KKPA	2023		
		Sungai Merak Estate	2023		-
		Sungai Badak Estate	2023		-
Sungai Perak Mill (PT Kruing Lestari Jaya)	2024	Sungai Perak Estate	2024	Kalimantan Timur Province	-
		Sungai Basung Estate	2024		-
		Sungai Pikan Estate	2024		
		Sungai Pilos Estate	2024		-
		Sungai Pikan Plasma	2024		
Sungai Kedang Mill (PT Harapan Rimba Raya)	2024	Sungai Kedang Estate	2024	Kalimantan Timur Province	-
		Sungai Tohan Estate	2024		-
		Kedang Pahu Estate	2024		-
		Sungai Pahu Estate (PT Rimba Rayatama Jaya)	2024		-
		Sungai Tohan Plasma	2024		
		Sungai Pahu Plasma (PT Rimba Rayatama Jaya)	2024		
TBP revised on 19 May 2022 and approved by RSPO on 14 June 2022					
There is revision of timebound plan on 19 May 2022 made by Head of Operations Sustainability. There are justification for mills and estates that postpone, with explanation: <ul style="list-style-type: none"><li>Pandawa KKPA supply base of Muara Kandis Mill is postponed to 2024 due to the SHM process.</li><li>Tanjung Rusa KKPA supply base of Tanjung Kembiri Mill is postponed to 2024 due to the SHM process.</li><li>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)</li><li>Kasuari Mill and supply bases are postponed to 2023 due to still in process of EIA (AMDAL) revision and permit for hazardous waste warehouse</li></ul>					

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

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

1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA.
2. PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA.
3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya).

4. PT Agrolestari Subur Sejahtera (previously the company name is PT Bumi Permai Surya Lestari): Bukit Permai Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified.
5. PT Agrolestari Hijau Sentosa (previously the company name is PT Bumi Bangka Lestari): Bukit Lestari Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified.
6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma Lestari Persada) which has been certified.
7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).

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

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

1.10.2

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

The smallholders planned to be certified in 2025

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-3</b>	<p>1. <b>Moh. Arif Yusni (Lead Auditor)</b>. Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor course in 2014, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO and ISPO Lead auditor refresher course in 2021 etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, TBP, Partial certification, environment aspect, waste management, GHG and conservation.</p> <p>2. <b>Benli Manurung (Auditor)</b>. Bachelor of Agriculture Majoring in Soil Science. He has more than 4 years of experience as a plantation operations staff in a private oil palm plantation company in Indonesia. The trainings he has attended include: ISPO, RSPO, Lead auditor of ISO 9001: 2015; ISO 14001; 2015, IHT Health &amp; Safety Aspect and Best Management Practice. Has participated in several audit activities since 2016 in the field of Best Management Practice, Health &amp; Safety Aspect and Worker Welfare. During the audit, he verified Best Management Practice and OHS aspect.</p> <p>3. <b>Rindu Galih Rezza Rachmansyah (Auditor)</b> Indonesian citizen, Bachelor of Agriculture with major in Plant Pest and Disease. Has one year experience as Field Expert in Pesticide Company and 3 years' experience in Industrial Forest Management, Forest Rehabilitation and Reclamation on Indonesia Stated Owned Company as Assistant. Training which had attended including Lead Auditor ISO 9001, ISO 14001, ISO 17021, ISO 19011, SA 8000, Lead Auditor ISPO, Lead Auditor RSPO, RaCP &amp; NPP Awareness and OHSAS 18001:2007. Has involved in several audit activities related to sustainable palm oil since 2017 in the aspects of Best Management Practices (BMP), social, worker welfare and OHS. During the audit, he verified worker welfare, SCCS and social aspect.</p> <p>4. <b>Alfiany Sukmawati (Auditor Trainee)</b>. Indonesian Citizen. Bachelor of Public Health, major in Environmental Health, University of Indonesia. Has experience working in as HSE specialist for 5 years. Has attended training in AMDAL A &amp; B, ISO 14001 auditor training, OSHAS, ISPO by LPP, Lead Auditor ISO 9001:2015, Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 45001, and Awareness ISO 19011. Has participated in several simulations of audit activities related to the certification system for sustainable palm oil plantations with environmental aspects. During the audit, she verified environment aspect, waste management, GHG and conservation aspect under supervised by Lead Auditor</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-3</b>	<p>Number of auditors: 3 auditors and 1 auditor trainee</p> <p>Number of days for <b>ASA-3</b> onsite audit: 5 days</p> <p>Number of working days for <b>ASA-3</b> onsite audit: 15 working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-3</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Kresna Duta Agroindo to the requirements of</p> <ul style="list-style-type: none"> <li>RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020</li> <li>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</li> </ul> <p>The scope of certification of PT Kresna Duta Agroindo consist of one mill (Pelakar Mill) and two estates (Pelakar Estate and Batang Merangin Estate).</p> <p>The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an</p>

RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results Recertification by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-3. Improvement of findings from previous assessment findings were observed by auditors at this Onsite assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of this reports

The opening meeting was held on 05 December 2022. As for the participants who attended the opening meeting included the Estate and Mill Managers, Support Team from Pangkalan Bun and other staff at PT KDA. Closing meeting was held 09 December 2022 attended by the same participants as the opening meeting. Management PT KDA accept all recommendations in accordance with auditor recommendations.

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

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates through teleconference. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III.

Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel.

All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).

The assessment program please find Appendix 2.

### **2.2.3 Locations of Assessment**

#### **ASA-3**

The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:

#### **Pelakar Mill**

- **Chemical and Oil Storage.** Observation and interview with worker related to chemical and hazardous material management, OHS, and environmental aspect.



- **Sparepart and PPE Storage.** Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- **Workshop.** Observation and interview with worker related to workshop activity, OHS, environmental and worker welfare aspect.
- **Water Treatment Plant.** Observations and interviews on clean water treatment, OHS and environmental aspects.
- **Empty Bunch Area.** Observation related to empty bunch management and environmental aspects.
- **WWTP.** Observation and interview with worker related to POME management, work procedure, OHS, environmental and worker welfare aspect.
- **Temporary Hazardous Waste Storage.** Observation for OHS, waste disposal, and environmental aspects.
- **Security Post.** Observations and interviews related to work procedures, worker welfare, OSH, environmental aspects and grievance mechanisms.
- **Weight Bridge Station.** Observations and interviews related to work procedures, worker welfare, OSH, environmental aspects and grievance mechanisms.
- **Laboratory.** Observations and interviews related to work procedures, worker welfare, OSH, environmental aspects and grievance mechanisms.
- **Sorting Station.** Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects
- **Sterilizer Station.** Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects
- **Kernel Station.** Observation of the process according to SOPs and implementation of OHS aspects
- **Boiler Station.** Observation of boiler work process according to SOP, implementation of OHS and environmental aspects
- **Engine Room Station.** Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects
- **Hydrant simulation.** Observation and interview related emergency preparedness in mill.

### Pelakar Estate

- **Land Application at Block D25.** Observation related POME application to land and its management, OHS and environment aspect.
- **HCV Merangin Riparian Area, Block C16/17.** Observation related riparian management and water resources.
- **Landfill Area.** Observation of domestic waste management.
- **Agrochemical Storage** Observation and interview with worker related to chemical management, OHS, and environmental aspect.
- **Firefighting Equipment Storage.** Observation and interview with worker related to hazardous waste management, OHS, and environmental aspects
- **Fuel and Oil Storage.** Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect
- **Workshop.** Observation and Interview with workers related to OHS, environmental and workers welfare aspects.
- **Temporary Hazardous Waste Storage.** Observation for OHS, waste disposal, and environmental aspects.
- **Harvesting Activity at Block F07 Division 03.** Observations and interviews related to work procedures, worker welfare, OSH, environmental aspects and grievance mechanisms.
- **Circle Path Spraying at Block F04 Division 03.** Observations and interviews related to work procedures, worker welfare, OSH, environmental aspects and grievance mechanisms.
- **Owl Box (Gupon) at Block F07 Divisi 03.** Observations related to integrated pest control for control of rats with their natural enemies (owls).
- **Beneficial Plant at Block F04 Division 03.** Observations related to integrated pest control for nettle caterpillar (UPDKS) control by planting host plants from natural enemies of these pests.
- **Peat Monitoring and Management Activities (Subsiden Pole, Piezometer and Lodger) at Block H11 Division 03.** Observations related to peat management started from observing the groundwater level and subsidence of the peat soil layer.
- **Replanting Area, of the Year 2022 at Block E20/21 Divisi 02.** Observations related to land clearing without

	<p>burning, soil and water conservation activities during replanting activities.</p> <ul style="list-style-type: none"> <li>• <b>Immature Area for Plant of the Year 2022 at Block D18/19 Division 02.</b> Observations related to the management and maintenance of immature plant.</li> <li>• <b>Immature Area for Plant of the Year 2020 at Block E22/23 Division 02.</b> Observations related to the management and maintenance of immature plant.</li> <li>• <b>HGU Pole No. BPN II,IV,I and XXV 02.</b> Observation related legal boundaries and potential land dispute.</li> <li>• <b>Housing Complex.</b> Observation related worker facility and environmental aspects.</li> <li>• <b>Fire monitoring tower Block I06.</b> Observation regarding emergency respond preparedness.</li> <li>• <b>Daycare.</b> Observation and interview with worker related housing facilities.</li> <li>• <b>Water Resources.</b> Observation related water management, OHS, and environmental aspects.</li> <li>• <b>Rinse House.</b> Observation related OHS, and environmental aspects.</li> </ul> <p><b>Batang Merangin Estate</b></p> <ul style="list-style-type: none"> <li>• <b>HCV Pelakar Riparian Area, Block E01/02 Div. I.</b> Observation related riparian management and water resources.</li> <li>• <b>HCV Pelakar Riparian Area, Block G12 Div. II.</b> Observation related riparian management and water resources.</li> <li>• <b>Chemical and Oil Storage.</b> Observation and interview with worker related to chemical and hazardous material management, OHS, and environmental aspect.</li> <li>• <b>Sparepart and PPE Storage.</b> Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.</li> <li>• <b>Workshop.</b> Observation and Interview with workers related to OHS, environmental and workers welfare aspects.</li> <li>• <b>Temporary Hazardous Waste Storage.</b> Observation for OHS, waste disposal, and environmental aspects.</li> <li>• <b>Agrochemical Storage</b> Observation and interview with worker related to chemical management, OHS, and environmental aspect.</li> <li>• <b>Generator House.</b> Observation and interview with worker related to chemical management, OHS, and environmental aspect.</li> <li>• <b>Landfill Area.</b> Observation of domestic waste management.</li> <li>• <b>Reserves Area at Block G14/15 Division 02.</b> Observations related to the management of reserve areas that have not been planted and maintaining these areas and their boundaries.</li> <li>• <b>Enclave Area (Community Plantation) which borders at Block G14/15 Division 02.</b> Observations related to the boundaries between the managed areas controlled and utilized by the company and the enclaved areas that are not controlled.</li> <li>• <b>HGU Pole No. BPN 09, 24, 25,26 and 27</b> Observation related legal boundaries and potential land dispute.</li> <li>• <b>Housing Complex.</b> Observation related worker facility and environmental aspects.</li> <li>• <b>Harvest, Block D30 Division IV.</b> Technical observation of work according to SOP and implementation of OHS aspects.</li> <li>• <b>Harvest, Block C96 Division V.</b> Technical observation of work according to SOP and implementation of OHS aspects.</li> <li>• <b>Spraying, Block B04 Division IV.</b> Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.</li> <li>• <b>Barn Owl Box, Block C3 Division IV.</b> Observations regarding the condition of the owl cage, the effectiveness of the owl cage for rat control.</li> <li>• <b>Peat Monitoring and Management Activities (Subsiden Pole, Piezometer and Lodger) at Block C3 Division IV.</b> Observations related to peat management started from observing the groundwater level and subsidence of the peat soil layer.</li> <li>• <b>Harvest, Block D03 Division IV.</b> Technical observation of work according to SOP and implementation of OHS aspects.</li> <li>• <b>Daycare.</b> Observation and interview with worker related housing facilities.</li> <li>• <b>Water Resources.</b> Observation related water management, OHS, and environmental aspects.</li> <li>• <b>Rinse House.</b> Observation related OHS, and environmental aspects.</li> </ul>
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<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-3</b>	<p>Summary of stakeholder consultation process for PT Kresna Duta Agroindo was held by:</p> <ul style="list-style-type: none"> <li>• Public announcement in MUTU website on 21 November 2022</li> <li>• Public consultation with NGOs (by email) on 25 November 2022</li> <li>• Public consultation direct interview with government institution 06 December 2022</li> <li>• Public consultation direct interview with communities on 06-07 December 2022</li> <li>• Public consultation meeting direct interview and by telephone with internal stakeholders and contractor 06-07 December 2022</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Kresna Duta Agroindo as part of this audit reports</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-4</b> ) will be conducted eight (8) months to twelve (12) months after date of certificate issued

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Pelakar POM – PT Kresna Duta Agroindo, Golden Agri Resources Ltd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were no Non-conformities were assigned against Major Compliance or Minor Compliance Indicators; and 4 (four) opportunity for improvement were identified.

MUTUAGUNG LESTARI found that Pelakar POM – PT Kresna Duta Agroindo, subsidiary of Golden Agri Resources Ltd complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>	
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>
<b>1.1.1</b>	<p>Certification Unit has procedure SOP/SMART/UMUM/SADVI/004/003 dated 1 July 2014, described the types of documents that can be accessed by the public according to stakeholders are included in the information list for stakeholders, such as public documents, legal document, environmental documents (environmental policy, environmental management, and monitoring report, etc.), social document, OHS policy and program, and manpower documents. These documents are available in Estate and Mill office.</p> <p>For example; periodically, unit certification sends monitoring and management documents to the related institutions such as; <i>RKL-RPL</i> document to Environment Agency, HCV and RTE species monitoring to BKSDA, and Manpower Office.</p>
<b>1.1.2</b>	<p>Based on document verification, all public documents are accessible to relevant stakeholders by submitting an official letter of request for information. All information is provided in Bahasa.</p> <p>For example are;</p> <ul style="list-style-type: none"> <li>• Reporting of Employment Report for PT Kresna Duta Agroindo (PLKE) in 2022 via online on 12 September 2022 and must be reporting back on 12 September 2023.</li> <li>• Reporting of Employment Report for PT Kresna Duta Agroindo (PLKM) in 2022 via online on 26 January 2022 and must be reporting back on 26 January 2023.</li> <li>• Reporting of Employment Report for PT Kresna Duta Agroindo (BMRE) in 2022 via online 22 September 2022 and must be reporting back on 22 September 2023.</li> <li>• Reporting of Contract Worker (PKWT &amp; BHL) Registration for PT Kresna Duta Agroindo in Manpower and Transmigration Agency of Sarolangun Regency on 07 November 2022.</li> <li>• Reporting of Environmental Monitoring and Management of Plantation Activities and Palm Oil Processing Factory, Airstrip, and Biogas Plant 1.2 MW Semester I of 2022 Number 61/PLKM-DLH SRL/XI/2022 which was reported to the DLH Sarolangun Regency on November 17, 2022.</li> <li>• Reporting of Environmental Monitoring and Management of Plantation Activities and Palm Oil Processing Factory, Airstrip, and</li> </ul>

Biogas Plant 1.2 MW Semester I Year which was reported to KLHK through SIMPEL on November 10, 2022, with ID number TTE 1668072555-436.

- A plantation business development report (*LPUP*) for Semester I of 2022 which was sent to the Plantation Office of Sarolangun Regency and Jambi Province on July 21 2022.

### 1.1.3

From the results of the document review on the recording of incoming and outgoing mail logs in 2022, there were no requests for information from stakeholders. However, there are some notes regarding donation requests and routine reporting to related institutions.

The unit of certification has recorded in the Communication and Consultation Book, shows that responses were provided in an adequate and timely manner, i.e. no later than 3 weeks after the letter is received.

### 1.1.4

Procedure of Consultation and Communication No. SOP-SMART-UMUM-SADP-I-004) dated July 1<sup>st</sup>, 2016 explained that the unit of certification has appointed person who are responsible for communication and consultation. The respond of information requests with maximum time of 3 days since mail received. Based on verification document and interview with eksternal stakeholders, management always responds the information request no longer than 3 working days.

Based on interviews with representatives of Pangkal Bulian Village and the Manpower Office of Sarolangun District, it is known that stakeholders know about the mechanism for delivering information.

### 1.1.5

Unit of certification has a recording of a updated stakeholder list made by the SPO Officer in each area (PLKM, PLKE, and BMRE) and explains the name of the institution/organization, address, contact number and name of the serving personnel, such as contractors, labor unions, government institutions, villages around the company, etc. The person to be contacted clearly stated in the stakeholder list. From the results of interviews via telephone with stakeholders referring to the list, it can be connected and the information found is valid. For example are; Environmental Agency, Gender Committee of Pelakar Estate, Tanah Abang Village, and PT Satrindo Jaya Agropalma as a Transportation Contractor.

**Status: Comply**

## 1.2

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

### 1.2.1

The unit of certification has GAR Social and Environment Policy/GSEP signed by Head of Upstream on November 2015. This policy was explained about code of integrity and ethical business. The policy is available in Bahasa Indonesia. Besides that's socialization is also done through posters, signboards and banners in strategic locations, for example in the office or emplacement. Based on interview with local contractor of it is known that company has been disseminated the policy of standard business of conduct.

Based on interview with workers, it was known if the workers who are found to commit corrupt practices will be given strict punishment by the company and punished according to the applicable regulations. Based on interviews with the local contractors during audit, it was known that the business ethics policy has disseminated and understood by the contractors.

### 1.2.2

The evaluation of the contractor's performance related to the company's code of ethics, anti-bribery, anti-corruption and other ethical codes. In addition, the evaluation includes an assessment related to disciplined use of PPE, environmental awareness, and compliance with laws and regulations. The result of this evaluation is that there are no issues or cases that have occurred related to the code of ethics, anti-bribery, anti-corruption and other ethical codes in the past year.

**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 list of laws or regulations is explained in the regulatory list document which already update in 2022 covering all management areas and every activity in PT KDA. The unit of certification can demonstrate compliance with these laws and regulations, in the following aspect;

**Land Legality**

The company has shown the evidence of legal requirements compliance such as plantation business permit for total area 10,181 Ha which are:

- No. 960/Menhutbun-VII/2000 dated 8 August 2000 from Forestry and Plantation Minister for an area of 8,359 Ha
- No. 2 dated 1 June 2009 from Sarolangun District Head for an area of 1,822 Ha and 60-ton mill capacity
- The company have land title (HGU) covering 9,632.37 Ha and there are 89.35 Ha were still ongoing to obtain its Land Title (HGU) and excluded from scope of certification due to legal issue and its has been part of Time Bound Plan (described on indicator 4.4.1)

**Best Management Practices Aspects**

- The unit of certification does not use pesticides that are listed in the World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions, as well as paraquat, which is confirmed through Memorandum No: 032 / PD / VIII / 2016 dated August 13, 2016 by President Director Daud Darsono, regarding a ban on the use of paraquat.
- Implement a zero-burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

**Manpower Regulation Aspects**

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

- PT Kresna Duta Agroindo in general has reported mandatory reports related to employment such as the Employment Report and Contract Workers (PKWT & BHL) Registration.
- The implementation of the minimum wage in 2022 is in accordance with the Minimum Wage Decree of Sarolangun Regency in Jambi Province established by the Governor of Jambi in 30 December 2021.
- Payment of overtime wages to workers in accordance with Government Regulation No. 36 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.

**Environmental Aspects**

- *UKL-UPL* in 1995 with a coverage area of 9000 Ha in Tanjung Village for the plantation area and Palm Oil Mill with a capacity of 60 tons / hour authorized by the Ministry of Agriculture, Agribusiness Agency with approval number 722 / BA.5 / XI / 1995.
- Document of Environmental Management Efforts and Environmental Monitoring Efforts (*UKI-UPL*) activities to utilize Mill waste as a power plant with a capacity of 1.02 MW (SK No.660 / 538 / BLHD / 2010 by the Sorolangun Regional Environment Agency) November 2010.
- *DPLH* activities for Expansion of Oil Palm Plantations, Other Supporting Infrastructure Facilities and Sei Pelakar Runway Covering an Area of 1799 Ha and Batang Merangin Runway Covering an Area of 3.98 Ha with an environmental permit based on the decision of the Regent of Sarolangun Number 433 / BLHD / 2015 on 20 October 2015.
- *DPLH* for plantation expansion and utilization of palm oil waste (Biogas, Land Applications and composting) and other infrastructure facilities Langling Village, Tanjung Lamin and Merangin Waste Intersection (Land Area 333.35 Ha), Tanah Land Abang (Land Area 86.4 Ha) Bangko Pamenang Barat and Pamenang Districts, Merangin Regency. Along with the environmental permit based on the Decree of the Head of the Investment Board and Integrated Licensing Service Number: 59 / BPM-PPT / 2015.
- Permit for Temporary Storage of Hazardous and Toxic Waste from *DLH* Sarolangun District No. 660/10/LB3.DLH/05/2019 dated May 17, 2019.
- Permit to use/utilize water owned by the company based on the Decree of the Minister of Public Works and Public Housing Number 1337/KTPS/M/2021 dated October 29, 2021, concerning the Granting of Permit for Concession of Water Resources to Limited Liability Company Kresna Duta Agroindo for the Palm Oil Industry in the River The perpetrators of the Sarolangun District, Jambi Province. This permit decision is effective for five years

- Liquid Waste Utilization Permit for Land Application (LA) based on a Liquid Waste Utilization Permit (*LCPKS*) No. 200 38 08 116 161120 503 118 issued by *DPMP TSP* Sarolangun District on November 17, 2020, and valid for two years.

### 2.1.2

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

The implementation of this procedure is the issuance of a law register document containing regulations that must be fulfilled and relevant to the company's operational activities, including for third parties working with the company (contractors). The law register is divided into several aspects, namely: Occupational safety and health, the environment, employment, and plantations. To ensure whether there are additions and subtractions to relevant regulations, a review is conducted every once a year. The list of laws/regulations listed has covered several aspects such as land permit and legality, manpower, occupational health and safety, best management practices, and environment. with the latest updated in 12 January 2022. The company have shown list of updated regulation, in example related to the field of worker welfare aspect are;

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

To ensure compliance with the Company and third-party laws in the Company, routine monitoring is carried out once a year by means of compliance audit / internal audit. The last internal audit for RSPO and SCCS was conducted on 22 – 26 August 2022. In addition to going through a compliance audit / internal audit, the company conducts monitoring and evaluation of third parties (contractors) through contractor evaluation activities which are conducted at least once a year. The types of evaluations carried out include contract compliance, contractor quality and performance, accuracy of work completion, compliance with labor regulations, OHS, housekeeping and the environment.

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

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

### 2.1.3

The company has a procedure for the Installation, Maintenance and Supervision of *HGU* Pillars which are stated in the SOP/SMART/CERS-EHSD/SADV/II/004 dated 30 May 2012. In the procedure it is explained that the maintenance of HGU boundary marks is carried out periodically every 3 months by monitor and check the physical condition of the boundary marks.

Based on documents verifications it was known there are 40 boundaries pole in Pelakar Estate and 61 boundaries poles in Batang Merangin Estate. Last monitoring of boundaries poles has been carried out on September 2022 where based on the result of monitoring all boundaries poles are available and in a good conditions.

Based on documents verifications, field observation in the sample of boundaries visit it was known there are several poles located inside the company operational area not right / exactly in the legal boundaries line its due to on the boundaries legal line the area occupied by company, or the area not compensated. During assessment auditor verifies the several boundaries poles are Poles No 09, 24, 25,26 and 27 in Batang Merangin Estate and Poles No II,IV,I and XXV in Pelakar Estate). Field verifications done by using GPS tool. Based on field observations its know if it was clearly the sighted poles are in well maintained and appropriate with coordinate points.

**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**

In monitoring the use of third parties (contractors, FFB suppliers and transporters) for plantation and mill activities, the certification unit has well documented the list of third parties, the number of workers they have, contact persons, work agreements, and ensuring other matters related to compliance with laws and regulations in Indonesia. At present the certification unit has 15 third parties (Contractor, Health Laboratory, Hazardous Waste Transport, Testing Company and any others) and 13 FFB Suppliers that has been cooperate with certification unit. However, currently there is only 7 third parties who is used and works directly in the company's operational area (for other contractors it is only used on average once or two in a year).

In managing the contractor, the certification unit has a copy of the cooperation agreement in each unit. For example, for agreement between two parties such as:

- Work Agreement No. 003/KDA/PLKM/01/2020 for CPO Transport in PT Kresna Duta Agroindo with PT Satrindo Jaya Agropalma dated 02 January 2020 which is valid for two years (02 January 2020 – 31 December 2022). It has explained the terms of time, rights, obligations of the parties, prices, payment procedures and others.
- Work Agreement No. 008/SPK/PLKM/03/22 for Boiler Overhaul Services in PT Kresna Duta Agroindo with PT Prima Maju Pratama dated 31 March 2022 which is valid for ten days (05 April – 15 April 2022). It has explained the terms of time, rights, obligations of the parties, prices, payment procedures and others.

The explanation above can be concluded that the certification unit has managed and documented the list of contractors along with supporting documents.

**2.2.2**

In each work agreement between the certification unit and the contractor, there are several separate clauses related to fulfilling legal obligations in force in Indonesia as one of the obligations that must be fulfilled by the contractor. Some of these obligations are related to the registration of workers' *BPJS* (Government Insurance Scheme), the provision of minimum wages, the obligation to use PPE, other permits such as tax payment (*NPWP*), vehicle licenses (*STNK*), driver license (*SIM*) and others. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the contractor does / starts work.

The results interviews with contractor workers (FFB & CPO transport) revealed that workers had received wages above the minimum wage, were registered in the *BPJS* program, have a vehicle license (*STNK*), driving license (*SIM*) and the worker understood about his status as a permanent worker. This result is in line with the results of the document review which proves that the wages of contractor workers are above the minimum wage, have vehicle / driver license, fulfilling tax payments, *BPJS* payments and other requirements. For example, in PT Satrindo Jaya Agropalma and PT Prima Maju Pratama fulfillment includes:

**PT Satrindo Jaya Agropalma**

- Proof of payment of wages for workers with employee numbers HYT (truck driver) who received wages from October and November 2022 above the minimum wage.
- Proof of payment of wages for workers with employee numbers MKN (truck driver) who received wages from October and November 2022 above the minimum wage.
- *BPJS* payments for the 2022 period have been completely fulfilled and the last proof of payment is on 06 December 2022 for period of November 2022.
- *BPJS Ketenagakerjaan* and *Kesehatan* Card for workers (MKN and HYT) that has been active until now.

**PT Prima Maju Pratama**

- Proof of payment of wages for two mechanic workers who received wages for period of April 2022 and is an accordance with the minimum wage.
- *BPJS* payments for the 2022 period of April 2022 for Boiler Overhaul Project have been completely fulfilled and the last proof of payment is on 04 May 2022 for period of April 2022.
- *BPJS Ketenagakerjaan* and *Kesehatan* Card for 2 mechanic workers.

In addition, the certification unit has carried out an evaluation of each contractor annually and routine inspections every year to see



the performance of the contractor. There are several important indicators in the annual evaluation including work quality, stipulated completion time, compliance with laws, implementation of OHS and housekeeping. Meanwhile, for annual inspections, there are seven main criteria, namely work environment, PPE, emergency response, work equipment, safety signs, contractor competence, and work in hazardous areas. The last evaluation carried out was on 03 May 2022 for CV Siti Maria Ulfa (Local FFB Transport), PT Prima Maju Pratama on 03 April 2022 and for PT Satrindo Jaya Agropalma on 03 January 2022.

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

### 2.2.3

In each work agreement between the certification unit and the contractor/supplier, there are clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractor/supplier. Some of these obligations are related to disallowing child, forced and trafficked labor to be employed by the third party, and where young workers are employed, the contracts include a clause for their protection. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the contractor does / starts work.

The results of the document review of the list of contractor workers revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker worked. This is in line with the results of interviews stating that no child laborers have worked up until now, there are no forced laborers / workers resulting from trafficking because all workers have understood the work agreement at the start of work and payment for the work is always equal.

The certification unit has proven that all contracts have clauses disallowing child, forced and trafficked labor to be employed by the third party, and where young workers are employed, the contracts include a clause for their protection.

**Status: Comply**

## 2.3

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

### 2.3.1; 2.3.2

Records of the origins of all third-party FFB sourced are available on computerized system at Pelakar Mill. The result of filed visit, document review and interview with the management, known that there are FFB's that accepted in mill originally from estate under scope of certification, scheme smallholders, other companies that supplies to mill and third parties or indirect suppliers. The list of FFB that supplies to mill are:

#### 1. Direct Suppliers

- Tiga Serumpun KKPA (scheme of smallholders PT KDA)
- PT Bahana Karya Semesta
- PTPN VI
- PT Cahaya Mitra Sawit

#### 2. Indirect Suppliers-

- KUD Karya Mulya
- KUD Segar Tani
- KT Tunas Baru
- KT Karmen
- Loading Ramp Wagiantoro
- KT Bangkit Sejahtera
- KT Rita Yurahmi
- KT Harapan Jaya

The company receives FFB from other sources. To identify the FFB legality, the company was in cooperation with PT Koltiva – an IT vendor, has been conducted identification by computerized application, of smallholders who supplied th FFB to the Mill In the application, variable of identification covers of smallholders ID, name, age, telephone number, smallholders address and geolocation, ha area, annual production, number of oil palm, land title status, average tree age, etc.

The unit of certification can present the requirements of directly sourced FFB as follows the Information on geo-location of FFB origins and proof of the ownership status or the right/claim to the land by the grower, for example PT. PT Cahaya Mitra Sawit, with Legal and traceability document presented are:

- Deed of incorporation of No. 96 Tahun 2016 dated 18 May 2016
- Medium Business Trade License: 150 99 03 043 170315 503 002 dated 17 March 2015
- Location coordinate E 102,70225 and S -2,30336
- Address: Village of Aur Gading, Sorolangun Regency, Province of Jambi
- Legal Document: Land register certificate and Freehold Title, in example Freehold Title (*SHM*) No 1819 dated 16 October 2022

The company has list of FFB's indirects Suppliers where there are eight indirect suppliers. As part of efforts to trace the supply of FFB from external parties, especially indirect suppliers, the company has conducted a traceability audit to ensure that the FFB supplied comes from legal sources. During the audit process, evidence of legal compliance from each supplier can be shown, for example Loading Ramp Wagiantoro where the Legal and traceability document presented are:

- Business Identification Number No 0220003850884 dated 08 August 2022
- Location coordinate E 102.617535 and S - -2.193427
- Address: Village of tanah abang, Subdistrict of Pamenang, District of Merangin, Province of Jambi
- Legal Document: Land register certificate and Freehold Title, in example Freehold Title No 1561 dated 06 January 2022

**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 management plan in the projected work plan and budget for 2022 – 2027 for Mill and Estate. The document discusses plantation operational targets including replanting plans, Palm Oil Mill operations, budget plans costs and revenue budget plans for 2022 – 2027.

Management Review of RSPO SCCS implementation conducted on 04 July 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performance and product compliance, follow up of previous management review, and recommendation for improvement.

##### **3.1.2**

The company also shows the replanting planning documents for the 2020-2026 period for PLKE and BMRE units as follows:

<i>Replanting Year</i>	<b>BMRE (Ha)</b>	<b>PLKE (Ha)</b>
2020	-	1,296
2021	-	-
2022	753	1,340
2023	-	-
2024	-	1,27
2025	-	-
2026	-	-

The company shows PLKE replanting recapitulation for 2020 covering area of 1,267.62 Ha. There is replanting in the mineral area in 2022. However, the company has not included it in the statement area because it has not been completed. This will be further diversified at the next assessment

##### **3.1.3**



The unit of certification was shown continuous improvement documents, for example, OIA internal audit reports, RSPO and ISPO internal audit reports and its follow-up, periodic waste test reports, surface water quality test reports etc.

Management Review of RSPO SCCS implementation conducted on 04 July 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

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

##### Best Management Practices Aspects

- The unit of certification does not use pesticides that are listed in the World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions, as well as paraquat, which is confirmed through Memorandum No: 032 / PD / VIII / 2016 dated August 13, 2016 by President Director Daud Darsono, regarding a ban on the use of paraquat.
- Implement a zero-burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

##### Worker Welfare

- Unit certification has set minimum wage regulations for all workers based on the stipulation of minimum wages by the Governor of Jambi for 2022.
- Unit certification facilitates workers with adequate housing, electricity facilities, and availability of clean water in every publicly available housing.
- Unit certification is also committed to avoiding acts of discrimination, sexual harassment, child labor or acts of human rights violations in the work environment.

##### Social and Environmental Aspect

- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable energy accordance to reduce the use of fossil fuels.
- The 2022 HCV Management Plan improved in terms of both the quantity and the quality of monitoring.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Routinely social monitoring conditions in surrounding community
- Air quality management and monitoring through several action like 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.
- Using renewable energy-producing technology, namely methane capture or biogas.

#### 3.2.2

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

<b>Status: Comply</b>
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### 3.3

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

#### 3.3.1

Unit of certification have procedures related to oil palm agronomy, oil palm processing and safety aspect, summarized as follows:

- The company has documents of SOP Technical of Oil Palm Cultivation starting from land clearing up to harvesting, approved by

SMD Ops and entered into force on 15 July 2020. The SOP documents among others about planning of new area planting, replanting plans, nurseries, land clearing, planting, replanting, pest and disease control, weed control, fertilization, maintenance of immature plant, preparation ahead of harvest, harvesting, loading and transportation of FFB. That SOP is available on audit site (Estate and Mill office) and written in a language that is easily understandable for workers (written in Bahasa).

- The Oil Mill has SOPs covering all mill operations such as FFB Grading, Sterilization Station, Press Station, Threshing Station, Oil Room, Kernel Plant, Laboratory, CPO & PK Despatch, Engine Room, Boiler Room, Electrical, Workshop as well as Raw and Boiler Water Treatment Plant. That SOP's is available on audit site (Estate and Mill office) and written in a language that is easily understandable for workers (written in Bahasa).
- The entire procedure both of plantation and mill has been included of safe working instruction, other than those described in the HIRAC document.

Based on procedure documents review, it could be concluded that the oil palm agronomy, processing and safety procedures are still relevant with current situation and covers all main aspects from the field to the mill. All procedures are available in Bahasa. However, estates and mill employees understanding towards technical and safety matters is considered very satisfactory.

### 3.3.2

The Certification Unit has procedures related to operational internal audits in SOP No. SOP-ISCC/IMT/OIA. The SOP approved by the VPA and VPM came into force on 1 July 2011. To ensure consistency in the implementation of procedures, the company routinely conducts internal audits for both agronomy and processing which are organized by the Department of Operational Internal Audit (OIA) every semester. Internal audit records for 2022 have been documented and all of non-compliance records have been corrected and verified by management.

### 3.3.3

The unit of certification was shown continuous improvement documents, for example, OIA internal audit reports, RSPO and ISPO internal audit reports and its follow-up, periodic waste test reports, surface water quality test reports etc.

Management Review of RSPO SCCS implementation conducted on 04 July 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

**Status: Comply**

## 3.4

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

### 3.4.1

The certification unit has several documents related to social and environmental impact assessments which are carried out independently and in a participatory manner, involving affected stakeholders. The document covers the pre-construction activities, the operation stage, and the post-operation stage. The unit of certification does not carry out new plantings or increase the scope of certification. Some of the documents held by the certification unit, include:

#### Environmental Aspect (EIA)

- UKL-UPL in 1995 with a coverage area of 9000 Ha in Tanjung Village for the plantation area and Palm Oil Mill with a capacity of 60 tons / hour authorized by the Ministry of Agriculture, Agribusiness Agency with approval number 722 / BA.5 / XI / 1995.
- Document of Environmental Management Efforts and Environmental Monitoring Efforts (UKI-UPL) activities to utilize Mill waste as a power plant with a capacity of 1.02 MW (SK No.660 / 538 / BLHD / 2010 by the Sorolangun Regional Environment Agency) November 2010.
- DPLH activities for Expansion of Oil Palm Plantations, Other Supporting Infrastructure Facilities and Sei Pelakar Runway Covering an Area of 1799 Ha and Batang Merangin Runway Covering an Area of 3.98 Ha with an environmental permit based on the decision of the Regent of Sarolangun Number 433 / BLHD / 2015 on 20 October 2015.
- DPLH for plantation expansion and utilization of palm oil waste (Biogas, Land Applications and composting) and other infrastructure facilities Langling Village, Tanjung Lamin and Merangin Waste Intersection (Land Area 333.35 Ha), Tanah Land Abang (Land Area 86.4 Ha) Bangko Pamenang Barat and Pamenang Districts, Merangin Regency. Along with the environmental

permit based on the Decree of the Head of the Investment Board and Integrated Licensing Service Number: 59 / BPM-PPT / 2015.

With total study area environmental documents and environmental permits are: 11,222.73 Ha.

Identification of High Conservation Values (HCV) at PT KDA Pelakar has been conducted on 2013 by RSPO approved assessor, using HCV identification guidelines in Indonesia 2008, and public consultations during HCV assessment was done on Mei 2012. Identification results indicates the presence of HCV 1.1, 4.1 (catchment areas) and 6, with a total of 455.3 Ha. This HCV identifications also found Rare, Threatened or Endangered (RTE) species according IUCN- Redlist such as *Presbytis melalophos*, and *Helarctos malayanus*. All of indicates HCV areas was mapped by 1:35000 scale and this HCV identifications covered all estates/mill operational areas including surrounding landscape.

### **Social Impact Assessment (SIA)**

The company has a social impact assessment document, namely the Social Impact Assessment Report (SIA) which was prepared by Environment Department of PT SMART Tbk, in 2013. The scope of study consists of the own plantation of PT KDA and Pelakar Mill. Report of Social Impact Assessment was explained of negative and positive impact of plantation and mill operation to social aspect and the recommendation for negative impact reduction and increasing of positive impact. There was showed also the minutes meeting of consultation process with community surround. The evidence was consisting of Attendant List of village member on Focus Group Discussion as phase of data gathering for Social Impact Assessment Report.

### **3.4.2**

The company already has an environmental and social management and monitoring plan, namely:

### **Environmental Aspect**

Based on the results of document verification, it can be concluded that all management and monitoring parameters requested in environmental documents have been implemented. Certification unit has also evaluated for each significant impact monitoring parameter that is implemented as required in KepmenLH 45 of 2005, which includes an evaluation of trends, evaluation of critical levels, and evaluation of compliance. Based on the results of the evaluation, it is known that all parameters are still appropriate by the related Quality Standards, and there is no indication of contamination.

The implementation of environmental management has been carried out in accordance with all RKL-RPL documents and Environmental Permits owned by the company. The certification unit makes RKL-RPL reports based on attachment of Environmental Permit where the matrix is a compilation of all previously owned. The environmental management and monitoring matrix describes the impact of plantation activities and mill operations, also explains the evaluation of the trend level, critical level evaluation and evaluation of compliance with the results of management and monitoring plan contained in the EIA document (has been explained in 3.4.1) that have been carried out based on each *RKL RPL* matrix assessment.

Based on the document review, it is known that the scope of the study on environmental impact assessment has covered the entire company area and has covered all activities for environmental management and monitoring. For example; the results of surface water tests on the banks of the Nyuruk River, Pelakar River, and Semak River at the Downstream confluence of the BOD and COD parameter values exceed the quality standard used, namely PP number 22 of 2021 class 2.

The environmental management report is carried out every 6 months and submitted to the relevant agency, for example can be proof with;

- Receipt of reporting document Report on Environmental Monitoring and Management of Plantation Activities and Palm Oil Processing Factory, Airstrip, and Biogas Plant 1.2 MW Semester I of 2022 Number 61/PLKM-DLH SRL/XI/2022 which was reported to the DLH Sarolangun Regency on November 17, 2022.
- Receipt of reporting document Report on Environmental Monitoring and Management of Plantation Activities and Palm Oil Processing Factory, Airstrip, and Biogas Plant 1.2 MW Semester I Year which was reported to KLHK through SIMPEL on November 10, 2022, with ID number TTE 1668072555-436.

### **Social Impact Assessment (SIA)**

PT KDA already has a social impact management and monitoring plan for the 2021-2022 (Pelakar Estate, Batang Merangin Estate,

Pelakar Mill, Kubang Ujo Plasma, and Tiga Serumpun Plasma) period that has been developed with affected stakeholders through FGDs and based on the results of the previous SIA management and monitoring review conducted on Januari-Juni 2022. The stakeholders involved include, for example, Tanjung Village, Pangkal Bulian Village, Pelakar Village, and Tanah Abang Village, labor unions, and employee representatives. Unit Certification has managed social impacts several potential negative impacts identified from the results of the previous review, including;

- Mill emission that descends pollutes the air on the surface of the community around
- Lack of communication intensity between the company and the target village community
- Social assistance and CSR have not been optimally implemented in the community

Based on the information above, it can be concluded that the company already has the relevant documents assessment of social and environmental impacts and their management and monitoring plans by involving the participation of affected stakeholders.

### **3.4.3**

#### **Environmental Impact Assessment**

The company has documents, the implementation of the results of the environmental permit including reports to agencies in the form of RKL-RPL documents which are conducted every semester and reported to related agency (explain in indicator 3.4.2). The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis, which can also be seen from the suitability between the management and monitoring plans and their implementation in the field. The RKL-RPL document also shows that the company has managed all the critical impacts recommended in Environmental permits. Include impact analysis by trend evaluation, critical level evaluation and compliance evaluation.

From field observation found that environmental management in accordance with the RKL-RPL by installing signboard for conservation areas, marking in the form of stakes, and red paint marks for spray-boundary areas and other chemical applications. Based on the results of interviews with sprayer and fertilizer workers, they also stated that they were aware of the prohibition on applying chemicals to the buffer zone marked in red. In addition, they do not apply chemicals when they are close to water bodies.

From the documents review related to environmental monitoring in the RKL-RPL document for the semester 1 of 2022, it is known that there are several measurement results that exceed the environmental quality standards. The certification unit has managed each of these parameters. Even though, the unit of certification has made several efforts to maintain its quality, such as;

- Preventing soil, water, and air pollution by reducing the use of chemicals, managing waste properly, and complying with proper waste disposal in each area.
- Undertake efforts to manage gas waste by utilizing it as biogas
- Carry out efforts to save the environment by protecting areas important for environmental sustainability, such as river borders.
- Manage and monitor the impact of potential land and garden fires.
- Manage and monitor the quality of soil, air, water, and other disturbances.
- Utilizing solid waste from palm oil mills as a substitute for fertilizers and fossil fuels

#### **Social Impact Assessment (SIA)**

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

In July 2022 the company has conducted a review of social impact management for the 2021 - 2022 period and developed a social management plan, in which the process has been participatory involving relevant stakeholders. Based on the results of the document review, companies are encouraged to carry out a more in-depth mapping of key stakeholders, for example for external stakeholders by paying attention to women, non permanent residents, local residents, youth leaders, contractors, and for internal stakeholders by paying attention to the representation of wider workers such as local workers, women, new workers including contract workers.

Furthermore, the results of document reviews and interviews with management and stakeholders (internal and external) found that the company had managed issues that could have a social impact which were carried out partially by the relevant departments but were not explained in detail in the SIA review report, for example

- Issues related to employment regarding issues of wages
- Issues related to potential land disputes/claims against the company's operational area

Based on the explanation above, companies are encouraged to develop a comprehensive social monitoring and management plan by integrating between sections/departments that cover all impacts and represent a sample of affected parties.

**Status: Comply**

### 3.5

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

##### 3.5.1

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement period 2018-2020 written in Bahasa. In general, these procedures describe:

- Recruitment of workers is based on needs and adjusted to the ability of the company.
- The age of the prospective worker is a minimum of 18 years at the time of recruitment of workers.
- Recruitment of workers is based on the ability, expertise and assessment of prospective workers.
- The company is authorized to carry out the placement, transfer and promotion of workers in accordance with applicable regulations.
- Termination of employment can occur when a worker retires, dies, resigns, and terminates an employment agreement due to a serious violation and others.

In addition to being publicly listed in Collective Labor Agreement, the certification unit has other procedures in the form of Policies, SOPs, Internal Memorandums and others related to recruitment, transfer, promotion, retirement, termination of employment and others. These procedures have been documented to all workers and their representatives. One of the socializations given to workers was related to Company Policies and Regulations on (GSEP) in 05 February 2022 and for contractor on 17 January 2022. For example, some procedures that are owned by the company include:

- Procedure No. KHI-SMART/001-00 concerning Employee Recruitment
- Procedure No. KHI-SMART/002-00 concerning Employee Agreement
- Procedure No. KHI-SMART/010-00 regarding Employee Promotion & Transfer
- Procedure No. KHI-SMART/009-00 concerning Employee Ratings

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

The certification unit still have workers with contract status for daily worker (BHL), for the other employee status is Contract Workers (PKWT), Regular Workers (worker PT class 1-4) and Staff (above worker PT class). All the rights for each employment status have been distinguished. For workers with contract status (PKWT) and daily worker (BHL), certification unit also registered the worker with to Manpower and Transmigration Agency of Sarolangun Regency in 07 November 2022 for plantation and mill workers.

Based on the explanation and description above, it can be concluded that the certification unit has documented procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment and is available to workers and their representatives in accordance with applicable laws such as Law No. 13 of 2003, Law no. 11 of 2020 and other regulations related to employment.

##### 3.5.2

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

- The certification unit has a worker recruitment document from the start until the worker becomes a permanent worker. For example, a worker with an initial AMN (spare man/ helper in mill) who has recruitment documents such as a job application letter,



identity card, family card, recruitment selection results, employment contract documents for contract workers (PKWT), medical check-up results and others. The worker started working as a contract worker (PKWT) on August 2022, in October 2022 the worker received a performance appraisal with a "Good" result and was promoted to permanent employment (PT 4B) in accordance with Decree from Management.

- Workers with employee number 19010 (Press Operator) who have experienced one increases in class in 2022. This is based on the results of the assessment in 2021 with a result of "Good" and getting a promotion with a grade increase from Class PT3 Grade 1O to PT3 Grade 2O.
- Workers with employee number 19335 (Bookkeeping Clerk) who have experienced one increases in class in 2022. This is based on the results of the assessment in 2021 with a result of "Good" and getting a promotion with a grade increase from Class PT1 Grade 1E to PT3 Grade 2E.
- There is a pension document for workers with employee number 19671 who have worked since March 2001 and retired on September 2022 according to Decree No. 0088/02673/SK/DP/X/2022 dated December 16, 2019. In addition to the decree, there are also other supporting documents such as calculation of pension payments, labor documents of workers since they first worked, etc. All procedures and documents shown are in accordance with existing procedures and in accordance with applicable laws.

The results of interviews with workers (harvesting, spraying and mill operators) in PLKM, PLKE and BMRE note that the certification unit has carried out labor procedures starting from recruitment, selection, acceptance, promotion and retirement procedures in accordance with existing regulations, as well as all the application is assessed in accordance with the abilities and competencies of the employees. For example, workers who initially entered were selected before being accepted, workers who received promotion / class promotion had received an assessment from their superiors and workers who retired received all their rights as retirees. During 2021 and 2022 there were no labor issues that occurred at PT Kresna Duta Agroindo related to recruitment, this was accordance by the results of consultations with the Labor Union in every unit (PLKM, PLKE and BMRE), the Manpower and Transmigration Agency of Sarolangun Regency which stated that the application of existing labor procedures is in accordance with the regulations.

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

<b>Status: Comply</b>
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### 3.6

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

#### 3.6.1

Based on the results of the document review, it is known that there are no changes from the previous audit activities related to the company's occupational safety and health policies. The company has an occupational safety and health policy (GSEP) written in Indonesian. The policy has been approved by the company's top management. This policy is designed to control hazards in every activity in the work environment to prevent accidents and occupational diseases. Management has an occupational health and safety work program every year. The realization of the work program will be monitored through regular meetings of the Occupational Safety & Health Committee (P2K3) every month. This work program applies generally to all workers in the workplace. If the plan made is not on target, it will be evaluated in regular meetings to assess its effectiveness.

The company shows the HIRAC documents for PLKE, BMRE and PLKM, for example the PLKM HIRAC documents for the period January - December 2022 revision 0.1 on January 17, 2022. The HIRAC documents will be reviewed if there is work accident occurs. The document describes the description/activity, hazard potential, risk assessment and risk control.

Based on field observation, hazard identification risk assessment and control (HIRAC) documents has been implemented adequately and appropriate in Estate and Mill. For examples: operator uses earmuff, harvester uses helmet, etc

#### 3.6.2

Based on document review as well as field observations in warehouses and harvesting activities, known that the company has completed OHS instructions such as banners for gathering points, evacuation routes, and OHS warnings in order to controlling risks and potential hazards for all employees, for example warning about PPE mandatory areas at each station according to the identification of risks and potential hazards.

In additions, the company carries out activities to monitor the effectiveness of the OHS plan such as:

- Regular monthly OHS meetings for each unit in the context of the effectiveness of the OHS plan that has been prepared in the beginning of the year.
- MCU.
- Carry out fire simulations on a regular basis
- Fire extinguisher inspection
- First aid monitoring
- Equip the operator with the appropriate license

**Status: Comply**

### 3.7

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

#### 3.7.1 and 3.7.2

The company has identified training needs for each of its employees according to the position and type of work. For example, the identification that has been carried out by the company is the Fire Emergency Response Simulation which is intended for the entire Fire Emergency Response Team and Agronomic Techniques/Procedures (harvest, manuring, spray, upkeep and others) aimed at field workers such as harvesters, sprayers, upkeep workers and others. After identifying, the company compiled a training program for 2022 as follows:

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

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

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

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

- Collective Labor Agreement socialization to workers which was carried out on April 6, 2022.
- Socialization of Company Policy (GSEP) to employees which was held on 05 February 2022
- Dissemination of Company Policy (GSEP), Complaint Procedure, HCV and Code of Ethics to contractors and surrounding communities on 17 January 2022.
- Dissemination of Company Policy (GSEP), Complaint Procedure, HCV and Code of Ethics to contractors and surrounding communities on 05 August 2022.
- Socialization of the Prohibition of Sexual Harassment, Sexual Violence and Protection of Reproductive Rights to workers on 14 February 2022.
- Spraying training for spray workers to be held on 05 September 2022.
- Dissemination of Grievance Procedures, HCV and Hazardous Material/Waste Management to workers on 11-13 August 2022.
- LSU, SSU and IPM Officer Training on January 24, 2022.

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

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

### 3.7.3

Company provided an understanding of SCCS to weighbridge operators, sorting, sustainability, security, and laboratory on 20 October 2022. The materials discussed included the definition of RSPO SCCS, new standards for RSPO SCCS, principles for compliance with RSPO SCCS. Based on interviews with weighbridge operators and security, it is known that they understand the supply chain process

**Status: Comply**

## 3.8

### Supply Chain Requirements for Mills

#### 3.8.1 and 3.8.2

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

#### 3.8.3

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

Products	Last Year Projected	Actual (December 2021 – November 2022)	Next Period Projected
FFB Certified (MT)	120,000	104,722.29	100,000
CSPO (MT)	23,000	20,625.40	20,000
CSPK (MT)	6,500	5,830.38	5,500

#### 3.8.4

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

- Member Name: PT Kresna Duta Agroindo - Pelakar Mill
- License ID: CB98266
- Commodity: Palm Oil
- Member ID: RSPO\_PO1000004089
- RSPO Membership Number: 1-0096-11-000-00 (Golden Agri-Resources Ltd)
- Type of Business: Oil Mill

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

#### 3.8.5

Written procedures to ensure the implementation of the applicable supply chain through mass balance model has been established and documented in the Procedures for RSPO Supply Chain Product – Mass Balance (No. KDA-PLKM/SOP/26 dated 24 January 2022). These procedures have referred to the RSPO Supply Chain System and Standard in February 2020. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

The dissemination of procedures has been conducted on 20 October 2022. The training subjected to SOP of Supply Chain and



Traceability of Palm products. Training attended by relevant personnel including Mill Manager, Office Assistant, Field Assistant, weighbridge clerk, production clerk and security. Based on field observation, obtained information that key persons for SSCS implementation (such as weighbridge operators, security, and Head of Administration) understood the supply chain implementation. FFB from certified and uncertified sources were received and verified by the software program to classified and separate RSPO certified and uncertified source.

### 3.8.6

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

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

Internal audit of RSPO SCCS conducted on 22 – 26 August 2022. All of SCCS indicators has been assessed and complied. Management Review of RSPO SCCS implementation conducted on 04 July 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

### 3.8.7

The mill has 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 December 2021 – November 2022:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Des'21	7,919.56	9,249.50	17,169.06
Jan '22	7,783.46	7,303.47	15,086.93
Feb '22	6,177.58	6,117.42	12,295.00
Mar '22	8,123.69	8,397.35	16,521.04
Apr '22	8,019.83	11,829.49	19,849.32
May '22	7,839.77	5,307.79	13,147.56
Jun '22	10,778.24	10,277.65	21,055.89
Jul '22	9,120.46	11,540.59	20,661.05
Aug '22	10,549.96	15,889.05	26,439.01
Sep'22	10,225.25	12,360.77	22,586.02
Ok't'22	9,327.69	9,782.84	19,110.53
Nov 2022	8,856.80	9,782.84	18,520.25
Total	104,722.29	117,838.76	222,441.66

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

Products	Last Year Projected	Actual (December 2021 – November 2022)	Next Period Projected
FFB Certified (MT)	120,000	104,722.29	100,000
CSPO (MT)	23,000	20,625.40	20,000
CSPK (MT)	6,500	5,830.38	5,500

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 with the Sustainability and Strategic Stakeholder Engagement Directorate 2017, document number SOP/SMART/GIMS-SCMD/USDV/II/001,

Rev.2.0. This procedure is generally applied to all complaints aspects, including complaints and non-conforming products from customers/buyers.

**3.8.8**

Documentation for the Sustainable Certified Product (CSPO and CSPK), consist of daily record of the FFB acceptance, daily record of certified production, which classified as the CSPO and CSPK, certified sales record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Based on documents verifications and interview with management units obtained information if in last 12 months before audit (December 2021 – November 2022) it was known there is no CSPO sold as RSPO certified product, all certified product sold in other scheme, furthermore for CSPK there are **5,284.61** MT sold as RSPO certified product. All CSPK produced transferred to PT Kresna Duta Agroindo – Pelakar Mill Kernel Crushing plant

Documents verification and interview during an audit it was known the claimed RSPO product of (CSPK) is no longer than 3 months since the product delivered. the supplying mill has been ensuring that the following minimum information for RSPO certified products is made available and traced, its evidenced with several supporting documents as follows delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example Shipping announcement with transaction id TR-d6afbcef-%a06-ffb4 volume of CSPO 500 MT, the module of SCCS MB, dated 12 April 2022, the mill can present evidence of delivery of CSPK from Pelakar Mill to KCP via conveyor which was carried out on 26 January 2022 - 01 March 2022.

**3.8.9**

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. The CSPK was processed in Pelakar KCP located in one complex with Pelakar Mill. Transportation of CPO are outsourced to the third parties, as shows through Work Agreement with PT Satrindo Jaya Agropalma No. 003/KDA/PLKM/01/2020-CPO dated 2 January 2020, valid thru 31 January 2023. However, based on the CPO sales data shown, it is known that since PT KDA received the RSPO certificate, the company has never sold RSPO certified CPO.

Regarding RSPO and SCCS requirements, PT Satrindo Jaya Agropalma as FFB, CPO and PK transporter shown commitment and listed on Statement Letter dated January 2022, stated that PT Satrindo Jaya Agropalma as transporter will provide access to CB to their respective operations, systems, and etc. this clausal has been verify during audit where auditor has been contacted and interview PT Satrindo Jaya Agropalma regarding the fulfillment of SCCS.

**3.8.10**

Transportation of CPO has been carried out by third parties and the company has contact detailed records of the contractors used, i.e PT Satrindo Jaya Agropalma (CPO transporter) address in Jakarta Pusat.

**3.8.11**

Since IC until ASA-3, there is no new contractor used for the physical handling of RSPO certified oil palm products. The company use PT Satrindo Jaya Agropalma as CPO 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.

The Mill has SOP of Record and Document Handling No. SOP/SMART/UMUM/SADV/I/001, dated 1 July 2014, stated that all records shall be kept within 10 (ten) years. To the auditors the company can show all the required documents covering all aspects of this RSPO Supply Chain Certification Standard requirements such as record of certified product shipping, sales contract, delivery order / invoice, production report and product sales. Based on document review known that the mill still kept the document according to the procedure.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 12 months before audit (Dec 2021 – Nov 2022):

**CSPO**

Period	CPO production (Ton)		Total	Cert CPO Dispatch (Ton)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Opening Stock	151.17	30.43	181.61	-	-	-	-
Dec-21	1,584.19	1,808.24	3,392.43	-	1,376.50	-	1,376.50
Jan-22	1,506.02	1,366.45	2,872.47	-	1,768.80	-	1,768.80
Feb-22	1,221.41	1,145.08	2,366.49	-	1,268.80	-	1,268.80
Mar-22	1,625.57	1,499.12	3,124.68	-	1,522.63	-	1,522.63
Apr-22	1,608.74	2,119.19	3,727.93	-	1,321.00	-	1,321.00
May-22	1,454.86	1,110.93	2,565.79	-	1,286.08	-	1,286.08
Jun-22	2,232.05	1,726.58	3,958.63	-	2,054.00	-	2,054.00
Jul-22	1,743.30	2,190.25	3,933.55	-	1,932.46	-	1,932.46
Aug-22	1,971.29	2,967.10	4,938.39	-	2,211.70	-	2,211.70
Sep-22	1,970.28	2,380.49	4,350.77	-	1,267.53	-	1,267.53
Oct-22	1,815.61	1,908.05	3,723.67	-	2,436.26	-	2,436.26
Nov-2022	1,740.91	1,895.10	3,636.01	-	2,047.63	-	2,047.63
<b>Total</b>	<b>20,625.40</b>	<b>22,147.01</b>	<b>42,772.42</b>	-	<b>20,493.39</b>	-	<b>20,493.39</b>

**CSPK**

Period	CSPK production (Ton)		Total (Ton)	Cert CPO Dispatch (Ton)			Total (Ton)
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Opening Stock	554.79	-	-	-	-	-	-
Dec-21	301.26	495.27	796.53	245.52	-	-	245.52
Jan-22	379.92	364.19	744.12	435.66	-	-	435.66
Feb-22	325.71	326.15	651.86	294.29	-	-	294.29
Mar-22	434.10	452.61	886.71	455.95	-	-	455.95
Apr-22	393.17	589.09	982.26	302.24	-	-	302.24
May-22	403.57	288.70	692.27	241.71	-	-	241.71
Jun-22	576.88	557.26	1,134.14	824.45	-	-	824.45
Jul-22	453.22	569.41	1,022.63	516.94	-	-	516.94
Aug-22	537.07	808.37	1,345.44	498.32	-	-	498.32
Sep-22	536.94	648.73	1,185.68	558.37	-	-	558.37
Oct-22	479.63	504.05	983.67	446.47	-	-	446.47
Nov-2022	454.12	494.46	948.58	464.69	-	-	464.69
<b>Total</b>	<b>5,830.38</b>	<b>6,098.29</b>	<b>11,373.89</b>	<b>5,284.61</b>	-	-	<b>5,284.61</b>

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 24-month period for February 2020 until January 2022 i.e OER 18.92% and KER 5.53%. Periodically update of extraction is actual extraction.

**3.8.15**

SCSS module used in Pelakar POM is Mass Balance (MB), because the mill receives FFB from source that non-certified RSPO.

**3.8.16**

Documentation for the Sustainable Certified Product (CSPO and CSPK), consist of daily record of the FFB acceptance, daily record of certified production, which classified as the CSPO and CSPK, certified sales record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Based on documents verifications and interview with management units obtained information if in last 12 months before audit (December 2021 – November 2022) it was known there is no CSPO sold as RSPO certified product, all certified product sold in other scheme, furthermore for CSPK there are **5,284.61MT** sold as RSPO certified product. For CSPO that sold as other scheme the unit of certification can presented evidence that CSPO that sold has been removed from palmtrace

Documents verification and interview during an audit it was known the claimed RSPO product of (CSPK) is no longer than 3 months since the product delivered, for example Shipping announcement with transaction id TR-d6afbcef-%a06-ffb4 volume of CSPO 500 MT, the module of SCCS MB, dated 12 April 2022, the mill can present evidence of delivery of CSPK from Pelakar Mill to KCP via conveyor which was carried out on 26 January 2022 - 01 March 2022.

**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.

<b>Status: Comply</b>
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**PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS**
**4.1**

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

**4.1.1**

The certification unit has a commitment to respecting human rights and describe in the GAR Social Environment Policy dated September 2015 using Bahasa. The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and factories. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit.

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

**4.1.2**

Observations and interviews with company employees (mill and estate) and worker union representative show that the company has never discriminated against one religion, ethnicity or race in obtaining employment opportunities or in terms of worship. Based on interviews with the head of the worker union, information was also obtained that the company has provided equal employment opportunities for workers.

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

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

**4.2.1**

The company has mechanisms and complaint handling system that is described in SOP for Handling Complaints and dissatisfaction

with No. SOP/SMART/GIMS-SCMD/USDV/I/001 dated July 1, 2014 with the latest revision on April 11, 2017 and mechanisms of grievance handling system that is described in SOP No. SOP/SMART/SUST/IV/003 Revision 3.0 dated 8 March 2022. This procedure describes information related to submission and record of complaints and grievances, rating of complaints and grievances, formulation and approval of complaints and grievances, management plan handling complaints and conflict, and document storage. These procedures have also stated that there is protection for whistle-blowers and there is process for complaints to be brought to the RSPO Complaints System where a resolution is not found mutually. GAR Social & Environmental Policy (GSEP) been socialized to internal and external stakeholders. Company also showed record of socialization for internal and external stakeholders. For example, company has shown evidence of socialization on 05 February 2022 which was attended by all employees and in 17 January 2022 for surrounding community (include with contractors).

Based on result of interviews with workers in PLKM, PLKE and BMRE, surrounding communities (such as; Tanah Abang Village, Sei Pelakar Hamlet, Pangkal Bulian Hamlet, and Pangkal Bulian Village), and contractors, it revealed that they had good understanding of communication procedures and personnel who served as communicators between Unit of Certification and community so that illiterate people can be informed by related communicators. In addition, during past year, there were no complaints or disputes that occurred between company and surrounding communities

#### **4.2.2**

The company has a complaint handling mechanism and system described in Complaints Handling Procedure SOP No. SOP/SMART/SUST/IV/003 Revision 3.0 dated 8 March 2022. This procedure explains that complaints which was collected by SPO Assistant/Grievance Handling can be submitted either directly via complaint and conflict letter or indirectly via suggestion box, telephone or text message, public media, certification body, NGO, or Head Office. Any complaint or conflict submitted is anonymity guaranteed by company. Handling of complaints and conflicts that have been verified by unit is carried out as soon as possible or according to time agreed with reporting party. If verification towards complaint and conflict has been more than 14 days since reporting party submitted its complaint/conflict, Estate/Mill Manager is allowed to give early announcement letter as complaint/conflict response.

To ensure the procedure understood by affected stakeholders, company has conducted annual socialization of the procedure of communication and complaint handling to relevant stakeholders (village officials, community leaders, contractors and others). However, illiterate people can submit their complaints through SPO Assistant or another representative from the stakeholder and also recorded in the grievance logbook. Based on interviews with government agencies, surrounding communities, and workers, it is known that they have understood the person responsible and the grievance mechanism in which complainant's identity is protected.

#### **4.2.3**

The company has shown grievance logbook of internal and external stakeholder. Based on document review of grievance logbook in 2021-2022, it is known that there is no grievance to company from internal and external stakeholder in each estate and mill in 2021-2022. Based on interview with workers, it also showed that company has responded if there is any complaint directly after complaints submitted. Besides, based on the interviews with government agencies, surrounding communities, gender committees, and labor unions, it's known that there were no further complaints towards Unit of Certification in 2022. This is for complaints submitted to units in the estate or mill, but for complaints or complaints submitted to the Representative Office (Jambi) in the 2022 period there is still one complaint/complaint submitted.

Specifically for complaints/complaints submitted by the SPSI Jambi Regional Representative regarding mediation or bipartite meetings related to the discussion of wages that are lower than the minimum wage according to the union, have been received by the Company at the Jambi Representative office on date 14 July 2022 and a response was given on 17 July 2022 by giving a letter of notification to hold an initial meeting to discuss this matter. This was confirmed by representatives from the workers' union who were interviewed at the plantations and factories who stated that the complaint letter was submitted to the Jambi Representative Office and had received a good response.

#### **Opportunity for Improvement (OFI)**

The results of document reviews, interviews with management, workers' representatives, the Manpower Office and verification on the internet show that there are currently demands from workers regarding wages. At present this matter has been mediated by the Jambi Province Manpower Office (last held on 09 August 2022) and is currently in the process of being resolved through the Industrial Relations Court of Jambi Province, where case registration was carried out on 05 December 2022

The company has the opportunity to continue monitoring and informing every development and filing complaints from the workers' union (SPSI) regarding wages that have been proposed to be held at the Industrial Relations Dispute Session (PHI) at the Jambi District Court to the relevant stakeholders, namely SPSI.

#### 4.2.4

In Indonesia, giving freedom to the reporting party to obtain legal and technical assistance from an independent party is allowed and there is none regulation/procedure in certification unit that forbids it. An example is the resolution of the problem described above in which the company provides options/options to the heirs to obtain legal assistance from other independent parties.

Based on the results of document review and interviews, it is known that conflict resolution mechanisms can use the option to obtain legal and technical assistance from independent parties, this can be proven by the existence of conflict resolution related to land clearing and plasma land development between companies and communities involving NGOs and the RSPO, in addition, the company also has records regarding every progress of the conflict resolution process.

Based on the explanation and description above, it can be concluded that the certification unit has a conflict resolution mechanism/procedure which includes the option to obtain legal and technical assistance from an independent party, where the reporting party has the freedom to choose a person or group who can support it and/or act as observers as well as the parties may choose the option of involving a third-party mediator.

<b>Status: Comply</b>
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#### 4.3

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

##### 4.3.1;

Unit of certification has compiled a CSR budget estimates for the period 2022, categorize into five groups of items, namely: education program, donations, health, infrastructure and development, economic empowerment. In the preparation for CSR program has involved the local community, when company determined CD/CSR priorities. The company analyzes community needs simultaneously with gathering information to prepare the SIA Action Plan to make programs contribute to sustainable development at the local level.

Based on public consultation with local community obtained information that the company has made efforts to develop the surrounding community through CSR programs, acceptance of local workers, scheme smallholders, etc. sample of realization of CSR program are:

- Assistance for the commemoration of Islamic Holidays (Maulid Nabi) in Sei Pelakar Village on 28 October 2022
- Realization of road maintenance in Pangkal Bulian Village on 09 October 2022
- Realization of road maintenance in Sei Baung Village on 09 October 2022
- Assistance Integrated Service Post (Posyandu) on 28 October in Sei Pelakar Village
- Assistance of pre school development in Tanjung Village on on 18 October 2022

The results of interviews with community's representative (Tanah Abang Village, Sei Pelakar Hamlet, Pangkal Bulian Hamlet, and Umpang Benau Village) also stated that the need for assistance and CSR could be submitted if needed by submitting a proposal to the company. The informant also said that based on experience, all the requirements requested by the community were always responded to positively. The results of interviews with company management also stated that the needs submitted by the district could be in the form of proposals or official letters if they needed assistance from the company's CSR department, and they would respond immediately.

<b>Status: Comply</b>
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#### 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 company area originated from conversion forest area that has been release through Forestry Minister Decree No. No. 634/Kpts-II/1991 dated 4 September 1991, No. 319/Kpts-II/1996 dated 26 June 1996 and No. 249/Kpts-II/1999 dated 27 April 1999 covering 11,365 Ha. Based on documents verifications and interview with managements it was known total area managed by PT KDA are



9,721.72 Ha which part of 89.35 Ha were still ongoing to obtain its Land Title (HGU) and excluded from scope of certification due to legal issue and its has been part of Time Bound Plan. Thus, RSPO certified areas for the unit of certification is 9,632.37 Ha in accordance with legal documents that owned as follows:

1. HGU decree from head of national land agency No. 26/HGU/BPN/96 dated 29 July 1996 for 2,715 Ha, with certificate of HGU No. 1 dated 8 October 1996 valid for 35 years
2. HGU decree from head of national land agency No. 71/HGU/BPN/98 dated 5 October 1998 for 5,022 Ha, with certificate of HGU No. 2 dated 24 November 1998 valid for 35 years
3. HGU decree from head of national land agency of Jambi province No. 40-540.1-06-2007 dated 26 September 2007 for 86.4 Ha, with certificate of HGU No. 1 dated 31 January 2008 valid for 35 years
4. HGU decree from head of national land agency No. 32/HGU/BPN RI/2010 dated 1 June 2010 for 1,799 Ha, with certificate of HGU No. 2 dated 23 August 2010 valid for 35 years
5. HGB decree from head of land agency of Jambi province No. 10/HGB/BPN.15/2019 dated 31 July 2019 for 9.97 Ha, with HGB certificate No. 01 dated 6 August 2019 valid to 31 July 2039.

#### **4.4.2; 4.4.4; 4.4.5**

Even though the area of PT KDA is from a conversion forest area that has been release, the company has been carrying land compensation to the affected parties. The land compensation was carried out from since 1990 until 2022 as described 2022

- Documentation of compensation for 1990 for 10 people
- Documentation of compensation for 1997 for 56 people
- Documentation of compensation for 1998 for 65 people
- Compensation documentation in 1999 for 53 people
- Documentation of compensation for 2000 for 30 people
- Documentation of compensation for 2002 for 17 people

PT KDA are a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept not yet available, thus the FPIC process also still incompletely and unspecifically, such as no participation mapping of landowner that entitled to compensation. However, based on land acquisition documents, interviews with village head as well as community elderly (public figure) surrounding company, can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as Village Heads and Sub-District Heads. Furthermore, they stated that Company never conducted any intimidation/coercion and never use paramilitary during the negotiation process. They have enough time to negotiate and meet the decision to become part of palm oil plantation development. The process has been made in Bahasa, Local Language, and provided by participatory mapping. The compensation documents consist of several complete documents including:

- Payment receipt
- A statement of willingness to hand over arable land
- Land certificate from the village
- Declaration of ownership of arable land
- Declaration of surrender of arable land / Sale and Purchase
- Copy of identity card

Although PT KDA has gained land rights legally, there are still many people using and cultivating in the permit areas, it's due to the owner not willing to be compensated. The company has had the Area Statement map that described various land use in permit Areas, including area width. Based on documents verifications it was known the total of not compensate area is 1,015.02 Ha. That's areas managed by the community are palm oil, rubber, or horticulture. In other information, there is no significant land conflict in PT. KDA related to the existence of arable areas in the company's permit area,

As a guidance during land compensation as well as FPIC Guidance the company has had an several procedures, as follows:

- Document No. SOP/SMART/SENS-CSR/SADV/II/003 dated 1 July 2014. The procedure mentioned that FPIC shall be implemented since the beginning of estate and mill development. The implementation of agreements negotiated through FPIC is not reviewed in consultation with affected parties
- Document No. SOP/SMART/SENS-CSR/SADV/II/002 dated 1 July 2014 about land compensation.



In the procedure 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

### 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 contained in the HGU certificate issued by the Land Office. Based on public consultation with village representatives it is recognized that they know the legal boundaries owned by PT KDA

### 4.4.6

Based on the results of interviews with stakeholders it was informed that the company has had a positive impact such as employee recruitment and CSR assistance. There are no land conflicts between the community and the company, besides that the company regularly holds meetings with community representatives and absorbs community aspirations which are applied in company policies such as CSR 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

Based on the documents verifications, the entire land compensation has been completed in 2002 Until this ASA 3, the company didn't develop new areas/land acquisition.

**Status: Comply**

### 4.6

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

#### 4.6.1, 4.6.2, 4.6.3, 4.6.4

PT KDA are a long-established company that has been started operationally in the early period of 1990 and the land compensation has been done in 2022., were on that's period, the FPIC concept not yet available, thus the FPIC process also still incompletely and unspecifically, such as no participation mapping of landowner that entitled to compensation. However, based on land acquisition documents, interviews with village head as well as community elderly (public figure) surrounding company, can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as Village Heads and Sub-District Heads. Furthermore, they stated that Company never conducted any intimidation/coercion and never use paramilitary during the negotiation process. They have enough time to negotiate and meet the decision to become part of palm oil plantation development. The process has been made in Bahasa, Local Language, and provided by participatory mapping. The compensation documents consist of several complete documents including:

- Payment receipt
- A statement of willingness to hand over arable land
- Land certificate from the village
- Declaration of ownership of arable land
- Declaration of surrender of arable land / Sale and Purchase
- Copy of identity card

However, if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior and informed consent (No. SOP/SMART/SENS-CSR/SADV/II/003, dated 1 July 2014), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated

01 July 2010). Those procedures have covers the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.

**Status: Comply**

#### 4.7

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

##### 4.7.1, 4.7.2

In line with Criteria 4.4, 4.5 and 4.6, obtained information if PT KDA are a long-established company that has been started operationally in the early period of 1990 and the land compensation has been done in 2022., were on that's period, the FPIC concept not yet available, thus the FPIC process also still incompletely and unspecifically, such as no participation mapping of landowner that entitled to compensation. However, based on land acquisition documents, interviews with village head as well as community elderly (public figure) surrounding company, can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as Village Heads and Sub-District Heads. Furthermore, they stated that Company never conducted any intimidation/coercion and never use paramilitary during the negotiation process. They have enough time to negotiate and meet the decision to become part of palm oil plantation development. The process has been made in Bahasa, Local Language, and provided by participatory mapping. The compensation documents consist of several complete documents including:

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##### 4.7.3

In land acquisition process during the period of 1990 - 2022, there was no such written agreement that allows previous landowners to have opportunities of benefit from plantation development. However, the company has several policies, as well as SIA management and monitoring plan that has some purposes to improve livelihoods quality of surrounding communities, includes the previous landowner/ For instance the acceptance (buying) of communities FFB, acceptance of local workers and contractors if needed, economic development program, and any other CSR programs.

**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 to 4.8.4

Although PT KDA has gained land rights legally, there are still many people using and cultivating in the permit areas, it's due to the owner not willing to be compensated. The company has had the Area Statement map that described various land use in permit Areas, including area width. Based on documents verifications it was known the total of not compensate area is 1,015.02 Ha. That's areas managed by the community are palm oil, rubber, or horticulture. In other information, there is no significant land conflict in PT. KDA related to the existence of arable areas in the company's permit area.

The company has also shown a conflict identification and analysis form in which 13 residents of Kasang Melintang Village reported to the DRPD Sarolangun that there is land that has not been compensated. The company is of the opinion that it has compensated the land and the company is still waiting for further information from the community regarding the location of the land in question in

order to provide evidence of compensation that has been made by the company. This is in line with the results of the auditor's search on the internet, where news is obtained with the link <https://www.gatra.com/news-535353-Hukum-pt-kda-dituding-tak-lunasi-payment-ganti-rugi-lahan-warga.html> where the contents of the news stated that there were 13 residents who accused PT KDA of not paying compensation for land owned by residents and this had been reported to the DPRD Sarolangun. The two parties were brought together by Commission II of the Regional House of Representative of Sarolangun to listen to each party's clarification of the issue. Based on the company's version that the land has been compensated. The news also explained that the Regional House of Representative of Sarolangun will plan to return for a follow-up meeting so that each party can bring their evidence and invite other relevant stakeholders so that this issue can be resolved properly.

The response from the company regarding the news was to justify the entire content of the news from the online media. At the time of the audit, based on information from the management of PT KDA, the actual conditions in the field were no claims to certain areas by the community and the company's operations were still running as usual. The company is also waiting for a further invitation from the Regional House of Representative of Sarolangun for the process of resolving the problem.

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 unit of certification has shown a document of FFB pricing from the Plantation Agency of the Jambi Province for the period January-November 2022. FFB prices for third parties and plasma cooperatives are determined based on the FFB price from the Plantation Agency of Jambi Province, for example in 28 October-03 November 2022 for FFB prices in the 3-year planting year is calculated at 2.084,30 rupiahs per kilogram and this is according to the price that has been set.

Based on interview with representative of smallholder cooperative, FFB price is in accordance with price from Plantation Agency of Jambi Province. The price of FFB can be accessed by PT KDA FFB suppliers, where the price is posted using the WhatsApp group message media and telephone from the PIC to the supplier.

#### 5.1.2

FFB pricing for suppliers follows the price set by the government. Based on interviews with the KUD Tiga Serumpun, it is known that they have received an explanation regarding the determination of the FFB price and also known the price is quite competitive with other companies and there has never been a late payment.

Based on the explanation from management representatives, it is known that the FFB price set by the government is informed to outside FFB suppliers through results of the FFB pricing team meeting for the Jambi Province by planters.

#### 5.1.3; 5.1.5; 5.1.6; 5.1.8

Unit of Certification has a cooperation agreement with FFB suppliers, example agreement with *Loading Ramp Wagiantoro* (contract No. KUJK/RWX/07/22/001 valid until 30 June 2023). The contract has been agreed with both parties and ruled the term of condition and shall be obeyed, such as the criteria of FFB, pricing and payment method, grading and sortation, etc. Based on document verification and interview with suppliers (*Loading Ramp Wagiantoro*, payment records has been informed completeness such as; sales invoices, minutes, and fruit introduction letters to proof of payment via bank transfer. Payment records are by the price determined and informed by the company and third-party agreements. Based on consultations with FFB suppliers, there were no negative issues related to the realization of contractor agreements. Prices are set according to government regulations. Even the results of interviews with *KUD* are also known to be quite competitive with other companies and there has never been a late payment. During the audit unit of certification presented several evidenced the payment has been in accordance with agreement, where the payment carried out one day after FFB accepted by mill. For example, FFB payment for date 1 December 2022, paid on 02 December 2022 with volume 31,339 kg with FFB price Rp 2.410/kg

#### 5.1.4

All parties including women are involved in decision-making. Based on interviews with *KUD Tiga Serumpun*, it is known that the agreement has been agreed by the cooperative and the company without any coercion from any party and has agreed for the

development of plasma plantations.

#### 5.1.7

The results of document verifications it was known that the certification unit has routinely calibrated the weighing equipment carried out by *UPTD Legal Metrology* Merangin Regency. The certification unit has also shown documents on the weighbridge calibration, valid until 14 Sept 2023, here are;

- Certificate of Test Results No. 511/116/DKUKMPP-MET/SKHP/IX/2022 Brand: Avery Weigh Tronix/E 1205 with a maximum capacity of 50,000 Kg which was carried out on 29 September, 2022.
- Certificate of Test Results No. 511/115/DKUKMPP-MET/SKHP/IX/2022 Brand: Avery Weigh Tronix/ZM 510 with a maximum capacity of 50,000 Kg which was carried out on September 29, 2022.

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

#### 5.1.9

Unit of Certification has an SOP for handling complaints and grievances from various parties, namely in the SOP/SMART/GIMS-SCMD/USDV/II/001 dated April 11, 2017. In the SOP describes the handling of complaints starting from the stage of receiving complaints from internal and external stakeholders. The procedure was made involve the consideration from various parties.

Based on the results of interviews with the head of the cooperative and workers, they already know the mechanism for submitting complaints to the company. So far, the company has carried out good cooperation related to partnership estate management cooperation and this is felt to have a very positive impact on the cooperative and its members. Based on document review of complaint book in 2022, there is no complaint from external stakeholder, including KUD.

**Status: Comply**

### 5.2

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

#### 5.2.1

The company supports improving the standard of living of interested smallholders and their participation in sustainable palm oil as stipulated in the Cooperation Agreement to develop smallholder plantations in the form of plasma plantations. There is a Smallholder Cooperation Agreement (plasma) for *Koperasi Tiga Serumpun* (Agreement No. 05/KOP/TS/II/2001 valid until December 17, 2030).

#### 5.2.2

Based on the results of interviews with the KUD Tiga Serumpun it is known that the company has conducted socialization and training related to RSPO, HCV, Best Practice, etc.

#### 5.2.3

Unit of certification has attached evidence that the certification unit supports smallholders, among others, by socializing the support of independent smallholders to participate in RSPO certification, which was attended by 10 participants on 7 July 2021. In addition, the company has shown evidence of cooperation with the *Koperasi Tiga Serumpun* in the context of developing and management of oil palm plantation projects with the pattern of Credit to Primary Cooperatives for its members (KKPA) based on Agreement No. 05/KOP/TS/II/2001 valid until 17 December 2030.

#### 5.2.4

Unit of certification can show recordings of training on IPM and the use of pesticides to plasma farmers, for example, recordings of training to the scheme smallholders unit which was held on 2022, which was attended from KUD Segar Tani and Tiga Serumpun. The training materials include the implementation of a pest census and its control.

#### 5.2.5

The management unit has conducted periodic reviews and made public reporting on the development of support to farmers on a regular basis which is carried out annually for all units under GAR. This can be seen in the GAR sustainability report which can be downloaded on the GAR website.

<div> <div></div> <div>Status: Comply</div> </div>	
<b>PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS</b>	
<b>6.1</b> <b>Any form of discrimination is prohibited.</b>	
<b>6.1.1; 6.1.2; 6.1.3</b>	
<p>Unit certification have GAR Social Environment Policy dated September 2015 which explained that Sinarmas did not discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief. Based on the employee registration document, unit certification has provided equal opportunities and treatment in employment opportunities. In addition, in job vacancies that have been published by the company, there are no requirements that refer to discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief, so indirectly the certification unit has implemented a non-discrimination policy and also equal opportunity. This is evidenced by the diversity of ethnic accepted to work. The results of interviews with workers during field visits and interviews with labor unions and representatives of the Gender Committee also obtained information that there was no indication of acts of discrimination based on religion, ethnicity, gender and regional origin in the process of accepting work.</p>	
<p>The results of the employment document review prove that certification unit does not discriminate and treat all workers equally, the following is evidence that can be shown by the company:</p>	
<ul style="list-style-type: none"> <li>• The composition of workers consisting of various ethnic groups (11 ethnic), religions (5 religion), gender (2 gender) and workers' origins. The existing workers do not only come from one area but come from several areas spread throughout Indonesia such as Java, Sumatra, Kalimantan and Nusa Tenggara. During the audit, there was no information regarding <i>AKAD</i> workers (<i>Angkatan Kerja Antar Daerah</i>) in company.</li> <li>• Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers. For example, mill worker with initial AMN (Spare Man) who have work since August 2022 has been received the recruitment based on the results of the selection of job application files, results of health checks and results of interviews that based on procedure that certification unit owned. The worker also passed the assessment and has been accepted as permanent worker.</li> <li>• Worker placement and training are carried out in accordance with their expertise / type of work, such as prospective harvest workers are placed as harvest workers and receive regular harvest training.</li> <li>• Women workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example there are several maintenance foremen who are female workers.</li> </ul>	
<p>Based on the results of interviews with workers (harvester, pesticide applicator, and process operator) at PLKM, PLKE and BMRE, it is known that workers have never felt that the company has discriminated against since 2020 until now (November 2022). This is because all activities from recruitment, performance appraisal, promotion, and union, each worker is given the same opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in labour unions, affiliations. politics, or age. There is no difference between the communication between superior and workers because of the things mentioned above, so that the workers do not feel isolated or discriminated against by the superiors. This has resulted in the absence of discrimination issues from 2020 to the present.</p>	
<p>These explanations can conclude that the certification unit has treated all workers equally without discrimination based on gender, ethnicity, religion, health conditions or others.</p>	
<b>6.1.4</b>	
<p>A pregnancy test for workers is carried out every month just to ensure that pregnant workers are not allowed to do work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a safer job but still equal in terms of wages and other benefits, so that there is no discriminatory action. This is in accordance by the results of interviews with women workers in the PLKM, PLKE and BMRE in spraying activities stating that female workers are required to have monthly pregnancy testing at the clinic to ensure that no female workers working with chemicals are pregnant / breastfeeding and testing the pregnancy is not a discriminatory measure given by the certification unit.</p>	
<b>6.1.5</b>	
<p>Gender committees have been formed and are still active until today in the certification unit which is chaired by the committee chairperson along with coordinators in several sections and there are representatives in each unit. The structure of the gender</p>	



committee not only consists of female workers but also includes male workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations / complaints of workers (especially women), as company partners in carrying out the activities of socialization related to gender and other policies related to workers' reproductive rights. In carrying out its activities this gender committee always collaborates with the labor union so that the socialization of matters related to women's rights can be conveyed properly and there is no discrimination in terms of gender. The workers also knew of the existence of the gender committee because it had been routinely socialized by its management, the last socialization related to the gender committee (gender bias and equality) and the activity was carried out on 14 February 2022 which was attended by female workers and housing residents. The results of this socialization can be seen with the absence of differences in company operational activities such as promotional activities, the same status of workers without gender bias because overall are given equal opportunities for all genders (male or female) in work.

The results of interviews with maintenance workers (male and female workers) and representatives of the gender committee revealed that until now there were no reports / issues / complaints related to gender reported by the workers and at the moment the activities carried out were gender meetings during children healthcare (*posyandu*), women recitation weekly and others. Currently the certification unit is more focused on gender bias and equality for women because the most vulnerable parties in plantation operational activities are women, but this does not mean that the company does not focus on other genders. This is evidenced by the absence of any issues or incidents related to this from 2020 until now.

#### 6.1.6

Equal payment of wages has been made by certification unit properly, taking into account the ability, performance, expertise, length of work and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the burden / duties / types of work respectively. For example, workers with Employee Number 01165 (boilerman), 99005 (boilerman), 99042 (security), 09001 (security), 11903 (harvester) and 98662 (harvester) who get wages in October and November 2022 whose value is above the minimum wage, but with different amounts based on years of service, ability, attendance and job performance (structure and scale wage). This is in line with statements from workers who were interviewed with types of work as harvesters and sprayers who have the same type of work but have different wage scales based on their performance, length of work in the company, productivity and other factors.

In addition, based on the results of review of structure and scale wage, it was found that the certification unit already has a wage scale structure for each worker based on position, class, work performance, and not based on gender differences or origins. For example, the lowest wage scale is for permanent worker (PT Class) is Class PT4 Grade T1 and the highest wage is Class PT1 Grade A5.

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

<b>Status: Comply</b>
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### 6.2

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

#### 6.2.1

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement period 2018-2020 written in Bahasa. This Collective Labor Agreement explains the working conditions and rights / obligations of workers such as, recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. The company regulation has been routinely disseminated by the certification unit to all employees, one example of the socialization that was carried out was on 05 February 2022 which was attended by all workers.

The certification unit still have workers with contract status for daily worker (BHL), for the other employee status is Contract Workers (PKWT), Regular Workers (worker PT class 1-4) and Staff (above worker PT class). All the rights for each employment status have been distinguished. For workers with contract status (PKWT) and daily worker (BHL), certification unit also registered the worker with

to Manpower and Transmigration Agency of Sarolangun Regency in 07 November 2022 for plantation and mill workers.

The results of interviews with workers (harvesters, sprayers, fertilizers and mill operators) and union representatives know that workers have a sufficient understanding of their rights (wages, overtime, incentives, fines, etc.) listed in the Collective Labor Agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2022 have been in accordance with the minimum wage set by the government, wage based on years of service, ability, attendance and job performance (structure and scale wage) and there are no late payments every month.

A review of the October and November 2022 wage document for harvest workers, pesticides, sprayers and mill operators proves that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, workers' wages with the Employee Number 01165 (boilerman), 99005 (boilerman), 99042 (security), 09001 (security), 11903 (harvester) and 98662 (harvester) have a different based on wage scale structure 2022.

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

### **6.2.2; 6.2.3**

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

- Article II concerning Employee Acceptance (recruitment, selection, transfer, promotion, performance appraisal) which explains that all workers wishing to join the company must follow the specified requirements including: being over 18 years old, having a health certificate, taking a selection exam, and other requirements.
- Article IV concerning Working Time which explains that there are 2 types of working time in the company, namely by working 8 hours per day or 5 working days in a week and 7 hours per day or 6 working days in a week, in which the total working hours are 40 hours in a week. a week.
- Article V concerning Wages which explains the wage that cannot be lower than the minimum wage set by the government every year, granting rice allowance to all workers according to its calculation, and other explanations.

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

- Decree No. 005/CEO PSM 1/HR PSM 1/01/2022 concerning Minimum Wage Determination & Wage Scale Structure in 2022 is IDR 2,721,881.87 / month (minimum) determined based on Sarolangun Regency Minimum Wage Determination in 2022. For workers with the lowest wages are employees with PT 4 class 1 T status and the highest wages for workers with PT 1 class 5A status.
- Decree of the Jambi Province established by the Governor of Jambi in October 2021 about the implementation of the minimum wage in 2022 and Decree of the Jambi Province established by the Governor of Jambi in December 2021 about the implementation of the minimum wage in 2022.
- Employment contract for (4) contract workers (PKWT) and daily worker (BHL), which explains the hours of work, wages, *BPJS*, leave, overtime, and others.
- October and November 2022 salary slips with the Employee Number 01165 (boilerman), 99005 (boilerman), 99042 (security), 09001 (security), 11903 (harvester) and 98662 (harvester) have a different based on wage scale structure 2019/2020 and all wages above the minimum wage.
- Overtime payment in October and November 2022 that has been accordance with applicable laws for workers with Employee Number 01165 (boilerman), 99005 (boilerman), 99042 (security), and 09001 (security).
- List of women workers that has been given maternity leave and pregnant workers in January until November 2022.
- Unit certification has provisions related to deduction / penalty which have been stated in the Collective Labour Agreement and further explanation is set out in an internal memo.
- In the payroll document, there is information that states the results of the worker's wages in one month according to the work performance of each worker. Payroll has also been accurate for each worker, for example the number of days worked in a month, premium payments, fines, deductions from workers' wages and other information that is in accordance with facts in the field.
- Etc.



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

The results of interviews with workers (harvesters, sprayers, and mill operators) and union representatives know that workers have a sufficient understanding of their rights (wages, overtime, incentives, deductive, fines, etc.) listed in the Collective Labor Agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2022 have been accordance with the minimum wage set by the government and there are no late payments every month, working hours is seven (7) hour a day with 6 days in a week and for the overtime has been paid in accordance with applicable regulations.

A review of the October and November 2022 wage document for harvest workers, pesticides, sprayers and mill operators proves that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2019/2020. For example, workers' wages with the Employee Number 01165 (boilerman), 99005 (boilerman), 99042 (security), 09001 (security), 11903 (harvester) and 98662 (harvester) have a different based on wage scale structure 2022 and all wages above the minimum wage.

#### **Opportunity for Improvement**

The results of document verification show that there are still casual daily workers in the company's operational area and are regulated in a work relationship signed by both parties and the work agreement has been registered at the Manpower Office in Sorolangun Regency. In the Employment Agreement in article 5 it is explained that the second party will comply with the first set of work regulations, one of which is "Enforce and carry out all the work discipline set by the first party, Work for 7 working hours and if you don't work for 7 hours then the wages willing to be in proportion according to actual working hours. Furthermore, in Government Regulation No. 36 of 2021 concerning Wages in article 16 it is stated that the formula for calculating hourly wages is a month's wage divided by 126 (hourly wages = month's wages / 126). The results of a review of upkeep workers and pickers wage documents for the November 2022 period note that the wages paid are still in accordance with the 2022 minimum wage (if paid daily wages or if an average hourly calculation is given), this is because the wages of these workers at the time of to become pickers, workers are given a unit wage that is still above the minimum wage when compared to the hourly wage (because the results obtained exceed the base). However, this could be different if later the workers do not get their base due to reduced loot, so that workers' hourly wages must be adjusted to the new provisions of the applicable law.

In this regard, companies are encouraged to ensure that the payment of wages for BHL workers who work less than 7 hours a day is guided by the hourly wage setting stipulated in Government Regulation No. 36 of 2021.

#### **6.2.4**

The certification unit has provided welfare facilities to occupants in the form of housing, clinics, water supply, electricity, education, transportation and other facilities. The results of the field visit in the housing area revealed that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there was daycare for children. The house is inhabited by 1 family and specifically for workers who are not married then 1 house will be filled by 2 workers. This is in line with the results of interviews with housing residents stating that the facilities provided by the certification unit are houses, electricity, availability of clean water, transportation of school, elementary & middle school (for high schools located in nearby village – 30-minute travel), child daycare, places of worship (mosque & church), sport facilities and others. In general, the facilities provided by the certification unit are good / suitable for use by workers and their families. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing that is repaired if there is damage (usually if there is damage the worker will inform it and it will be handled directly by the repair company), the availability of electricity that has been provided by the company in the form of PLN or a generator, and the availability of clean water which is always monitored for its feasibility every 6 months (the results of monitoring clean water in the residential area do not show any test parameters that exceed the threshold).

#### **Opportunity for Improvement**

From the results of visits to the Pelakar Estate and Pelakar Mill housing, it is known that the housing area has been equipped with

drainage facilities behind the housing. Furthermore, the results of the field visit revealed that there was still one residential drainage that had been completed so that due to high rainfall there was a pool of water behind the housing. The results of the document review obtained information that the canal will be completed in 2023.

Therefore, companies are encouraged to ensure the realization of drainage canal construction is in accordance with the budget plan.

#### 6.2.5

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

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

#### 6.2.6

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

The certification unit has the determination of assessment prevailing wage and all kind of benefits for DLW simulaton in 2022 has been included in the calculation of main wage, worker status, housing facility, education, electricity, water sources, healthcare and others. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is above the stipulation of the minimum wage with scale of minimum.

Based on the explanation above, it can be concluded that the unit of certification has a Decent Living Wage calculation based on prevailing wage and in-kind benefits provided by the certification unit.

#### 6.2.7

The company currently still has workers with contract status such as *PKWT* and *BHL* status in each unit with a total of 109 *PKWT* workers and 772 *BHL* workers (out of a total of 1,679 workers). Every *PKWT* worker who works at the company currently does not work in a permanent job but workers who work in a non-permanent job such as compound work at the mill, maintenance work in the plantation and fruit picking activities. For *BHL* workers, it has been confirmed that no one has worked for 21 consecutive days for 3 months according to the recapitulation of the absences of all *BHL* workers in the period January - November 2022. In addition, the company has kept records for the use of *PKWT* and *BHL* used routinely to related agencies in Sarolangun Regency. The last recording was on July 25, 2022 with registration no. 560/006/PKHL/Hi-Disnakertrans/2022 issued by the Head of the Manpower and Transmigration Office of Sarolangun Regency.

All workers with *PKWT* and *BHL* status have their respective work agreements with the company with the same legal force and this has been clearly explained in the previous indicators (indicators 2.1.4 and 4.2.4). All rights and obligations of workers and companies are clearly spelled out in each work agreement. Based on the results of interviews with representatives of labour unions as well as workers from plantations and factories, it is known that workers with *PKWT* status do not work in permanent jobs and all their rights have been granted in accordance with applicable regulations, starting from the provision of wages, overtime, holidays and allotted leave if they have work more than one year.

The results of interviews with pesticide operator, harvester and mill operators found that workers understood the recruitment system, the status of workers and the orientation period that had to be passed before the worker was appointed as a permanent worker. These processes are stated to be fair enough and provide equal opportunities to work according to the abilities, expertise and achievements of the workers during the contract period.

Based on the results of interviews with daily contract workers (*BHL*) in each unit (*PLKE* and *BMRE*), it is known that workers do not

care about their status as casual workers because workers can work freely on the days they want, and are not obliged to enter every day. In terms of wages, it is in accordance with the minimum wage standard and workers have also received *BPJS* and PPE from the certification unit.

Based on the explanation above, it can be concluded that the company still has workers with PKWT status who are only employed for jobs that are not permanent and all their rights have been granted by the company in accordance with applicable laws and regulations.

<b>Status: Comply</b>
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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

In the GAR Social Environment Policy (GSEP) there is a statement of recognition of freedom of association. The document is published in Bahasa which can be understood by all employees. In addition, the certification unit has a Collective Labor Agreement which states that employees have the right to establish labour unions and become members / leaders of labour unions in accordance with applicable regulations. The information on freedom of association listed in the Collective Labor Agreement was carried out regularly and the last socialization was held on 05 February 2022.

Based on interviews with labor union representatives who explained that the company had given freedom of association and at present labor unions have been formed. The establishment of the union is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. Certification unit is giving freedom for worker to express their opinion and also, certification unit did not give any intervention related to labour union activity. Labor union has registered to Manpower Agency of Sarolangun Regency with Register No. 02/PUK.F.SPPP-SPSI/Disnakertrans/2022 for PLKM, Register No. 02/PUK.F.SPPP-SPSI/Disnakertrans/2021 for PLKE and Register No. 03/PUK.F.SPPP-SPSI/Disnakertrans/2022for BMRE.

#### 6.3.2

The certification unit has a list of workers who have joined the union and the last update was carried out in November 2022, totaling 765 workers. In addition to properly documenting the list of members, the certification unit also has records of meetings between labour unions and management representatives as well as with internal unions. The following are examples of records of meetings conducted by labour unions in 2022, namely:

- A bipartite meeting between labour unions and company representatives on 17 November 2022 which discussed increasing plantation production by minimizing worker absenteeism and maximizing available working hours.
- A bipartite meeting between labour unions and company representatives on 11 October 2022 which discussed an appeal to workers to attend regularly for community service activities every Friday to keep housing clean.

Based on the results of interviews with labor union representatives and their members who are workers in each unit, it is known that the union holds meetings every month with those accommodated in Bipartite LKS meetings between worker representatives and management representatives and since 2021 until now there has been no labor issue which exists in unit. This is also supported by the results of a review of worker complaint documents and the absence of complaints submitted to labour union representatives.

#### 6.3.3

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

Based on interviews with labor union representatives who explained that the company had given freedom of association and at present labor unions have been formed. The establishment of the union is in accordance with the applicable laws and regulations and has

been recorded at the Manpower Office. Certification unit is giving freedom for worker to express their opinion and also, certification unit did not give any intervention related to labour union activity.

**Status: Comply**

#### 6.4

##### **Children are not employed or exploited.**

##### **6.4.1; 6.4.2; 6.4.3; 6.4.4**

Certification unit has policy regarding the age requirements of workers is contained in Collective Labor Agreement states that the requirement for accepting workers is at least 18 years old. Policies regarding the age of workers are also available in GAR Social Environment Policy concerning which states that it is forbidden to employ child labor and under the age of 18 (eighteen) years, this is evidenced by the Identity Card (*KTP*) at the time of employee recruitment. The results of the verification of documents revealed that there were no workers under the age of 18. In addition to having a policy governing the minimum age for workers for workers, the certification unit also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement with the contractor. The policy was socialized to workers on 05 February 2022 and to the contractor when signing the work agreement.

Based on field visits and interviews with workers in the fields of PLKM, PLKE and BMRE, it is known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of company and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work, the youngest age of workers is 21 years when entering work.

Based on the results of the review of the cooperation agreement document with the contractor in mill and estate, it is known that in the agreement has a separate clause to ensure that the contractor does not employ minors (under 18 years old) and complies with the prevailing laws and regulations in Indonesia.

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

**Status: Comply**

#### 6.5

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

##### **6.5.1; 6.5.2**

The certification unit has a Circular Letter No. 003 / CEO1-SE / 01/2011 dated January 10<sup>th</sup>, 2011, which explains that the company prevents sexual harassment and how it is handled. Policies regarding the sexual harassment and violence are also available in GAR Social Environment Policy. It explains that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The committee gender & certification unit has socialized to the employees, for example on 14 February 2022 and the representatives of the committee gender are available in each division.

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

##### **6.5.3**

The certification unit has Policy No. KHI-SMART/005-00 dated 01 August 2017 concerning Pregnant and Breastfeeding Women Workers. The policy explains about giving mothers special time to breastfeed their children, prohibiting pregnant / breastfeeding women workers from working with chemicals, providing light work / which does not endanger the mother / obstetric / child, and providing a special room for breastfeeding her child.

For now, the certification unit has recorded employees who have experienced pregnancy conditions in each unit by recapitulating the data in clinic. The company has also conducted a yearly review of the needs of new mothers to ensure that the needs of new mothers have been met. Currently, according to the results of a study conducted in January 2022, it is known that the needs of new mothers have been met, such as providing breastfeeding areas, monitoring maternal/child health by clinics, availability and access to mother/child needs such as milk, pressing, baby equipment and so on in cooperatives and the nearest shops around the company.

<p>The result of this study is that currently these needs are readily available and easy to access for new mothers.</p> <p>Based on interviews with women workers and gender committee representatives, it is known that the certification unit has provided a special place for breastfeeding at child daycare with special time to breastfeed. There is no prohibition from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered / picked up by the foreman at these times.</p> <p>The certification unit has specifically provided the need for new mother or breastfeeding workers to breastfeed by setting a special time for breastfeeding at work, the availability of a special room for breastfeeding and other supporting facilities.</p> <p><b>6.5.4</b> Complaint mechanism of workers was contained in Procedure No. SOP/SMART/SIGS-CSR/SADV/II/003, valid date 01 July 2014. The procedure aims to accommodate complaints and grievance from employees. In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower).</p> <p>The results of interviews workers for example spraying teams, warehouse officers, and weighbridge are known to be aware of the grievance mechanism. Related complaints of sexual harassment (women's issues) can be submitted to the gender committee. In the last year period, that hasn't any complaint related to sexual harassment, violence at work/reproductive rights.</p>		
	<b>Status: Comply</b>	
<p><b>6.6</b> <b>No forms of forced or trafficked labour are used.</b></p> <p><b>6.6.1; 6.6.2</b> The certification unit have policy related prohibits forced or bonded labor or debt bondage and take steps to prevent it. The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list and observation in field known that there are no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker, for example:</p> <ul style="list-style-type: none"> <li>• There is no retention for identity, because all labor documents for individuals are in the form of photocopies and not original items such as ID cards, diplomas, family cards and others.</li> <li>• There is no contract substitution, because all existing contract workers currently work in accordance with existing contracts such as contract workers for maintenance activities only doing maintenance activities and do not employ workers other than those stated in the contract.</li> <li>• The freedom of workers in resigning, because if the worker wants to resign there is no understanding or prohibition from the company to the worker concerned. This is evidenced by the presence of workers who resigned to move to work and the company gave all their rights as fully resigned workers without any shortcomings.</li> <li>• There is no coercion in doing overtime work, workers who do overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation and the company also does not prohibit this.</li> </ul> <p>Based on employee data and interview with workers, most of the workers came from local communities. They have the recruitment process in the company and is in accordance with applicable employee acceptance procedures. Based on the results of interviews with workers in plantation and mill, it is known that currently there are no migrant workers, retention of identity, payment recruitment fees, contract substitution, involuntary overtime, lack of freedom of workers to resign, penalty for termination, debt bondage, and withholding bondage. This is because the certification unit has carried out its operations in accordance with applicable regulations.</p> <p>There are no significant obstacles related to employment or violations of company regulations. For example, for the harvesters works daily based in 7 working hours. Certification unit provides output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the harvest premium payment. No penalty is given to the harvester if it does not get output due to natural factors such as rain. Based on payment list, the harvesters have earned above the minimum wage.</p>		
	<b>Status: Comply</b>	



**6.7**

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

**6.7.1**

The certification unit shows the document ratifying the OHS committee organizational structure through the Decree of the Head of the Manpower and Transmigration Office of Jambi Province for Pelakar Estate, Batang Merangin Estate and Pelakar Mill, for example Pelakar Estate with No. 040/UPTDWil.II/Nakertrans-3.1/2022 dated July 08, 2022. The document explains that BJM is the secretary of OHS committee. The certification unit shows the Decree of the Minister of Manpower of the Republic of Indonesia with No5/3989/AS.02.04/IX/2029 dated September 19, 2019, regarding the Appointment of OHS Expert on behalf of FDP and valid for 3 years from the date of stipulation.

**6.7.2**

The certification unit has a Procedure Emergency Preparedness, Response and Recovery (SOP/SMART/UMUM/SADV/II/005), Management of Accidents and Occupational Diseases Procedure (SOP/SMART/HESS-EHSD/SADV/II/005) has been ratified by certification unit. In that procedure has explained the handling of accidents from reporting to coordination. Simulation was performed regularly to ensure the preparedness of emergency response equipment in the certification unit.

The routinely emergency simulation that has been conducted by certification unit for example:

- The company has conducted fire and emergency response simulations and training on May 24, 2022 which were attended by members of the emergency response team.
- First aid training at PLKE on 11 February 2022
- When the audit is carried out, the company conducts a hydrant simulation where bursts from the nozzle can reach the highest part of the building at the Mill and officers can demonstrate swiftly and quickly

Based on the results of field visits at Estate, Mill, Housing and Offices it is known that the company already has emergency response equipment such as Fire Extinguisher, Hydrant, First Aid in buildings and in the field (foreman) and fire fighting infrastructure.

**6.7.3**

The company has provided PPE according to the HIRAC documents, for example:

1. Documentation of handover of PPE safety shoes 10 pieces and 4 ear muffs at PLKM on October 22, 2022
2. Documentation of handover of PPE 5 helmets and 5 glasses in BMRE Division 3 on 15 September 2022

The results of interviews with workers at the Estate and Mill found that the PPE is provided by the company for free and if the PPE is damaged it will be replaced with a new one with the worker indicating that the old PPE has been damaged.

Based on field observation in rinse area in PLKE, it is known that company has provided sanitation facilities that can be used by workers to clean themselves, change clothes and store work tools.

**6.7.4**

The company already has a list of employees which also includes *BPJS Ketenagakerjaan* and *Kesehatan* participant numbers for a total of 1,679 employees including *BHL*, *PKWT* and *PKWTT* (Pelakar Mill, Pelakar Estate and Batang Merangin Estate). Based on a review of the company's employee list documents for November 2022 and proof of payment for *BPJS Ketenagakerjaan* and *Kesehatan* for the same period, it is known that the company has registered and paid all of its employees in the *BPJS Ketenagakerjaan* and *Kesehatan* programs, which consist of work accident insurance (*JKK*), insurance Death (*JKM*), Old Age Security (*JHT*) and Pension Guarantee via Bank Transfer, with proof of payment as follows:

- Proof of payment for *BPJS Ketenagakerjaan* for the October 2022 period which was paid for a total of 173 workers (Pelakar Mill) on November 7 2022 via bank transfer.
- Proof of payment *BPJS Kesehatan* for the November 2022 period which has been paid for a total of 173 workers (Pelakar Mill) on November 7 2022 via bank transfer.
- Proof of payment for *BPJS Ketenagakerjaan* for the October 2022 period which was paid for a total of 623 workers (Pelakar Estate) on November 17 2022 via bank transfer.
- Proof of payment *BPJS Kesehatan* for the November 2022 period which was paid for a total of 623 workers (Pelakar Estate) on November 10 2022 via bank transfer.
- Proof of payment for *BPJS Ketenagakerjaan* for the October 2022 period which was paid for a total of 883 workers (Batang

Merangin Estate) on November 8 2022 via bank transfer.

- Proof of payment *BPJS Kesehatan* for the November 2022 period which was paid for a total of 883 workers (Batang Merangin Estate) on November 8 2022 via bank transfer.

Based on the results of interviews with union officials as well as workers in plantations and factories, it is known that the unit of certification has provided health insurance to workers and their families (wives and children) and employment guarantees to all workers.

Based on the foregoing, it can be concluded that the company already has a list of employees participating in the *BPJS Ketenagakerjaan* and *Kesehatan* program along with proof of payment every month.

#### 6.7.5

The company is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of no effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of Severity Rate and Frequency Rate is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety. For examples in period of January until October 2022 certification unit have doesn't have any accident, zero lost time, Severity Rate and Frequency Rate is zero.

**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

Strategy on pest integrated management has refers to procedure related to integrated pest observation and control, among others:

- Rat Control Procedure (IK / Smart / MCAR / VII / TA-HPT / 07). Censuses on mature plants are conducted every 3 months namely January, April, July and October. The critical threshold of rat attack is 5% of the census. Biological control by owl observation. Chemical control using rodenticides.
- Detection procedure for nettle caterpillars (IK / Smart / MCAR / VII / TA-HPT / 01). LEC (Leaf Eating Caterpillar) detection is done every 2 months. In the event of an attack there is no need for detection but rather a census.
- Palm Oil Eater (IK / Smart / MCAR / VII / TA-HPT / 03) caterpillar Control Procedures by planting beneficial plants, such as *Turnera subulata* and *Cassia* spp along Main Road (MR) and Collection Road (CR), and *Antigonon leptosus* on the corner block.
- Work instruction census and control of *Ganoderma* (IK / Smart / MCAR / VII / TA-HPT / 10). Census is carried out on 100% of plants using a plant census map. In endemic areas the census starts when the plant is 3 years old and if there is no attack the census is carried out once a year.

Certification unit are able to shows realization of integrated pest control plans in 2022. For example, record of census is presented as follows:

- Rat and LEC (Leave Eating Caterpillar) census for BMRE and PKLE in October 2022 with the average attack below 5% and there is no sign of attack in several periods of census in 2021 below the minimum economic threshold so that the certification unit does not control activities with chemicals (pesticides) and still uses natural controls such as the use of beneficial plants / predators (barn owl).
- Based on the recording of Pest and Disease Monitoring Census periode of January – November 2022, it is known that there are pests that cross the minimum economic threshold and has been controlled by the application of chemicals. Companies can show documents of chemicals used with the active ingredient *Deltamethrin* during the period January - November 2022 at PLKE as much as 1,124.6 liters.

In addition, to control pests biologically, the company has planted *Turnera*, *Antigonon* and installed owl nests. The results of



observations of guano in block C3 Div IV BMRE found that the Barn Owl was in an active condition where there was one adult brood.

### 7.1.2

The certification unit has shown a list of invasive species in 2022 referring to Environment and Forestry Ministry Regulation No. P.09 / MENLHK / SETJENKUM.1 / 12/2016. Based on the documents shown, it is known that there are two (2) species used for biological control agencies, namely *Turnera subulata* and *Tyto alba*. Related to this, the certification unit has conducted monitoring activities to ensure / monitor their distribution.

### 7.1.3

Based on document review, field observation, as well as interview with the workers and external stakeholders, known that the company did not use fire for 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

The certification unit has SOP and work instruction on weeds management, the guidance covering about chosen, storage, application, contaminated handling, known about signs and symptoms of pesticides poison and first aid for poison case. To ensure pesticide used are in accordance with the target, certification unit conducted identification the type of weed found in operational area.

The unit of certification has a list of types of pesticides used in the past year along with a description of the active ingredients, registration number and validity period of the pesticide. The following is an example of a list of pesticides used by companies, for example:

Trademark	Active Ingredients	Registration Number
Decis 25 EC	<i>Deltamethrin</i>	RI. 0101011979387
Roll Up 480 SL	<i>Gliphosate Isoprophylamine</i>	RI. 01030120042133
Erkafuron	<i>Metsulfuron methyl</i>	RI. 01030120042133
Garlon	<i>Triclopir butoksi etil ester</i>	RI. 01030120042133

The certification unit has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD<sub>50</sub>, area treated, amount of active ingredients applied per Ha, and total application. This document is constantly recorded and updated by Estate Sustainability Officer each month. Unit certification has also classified the pesticides used according to the WHO class, such as Erkafuron 20 WP (*methyl metsulfuron*) with the WHO classification, namely unlikely to present, Garlon (*triclopir*) with the WHO classification, namely class 3 and so on.

### 7.2.2

The unit of certification shows records of the use of pesticides carried out in BMRE and PLKE (mature and immature area), for example the use of Roll Up 480 SL (active ingredient *Gliphosate Isoprophylamine*) for the period January - November 2022, LD50:5000, total active ingredient: 1,087.72 and total used: 2,657.99.

### 7.2.3

Based on the results of field visits and document reviews, it is known that the company has carried out Mechanical Pest and Disease Control (Collecting caterpillar cocoons, collecting *Oryctes* larvae, installing Pheromone traps and light traps at night) and Biologically (planting beneficial plant). In addition, based on the recording of Pest and Disease Monitoring Census periode of January – November 2022, it is known that there are pests that cross the minimum economic threshold and has been controlled by the application of chemicals. Companies can show documents of chemicals used with the active ingredient *Deltamethrin* during the period January - November 2022 in immature at PLKE as much as 1,124.6 liters.

### 7.2.4

The company does not apply pesticides prophylactically, this is evidenced by the pest and disease control mechanism based on the results of the detection and census. The use of pesticides is based on the results of the EWS and the census which is carried out regularly every week. If the results of the census are above the threshold (especially effective telling), pest eradication is carried out with the main priority using the manual method and if it is no longer possible to use the manual method, it is carried out using chemical methods (chemist).

#### 7.2.5

Based on the results of field visits at the Pesticide Warehouse at BMRE and PLKE, known that there were no pesticides with the active ingredient paraquat or pesticides with categories 1A and 1B by WHO.

In addition, the company shows a list of pesticides used by BMRE and PLKE in 2022, such as a list of pesticides used by PLKE in 2022 as many as 4 types, for example Roll Up 480 SL (active ingredient *Gliphosate Isoprophylamine*)

#### 7.2.6

The company shows evidence of pesticide handling training for spray workers for PKLE and BMRE, for example the training for spray workers at PKLE on 31 August 2022 which was attended by 23 participants.

Based on a field visit of the circle path spraying activity in block B04 Division IV BMRE it is known that the workers had understood how to apply pesticides in accordance with the company's SOP. The results of the auditor's observations show that the workers have been equipped with PPE in accordance with the results of risk identification. Workers also explained that they had been given training how to apply and handle pesticides. In addition, the foreman has also been equipped with a first aid kit.

#### 7.2.7

Based on the results of field visits at the pesticide storage at Estate, known that the storage warehouse has been equipped with OHS warnings and symbols, MSDS, emergency response facilities and infrastructure, adequate ventilation, and lighting. In addition, the results of field visits to cycle path spraying activity in block B04 Division IV BMRE known that pesticide mixing was carried out in each mixing area. Pesticides that have been mixed with water according to the dose are filled into jerry cans and brought to the field where they will be filled into each Knap Sack to be sprayed by workers into the application area.

#### 7.2.8

The certification unit has SOPs and work instructions related to hazardous waste management which are contained in the

- SOP for Waste Management with document number SOP/SMART/LEMS-EHSD/SADV/II/002 dated July 2, 2014 which was legalized by the head of upstream. This procedure describes the identification and management of waste generated from the company's operational activities, including agrochemical packaging waste.
- Regarding the procedure, unit certification applies the steps outlined in the work instructions (known as IK) for the handling of the pesticide packaging produced (IK/SMART/LEMS-EHSD/SADV/002/001), among others by doing:
  - Separate the used pesticide packages measuring 20 liters and sizes <20 liters. Visually make sure that the packaging submitted does not contain chemical residues
  - Bring the used pesticide packaging <20 liters to the hazardous waste storage and record it in the logbook
  - Bring the used pesticide packaging 20 liters to the pesticide packaging rinsing place
  - Enter pressurized clean water of  $\pm 1/10$  of the volume of the container and rinse by shaking until it hits the entire wall of the container. Rinsing was carried out 3 times. Collect the rinsed water into the rinse water reservoir
  - Store rinsed clean packaging in the warehouse, used rinsed packaging can be reused for the same activities and/or stockpiled and/or returned to the supplier and/or in accordance with the MSDS of the material.
  - The remaining rinsing water can be used for the next mixing process to optimize the use of agrochemicals.

From the results of observation in housing area at Pelakar Estate and Batang Merangin Estate, it was found that there were no traces of chemical packaging used as water reservoirs or other housing activities. In the storage area for hazardous waste in each estate, it is also known that pesticide storage areas are well managed and recorded according to their type and hazard, this result are in line with the documents review, in the form of waste manifests and log book.

Based on interviews with employees and the foreman of pesticide application, it is known that all pesticide packaging is collected at the designated storage area and then will be given to licensed waste parties and not be used for purposes other than pesticide application activities.

**7.2.9**

Based on the results of a document review and interview with spraying workers, it is known that the company does not apply the application of air spraying.

**7.2.10**

The certification unit has conducted a special medical examination (cholinesterase) for pesticide operators and is carried out on December 01, 2022. The results of the health check are informed to workers and all pesticide operators are fit to work (normal results). In addition, based on interviews with pesticide workers, it is known that they have never had a work accident caused by chemicals such as irritants.

**7.2.11**

Based on the results of interviews with spray workers in block B04 Division IV BMRE and interviews with representatives of the Gender committee, it is known that the company does not have workers who are pregnant or breastfeeding for spraying activities. To ensure that none of the spray workers are pregnant, the company routinely conducts monthly pregnancy checks, for example, the pregnancy test results for 58 workers for the period January – November 2022 were all negative.

<b>Status: Comply</b>
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**7.3**

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

**7.3.1**

The certification unit already has SOPs and work instructions related to Hazardous and Toxic Waste management which are contained in the SOP for Waste Management with the document number SOP/SMART/LEMS-EHSD/SADV/II/002 dated July 2, 2014 which signed by the head of upstream. This procedure describes the identification and management of waste generated from the company's operational activities, for example:

- Solid waste in the form of shells, fiber and empty leaves is fully utilized to support plantation activities and palm oil processing factories. The shell and fiber are used for boiler fuel, while the empty leaves are applied as organic fertilizer in oil palm plantations.
- POME from processed FFB (Raw effluent) is fully utilized for plantation activities as organic liquid fertilizer (Land Application) after going through the processing process in a wastewater treatment plant (WWTP) pond to meet the quality standard requirements according to regulations.
- Waste gas is generated from boiler chimney and generator emissions. Gas waste is periodically monitored for emission tests in accordance with applicable regulations
- Domestic solid waste in the form of household and office waste is managed by collecting and stockpiling in the final waste disposal site and the final waste storage requirements are far from settlements, flood-free locations, and not swampy puddles.
- Hazardous waste is stored in hazardous dan toxic waste storage and handling according to its type and characteristics, including medical waste in the form of used syringes, expired drugs, used bandages, etc., is stored in a temporary hazardous storage and will be processed by licensed parties

Regarding the procedure, unit certification applies the steps outlined in the work instructions, such as;

- Handling of pesticide packaging produced with No. IK/SMART/LEMS-EHSD/SADV/002/001
- Handling of used fertilizer packaging with No. IK/SMART/MCAR/IX/TA-PPK rev.01 February 1, 2019

**Hazardous and Toxic waste**

Unit certification has a temporary storage permit for Hazardous and Toxic waste, through the document permit for temporary storage of hazardous waste by *DPMPTSP* Sarolangun Regency with No. 190 09 08 116 200519 503 103 on May 20 2019 and is valid for 5 (five) years. The details of the location and number of temporary hazardous storage are stated in the permit from Environmental Agency of Sarolangun Regency No. 660/10/LB3.DLH/05/2019 dated 17 May 2019 as follows, PLKM, PLKE, BMRE, and BTME.

Based on observations of the Pelakar POM, PLKE and BMRE temporary hazardous waste storage, it is known that the building has been equipped with an emergency response such as fire extinguisher, first aid kit, eye wash, shower, hazardous waste symbol and label, also waste placement according to the type and characteristics. In addition, there is also a logbook to record. Hazardous waste also handled properly by disposed based on each toxicity and hazardous characteristics, such as medical waste which is classified as infectious.

In the management, utilization and/or processing of waste PT Kresna Duta Agroindo collaborated with licensed parties, which is carried out regularly every 6 months. The company has recorded well so that waste can be easily traced, both in the log book, balance sheet, and manifest.

### **Solid Waste**

The solid waste produced by the company is shell, fiber and empty fruit bunch. The management plan is carried out by reusing solid waste such as shells and fiber to be reused as boiler fuel. Meanwhile, solid waste such as EFB is reused by applying it to plantation areas. Solid waste utilization data is explained in more detail in indicator 7.9.1.

### **Liquid Waste (POME)**

Liquid waste generated from the factory is reused for Land Applications (LA). Before being channeled to LA, the liquid waste is first managed at the WWTP with the aim that the quality of the liquid waste flowing to LA is in accordance with the provisions. The results from POME processing are also used for methane gas in the biogas plant which is fully used for the CPO production process.

### **Domestic Waste**

Domestic waste generated from housing and offices will be disposed of in Landfills for organic and an-organic waste. Based on the results of field visits to the PLKE and BMRE housing areas, there are no traces of burning waste.

#### **7.3.2**

The company already has a document on the results of monitoring the implementation of hazardous and toxic waste management procedures according to PP No. 22 of 2021 which is contained in several documents, including:

- Document of hazardous waste source identification results for the 2022 period which provides information regarding the sources of hazardous and toxic waste that have been identified by the company, either from the estates or from the mill. (No. F/SMART/LEMS-EHSD/SADV/002/007) set on August 03, 2022.
- Balance Sheet and Logbook (No. F/SMART/LEMS-EHSD/SADV/002/003) for period January-December 2022 which showed waste recorded in accordance with the type, characteristics, time it is produced and the delivery to waste processors, and it is obligatory to submit an official report to the relevant government agency.
- Conducting socialization of hazardous and toxic waste management to employees.
- OHS Completeness Monitoring Document for the period 2022 which informs the condition and completeness of emergency response facilities in storage areas, such as first aid kits, eye wash and shower checks, fire extinguishers, spill kits, and alarms. The monitoring results show that all equipment is in good condition and in accordance with company SOPs.

From the results of the document review by comparing the balance sheet and logbook, it can be seen that the submission of waste to storage for June 2022 was appropriate and there was no difference in the amount submitted. So it can be concluded that the company carries out waste disposal according to procedures that are fully understood by workers and managers.

#### **7.3.3**

Unit certification does not use open burning for waste disposal. It can be proven through document review and management interviews, that the company has a Waste Management Procedure document with No. SOP/SMART/LEMS-EHSD/SADV/II/002 rev. 00. The scope of this procedure is for factories, estates, housing, and offices at PT Kresna Duta Agroindo, as a reference for handling agrochemical waste including used pesticide packaging, palm fronds, liquid waste, empty bunch fruit, solid decanter waste, hazardous waste, household (domestic) and office waste.

Waste management applied based on Sinar Mas plantation internal regulations and government regulations on a clean production approach with several principles, including:

- Reduce, Reuse, and Recycle (3R)
- Zero burning
- Disposal

It is also proven through the waste transportation manifest and the results of observations in housing area PLKE and BMRE that there were no traces of burning activities. Interviews with employees who live in the housing estate also stated that they had never burned

waste due company commitment.		
	<b>Status: Comply</b>	
<b>7.4 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>		
<b>7.4.1</b> Based on the results of document review and interviews with company management, it is known that there are no changes in the procedures related to the management of plant fertility as stated in SOP Number SOP/SMART/MCAR/IX/TA-PPK concerning Fertilization, starting on June 12, 2012. This SOP discusses the procedures for implementing fertilization in the nursery, fertilizing legumes, inorganic fertilization in TBM, fertilizing empty leaves, collecting LSU and SSU, controlling fertilizer quality, FS fertilization, aircraft fertilization, fertilizing compost, ash, POME in producing plants, POME quality control.		
<b>7.4.2</b> The unit of certification has documented LSU and SSU analysis data in BMRE and PLKE. LSU analysis is carried out annually and SSU every 2 years by the SMARTRI laboratory. The test parameters for LSU are N, P, K, Mg, Ca, B, Cu, and Zn. For SSU the test parameters are N, P, K, Mg, Ca, B, Cu, Zn and C-organic content. The results of the review of documents and interviews revealed that the company has fertilizer recommendations for 2022 which were prepared based on the results of soil and leaf analysis.		
<b>7.4.3</b> The company shows Production and Utilization Data for Liquid and Solid Waste in 2022. The document shows EFB applications November 2022. Based on field visit at PLKE, it is known that the company has applied EFB 40 tons/ha per year.		
<b>7.4.4</b> Companies can show the realization of fertilization in 2022 which is carried out in accordance with fertilizer recommendations, for example the realization of MOP fertilization for the period January - November 2022 at BMRE as much as 1,296.55 Ton.		
	<b>Status: Comply</b>	
<b>7.5 Practices minimize and control erosion and degradation of soils.</b>		
<b>7.5.1</b> Based on the results of the document review and interviews with company management, it is known that there is no change from the previous audit activities related to land mapping maps. The company has carried out a semi-detailed land map based on land suitability class conducted by the Plantation Planning and Monitoring Division. Based on the mapping results, it is known that: <ul style="list-style-type: none"> <li>• BMRE: Consists of histic humaquepts, typic haplosaprist, typic endoaquepts, aquic hapludults, typic endoaquults, and typic dystrodepts. The mapped area is 5,226.46 Ha and has been mapped at a scale of 1:50,000 No. Reg: RPMNP/19/06/214/018. There are soil types that are classified as peat and mineral with land slopes between 0-9% and there are no areas with steep slopes.</li> <li>• PLKE: Consists of the fields of typic histic humaquepts, typic haplosaprist, aquic hapludults, and typic endoaquults. The mapped area is 4,405.91 Ha and has been mapped with a scale of 1: 60,000 No. Reg: RPMNP/19/06/214/019. There are soil types that are classified as peat and mineral with land slopes between 0-16% and there are no areas with steep slopes.</li> </ul>		
<b>7.5.2</b> The company has carried out a semi-detailed land mapping based on land suitability class carried out by the Plantation Planning and Monitoring Division. Based on the mapping results, it is known that the PLKE and BMRE units do not have steep areas.  Based on field visit to the replanting area in Block E20/21 PLKE and Immature area in Block D18/19 Div 2, known that the area is a flat area.		
<b>7.5.3</b> Based on field visit to the replanting area in Block E20/21 PLKE and verification of the area statement known that the company only carries out replanting activities and there are no 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**

There are no changes related to the results of the land survey from the previous audit activities. The company has the results of a semi-detailed land survey conducted by the Plantation Planning and Supervision Division (PMNP) of PT KDA, it is known that there is an area with a slope of 0-16% covering an area of 4,405.91 Ha in PLKE. There are no areas with steep slopes. Soil types classified as peat and mineral.

On sloping land, the unit of certification applies contour stakes and terracing, builds horseshoe (individual terraces), conservation plants, and so on.

Based on interviews and document review, it is known that the unit of certification is no longer developing new plantations, only replanting and there are no areas with a slope of >40%.

**7.6.2**

Based on interviews and document review, it is known that the unit of certification is no longer developing new plantations, only replanting and there are no areas with a slope of >40%. As for peat areas, the company has conducted a drainage study conducted in 2019 referring to the RSPO Drainability Assessment Procedure. The conclusions of the drainage report are as follows:

1. Drainability Assessment Activities at PT. KDA is carried out with an analytical approach to peat conditions and drainage/hydrological conditions with a regional study.
2. Projections of future sustainability of oil palm plantations related to drainage conditions are carried out using the Drainage Time Limit (DLT) analysis approach for each unit of the study area that has peatlands. The lowest NRI value at PT KDA was 73 years, while the highest NRI value was 1,272 years.

**7.6.3**

The company has carried out a semi-detailed land survey and mapping based on land suitability class carried out by the Plantation Planning and Monitoring Division. Based on the mapping results, it is known that the Pelakar Estate and Batang Merangin Estate units do not have steep areas.

**Status: Comply**
**7.7**
**No new planting on peat, regardless of depth after November 15<sup>th</sup>, 2018 and all peatlands are managed responsibly.**
**7.7.1**

Based on field visit to the replanting area in Block E20/21 PLKE and area statement known that the company only carries out replanting activities and there are no new plantings.

**7.7.2**

Based on the results of document review and interviews with company management, it is known that there is no difference from the previous audit activities related to peat inventory reporting at PT. KDA. The company has shown documents related to the peat inventory according to the RSPO website and has also been reported to the RSPO secretariat. The report explains that the peatland area managed by the company as embedded area is 2,695.95 Ha (PLKE) and 3,334.76 Ha (BMRE); with an average depth of 2.58 meters.

The report has been submitted to the RPO secretariat, this is evidenced by an email communication between the company and the RSPO secretariat with the email subject being RSPO Peat Inventory - Request for Peat Inventory Submitted (ghg@rspo.org) on April 9, 2020 In the email it says "thank you very much for your emails and submissions. We acknowledge receipt of peat revisions in inventory. We will follow up with you if further clarification is required. Thank you very much for your cooperation."

**7.7.3**

The company has carried out subsidence monitoring as stated in the piezometer monitoring document which is carried out every week as well as stakes subsidence monitoring which is carried out every two weeks. Based on the results of field observations in block C3 Div IV BMRE it is known that the company has measured peat subsidence.



**7.7.4**

The company also showed the peat ecosystem restoration plan document and the proposed groundwater level compliance point at PT KDA. Peat management is carried out through monitoring the surface water level (pal scale), ground water level with a piezometer, and peat subsidence.

**7.7.5**

The company has presented the PT Kresna Duta Agroindo Drainability Assessment document following the RSPO Drainability Assessment Procedure. The report describes DLT which refers to the Drainability Assessment Procedure for Replanting Existing Oil Palm Peatlands (RSPO, June 2019).

The DLT assessment is based on the following 6 main steps, including:

1. Calculation of the average elevation of the channel base (Drainage Base)
2. Calculation of the average peat depth (Peat Thickness)
3. Calculation of the average elevation of peatlands (Elevation)
4. Calculation of the difference between the elevation of the peat land and the elevation to the drainage base (Depth to Drainage base)
5. Calculation of the average rate of land subsidence (soil subsidence rate)
6. Projected drainage in the future (Future Drainability).

The conclusions of the drainage report are as follows:

- a. Drainability Assessment Activities at PT. KDA is carried out with an analytical approach to peat conditions and drainage/hydrological conditions with a regional study.
- b. Projections of future sustainability of oil palm plantations related to drainage conditions are carried out using the Drainage Time Limit (DLT) analysis approach for each unit of the study area that has peatlands. The lowest NRI value at PT KDA was 73 years, while the highest NRI value was 1,272 years.

Based on the results of the study, it is known that all mineral soil layers under peat are clay-type mineral materials and are still suitable for replanting.

**7.7.6; 7.7.7**

Based on the results of a document review and interviews with management, it is known that the management of peatlands in the company's operational areas is as follows:

**Water level to measure the water level in the ditch**

The availability of water in the canal is monitored through the water level parameter from the lip of the ditch. Ideally, the water level from the canal is 60 - 80 centimeters. The water level is measured with a measuring instrument called a water level which is placed in several operational areas of the company.

The results of the document review show that the water level is monitored periodically every month as outlined in the Bund off water level monitoring report document. Document inspection results of water level in the range of 60 - 80 centimeters. Can be shown monitoring for the period January – October 2022

**Monitoring of subsidence of peat soil**

Subsidence or subsidence of peat occurs due to decomposition and/or compacting of drained peat soil. Subsidence is important to monitor because it is an indicator of successful management of water in peat areas. Based on the results of the document review, it is known that the operational area has been equipped with subsidence markers, for example in Batag Merangin Estate there are 20 subsidence markers. Monitoring of subsidence benchmarks is carried out every month which is presented in the subsidence benchmark reduction report.

**Piezometer for observing ground water level**

The company has conducted monitoring activities for the depth of shallow groundwater in peatlands by constructing monitoring wells (Piezometers). Based on the results of the document review, it is known that in the company's operational area there are groundwater level observation markers. Monitoring is carried out every month as outlined in the peat water monitoring results document, for example in Block D03 Div IV BMRE.

**Status: Comply**
**7.8**
**Practices maintain the quality and availability of surface and ground water**
**7.8.1**

The certification unit has a water management plan that is implemented to support efficient use of water sources and continuous availability, through operational procedure documents to control the Protection of River Border Areas with document No. SOP/SPO/SMART/LH-06 dated 1 July 2010, which contains: objectives, scope, references, definitions, duties and responsibilities, and work steps. To avoid negative impacts on other users in the water catchment area, the company carried out activities, including: prohibiting the planting of oil palm on the river border with a width of 50 meters left and right, prohibiting land cultivation on the river border by installing notice boards, constructing boundary roads in managed areas (known as *pringgan*), cultivation without spraying around the river, manual maintenance.

Geographically, PT KDA is located between Nyuruk River, Pelakar River, and Semak River. Unit of certification has a surface water quality monitoring program contained in the *RKL-RPL* matrix and management which is managed and reported periodically. The monitoring results of PT Kresna Duta Agroindo on river water quality with standard of PP No. 22, 2021, and groundwater quality with standard of *Permenkes*, it is known that all parameters are still in the applicable quality standards. Testing is carried out by laboratories that have been accredited by KAN.

Several management activities have been carried out by the company to avoid negative impacts on other users in the water sources area, including:

- Establishment of a riparian buffer zone/river border area with a width of 50 meters and make the area an HCV area
- Enrichment of plant species in river riparian areas, to restore the natural function of the river.
- Not replanting at the 100 meter boundary from the riverbank and marking yellow paint as the limit area for chemical application and conducting routine monitoring to replace or repair damaged marks
- Conduct socialization to the community, employees and contractors in the company area
- Installing information boards for activities limited to HCV areas, such as; prohibition of burning, hunting and maintaining cleanliness
- Periodic monitoring of river riparian areas

The results of interviews with resident in the housing area of PLKE and BMRE workers revealed that there were no problem with availability of clean water, water was obtained from PDAM subsidized by company, with the criteria of being odorless, colorless, and tasteless. From interview with representatives of Pangkal Bulian Villages there are no pollute from river water, water is used by the community only for sanitary needs purposes only.

It can be concluded that there is access to clean water for workers and nearby villages, the certification unit carries out water management by monitoring water quality standards on a regular basis, to ensure that there is no contamination of the water used as a result of the activities of the certification unit, and as an efforts of sustainable management of water resources.

**7.8.2**

The protection of water resources carried out at PT Kresna Duta Agroindo focuses on river riparian which are also identified as HCV 4 areas. Efforts to protect riparian refer to the 2014 Sustainability SOP, which aims to:

- Guarantee the quality of river water so that it can be used sustainably
- Keeping high erosion and sedimentation from occurring

The company has a Riparian Protection procedure with No. SOP/SMART/BCOS-EHSD/SADV//004 by monitoring operations and manage the river. With a management strategy in the form of:

- Setting boundaries with HCV environmental service attributes
- Do not apply agrochemicals on riparian that have been designated as HCV
- Doing manual maintenance
- Planting erosion-preventing plants on the riparian area to prevent high erosion
- Socialization of internal and external (employees, staff, and community) estates and factory scope

The company has documents for water management and maintenance of water sources for the 2022 period, which include:

1. Report on the Implementation of the Environmental Management and Monitoring Plan (*RKL-RKL*) which contains surface water protection programme of Nyuruk River, Pelakar River, and Semak River which is conducted every semester.
2. Report on the Implementation of HCV management and monitoring which includes the management of the HCV 4 (Nyuruk River, Pelakar River, and Semak River). Following activities have been carried out, for examples are:
  - Setting boundaries with HCV with a red cross on oil palm trees as high as 50 meters/5 oil palm trees and creating "spray area boundaries".
  - Installation of HCV boundary markers in riparian areas
  - Prohibition of applying chemical fertilizers to riparian area that have been designated as HCV. Palm trees that are in the "spray area boundary" are maintained manually
  - Planting vertiver grass to avoid high erosion
  - Conducting direct socialization to workers and villages around the plantations
  - Installing attributes, warnings and posters in HCV areas, as a means of indirect outreach.
  - Involve the community and others related stakeholder if there is an environmental conservation program, such as; OFI (*Orangutan* Foundation International), PT Ekologika Consultant, TFT (The Forest Trust), ZSL (Zoo Society of London), dan BICONS (Biodiversity and Conservation – *Konservasi Burung Migran*), and academics.

Based on the results of field observations in the conservation area, the Pelakar River in Batang Merangin Estate Blocks E01/02 and G12, and the Merangin River in Pelakar Estate Block C16/17 have been equipped with spray boundary signs, protected area area boards, and planted with vertiver grass in in order to erosion-preventing on riparian area.

#### 7.8.3

Management of POME from oil palm processing from the Pelakar Mill with totaling 4 waste ponds a singlefeeding system with total volume capacity 62.000 m<sup>3</sup>. Before being used, the liquid waste is processed until it reaches the standard for wastewater utilization in oil palm plantations, with pH 6-9 and BOD 5000 mg/l. POME is managed in accordance with applicable national regulations, according KepmenLH No. 29 of 2003 regarding Technical Guidelines for Assessment of Wastewater Utilization from Palm Oil. Wastewater from the WWTP pond outlet is then pumped and used as a designated location for the use of waste water on the ground (Land Application).

The company already has a permit for the utilization of POME for Land Application (LA) from the authorized agency in the form of DPMPSTP of Sarolangun Regency No. 200 38 08 116 161120 503 118, dated 12 November 2020. The liquid waste permit is used to irrigate a area PT Kresna Duta Agroindo in Bathin VIII District, Sarolangun Regency.

The company can show documents regarding the results of the measurement of the quality of POME, namely the POME Report per quarter and the RKL-RPL Implementation Report per semester which includes the results of the measurement of the quality of POME every month and land application monitoring well. The test is carried out by the Laboratory which has been accredited by KAN (LP-413-IDN). Based on the analysis of the test document, it shows that all the parameters tested are in accordance with the applicable quality standards (especially for pH and BOD) and for waste water utilization to be applied to land its does not cause pollution to the environment.

#### 7.8.4

Unit of Certification already has a utilization permit based on the *Keputusan Menteri Pekerjaan Umum dan Perumahan Rakyat* No. 1337/KTPS/M/2021 dated 29 Oktober 2021 which is valid for 5 years from the date. It is explained in the permit that the maximum quota for water intake discharge is **36.000 m<sup>3</sup>/month** taken from 1 intake location at Pelakar River, Sarolangun Regency, Jambi Province.

The water usage for FFB processing has been monitored and documented. The document of water usage for FFB process in period of January – October 2022 shown that the water usage ratio in the range of 12.985,1 m<sup>3</sup>/month, while for the total use of water that is equal to **28.191,6 m<sup>3</sup>/month**. This range is still in accordance with the water quotas that can be utilized specified in the permit and budget determined by the company itself. The unit certification also paid of water usage retribution every month for the entire scope of certification to *UPT DIPENDA*, Jambi Province.

From the results of management interviews and field observations to Water Treatment Plan (WTP) in Pelakar Mill, found that flowmeter used is still functioning properly, so the amount of water used everyday are recorded well, the officer responsible for WTP is understanding about how the to operate WTP cording to procedure.

**Status: Comply**

## 7.9

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

#### 7.9.1

The unit of certification using of fossil fuels to increase the efficiency and to optimize monitored and renewable energy. This can be proven by recording documents on the application of the use of shells and fiber from the rest of the mill production process as renewable fuel for boiler purposes in 2022, also the usage of methane gas from POME processing to produce electricity at the Biogas Plant installation.

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, and biogas for renewable energy, this utilized and the usage data recorded in detail and traceable for the period 2022. From data shows, it is known that the company has saved 73.70 % of diesel fuel, of the total diesel that should have been used as evidence of energy efficiency produced from use of renewable energy.

The company has also made efforts to improve the efficiency of the use of fossil fuels in the transportation area (use of vehicles), among others by carrying out regular maintenance to reduce incomplete combustion and analyzing fuel use by selecting efficient transportation routes.

**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 minimize GHG emissions.

#### 7.10.1

Certification Unit has been conducted source identification and GHG valuation by doing GHG inventory within the scope of Pelakar POM and its supplies based monitored through Palm GHG Calculator 4.0 and the summary result reported and accessible to public in RSPO website. The company has identified the significant GHG emissions, including: land used change, POME processing, used of fertilizers and pesticides, used of fossil fuels for operations and transportation.

Also made several mitigation plans to control the impact among GHG emission, such as: the right dose of fertilizer use and application as recommended, reduction of reuse and recycling actions, restrictions on electricity use, transportation and machine maintenance, and periodic air quality tests.

Reduction of fossil fuels at Pelakar POM has been implemented by using fiber and shells. The company also uses POME with test results from the monitoring, showing that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it is found that accurate data have been entered into the RSPO palm oil GHG Calculator. GHG calculation using palm GHG Calculator 4.0. The summary of GHG emissions for the period January - December 2021 that has been approved on previous surveillance (ASA-2), is listed as follows:

#### Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	19.74	tCOe2/tProduct	Oil palm planted on mineral soil	1911.25	Ha
PK	19.74	tCOe2/tProduct	Oil palm planted area on peat	7837.99	Ha
PKO	20.14	tCOe2/tProduct	Total oil palm planted area	9749.24	Ha
PKE	20.14	tCOe2/tProduct	Conservation area (Forested)	0.00	Ha
OER	19.15	%	Conservation area (non-Forested)	465.71	Ha
KER	5.60	%	FFB Production per hectare	20.91	t/ha

#### Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO2	tCO2e/ t FFB	Emission Source	tCO2e
POME	0.00	0.20	PK from own mill	1111.41
Fuel Consumption	0.29	0.00	PK from other sources	0.00
Grid Electricity Utilization	0.00	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00	Total Crusher Emissions	1111.41
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
Total	0.29	0.20		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	36026.98	0.00	0.00	36026.98
CO2 Emissions from Fertilizer	58861.83	0.00	0.00	58861.83
N2O Emissions from Peat	58673.31	0.00	0.00	58673.31
N2O Emissions from Fertilizer	39363.24	0.00	0.00	39363.24
Fuel Consumption	882.42	0.00	0.00	882.42
Peat Oxidation	427954.26	0.00	0.00	427954.26
Sinks				
Crop Sequestration	-63026.28	0.00	0.00	-63026.28
Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	558735.77	0.00	0.00	558735.77

Palm Oli Mill Effluent Treatment

POME Treatment	Unit	Value
POME Diverted to Compost	%	0
POME Diverted to anaerobic digestion	%	100
• POME to anaerobic pond	%	0
• POME to methane capture (flaring)	%	0
• POME to methane capture (electricity generation)	%	100

\*POME is processed in WWTP and Methane Capture

7.10.2

There have been no new developments since 2018 in the operational area, but the company still manages GHG by taking an inventory of emission sources. They can show identification documents of activities that generate emissions for the period 2021 for Mills and Plantations. This is done to estimate carbon stocks in the management area and potential sources of emissions that can occur directly due to the management. A plan to minimize these emissions is drawn up and implemented.

7.10.3

The unit of certification has identified source of waste pollution and emissions from Estate and Mill activities for the period 2021, through the procedure document No. SOP/SMART/CERS-EHSDV/II/005, Greenhouse Gas (GHG) Mitigation Procedure. Sighted the result of identification of emissions and pollution as well as its sources, such as in estate emissions sources are from fossil fuel usage for transportation and generator, emission from fertilizer usage, pesticide usage and electricity usage. Identified the sources of emission and pollution from mill such as fossil fuel usage, electricity usage and WWTP. In addition, the company also conducts tests related to odour and vibration tests in work and residential areas.

Fossil fuel reducing have been implemented on Pelakar POM by fiber and shell usage. Realization of renewable energy have been



monitored on monthly report for fiber and shell usage, and also for using methane capture as electrical generator. Monitoring for emission and pollutants (air emission and air ambient) from Estate and Mill was done periodically and comply with the standards quality, it's covered on RKL/RPL implementation report and reported to Environmental Agency of Sarolangun Regency. Therefore, it can conclude that the plans to reduce or minimize the pollutants are implemented and monitored well by management.

**Status: Comply**

### 7.11

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

##### 7.11.1

Based on the results of the document review and interviews with the company's management, it is known that the company has a policy stated in the procedure document regarding land clearing without burning, through the Procedures in the Technical Guidelines for Land Preparation dan Land Fire Handling with No, SOP/NP/SMART/XI/L-H002 which was legalized on July 1, 2010 by the Division Head of SMARTRI.

This procedure includes efforts to identify, prevent and overcome the danger of land fires in the plantation area (reference: Technical guidelines for oil palm cultivation. Indonesian Government Regulation No. 4 of 2001 concerning "Control of Environmental Damage and/or Pollution related to Forest and/or Land fires). The goal is to;

- Anticipating and handling land fires quickly and accurately.
- The basis for determining the system for handling and overcoming the danger of land fires.
- Formation of a land fire prevention and control team referring to the SOP for Handling Emergency Conditions.

Regarding procedures for handling work accidents and fire emergency response, the company also has SOP for Emergency Response No. SOP/SMART/GENERAL/SADV/II/005 was approved by the Head of Upstream on July 01, 2014, discussing the identified emergency response conditions including fires, land fires, explosions, pollution, natural disasters, riots, demonstrations, work accidents. Broadly speaking, the SOP contains the definition of an emergency and the emergency response team, the flow of reporting in the event of an emergency, the duties and responsibilities of the emergency response team, planning and handling actions in the event of an emergency, and recovery due to an emergency.

The certification unit did not clear new land after 2015, from interviews with management it was found that land clearing was done mechanically. From the results of the field visit in replanting area at the Pelakar Estate Block D-19, no burnt areas were found.

##### 7.11.2

The unit of certification has established fire prevention and control measures for the lands it manages directly by showing evidence that there are land fire prevention and control activities, which include;

- The existence of document procedure for land fire control No.SOP/SMART/UMUM/SADV/II/005
- There is a trained fire team, for example; *Struktur Organisasi Penanggulangan Kebakaran Hutan dan Lahan* (KARHUTLA) in document No. F/SMART/UMUM/SADV/005/001. The organizational structure of the firefighting team, with a total member of 50 people.
- Socialization of land fire prevention to PLKM, BMRE, and PLKE.
- Conducting patrols/monitoring of fire-prone areas (hotspots)
- The company has carried out emergency and fire simulations, for example: emergency response, for example on 24 May, 2022 attend by firefighting team.
- Monitoring of firefighting equipment on a monthly basis
- Monitoring of powder, foam and CO<sup>2</sup> fire extinguishers in the plantations and factories regularly every month, with the results of installation and inspection at locations that are ready for use.
- Monitoring of hydrant installations at with actual conditions (firefighting electrical panels, diesel pumps, starting engines, hydrant pillars and boxes, hydrant pipes)

The company can show a recording of the implementation of fire monitoring in the fire patrol monitoring form document in 2022. The results of the inspection of the document revealed that there were no fire incidents in the company's operational areas, this was reinforced by the results of interviews with the Sarolangun Regency Agriculture Office that there were no fire incidents for two last year. In addition, as an effort to prevent fires, the unit of certification also puts up warnings related to fires, prohibits burning garbage



and so on. And it's reported by PT SMART Tbk Land Fire Management Report document for the 1<sup>st</sup> semester of 2022 which is submitted to the Minister of Agriculture of Sarolangun Regency on 07 November, 2022.

### 7.11.3

The unit certification also involves the community in monitoring fire prevention as a preventive and control measure, namely with the *Masyarakat Siaga Api* (MSA), which examples are shown consist of 2 (two) assisted villages; Lindung Village from Pelakar Estate and Tanjung Village from Batang Merangin Estate, as one team consist of 13 personil members and carry out fire prevention and control measures by conducting socialization of land fire prevention to the public around PT Kresna Duta Agroindo.

Fire Prevention and Fighting Efforts made by the company to prevent, monitor, and manage fire incidents are include;

- The existence of SOP for land fire control.
- Existence of a fire fighting team.
- Socialization of land fires to employees.
- Monitoring fire-prone areas on a regular basis. This is indicated by the existence of monitoring recordings with the hot spot system and immediately checking the hot spot points.
- Conducting a firefighting team simulation, for example a simulation of land and workplace fires that will be held on May 24, 2022.
- Routinely check the equipment on a monthly basis.

**Status: Comply**

### 7.12

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

#### 7.12.1; 7.12.8

Land clearing of PT. KDA (Pelakar Estate and Batang Merangin Estate) were carried out from before 1990 and most recently were carried out in 2001 covering an area of 102.71 ha. After that there was no development of new plantation areas within the scope of PT KDA. Therefore, there was no new planting or expansion after November 2005.

#### 7.12.2

The unit of certification has identified protected areas and high conservation value areas. The identification results are listed in the HCV Assessment PT Kresna Duta Agroindo (Pelakar Estate, Batang Merangin Estate, and Batang Trembesi Estate) at Sarolangun Regency, Jambi Province in May 2013, conducted by PT SMART Tbk's HCV Identification Team. The report explains that the total area of protected areas/HCV in the company area of with total **455,30 Ha**, the details are; Pelakar Estate 196.79 Ha, Batang Merangin Estate 173.45 Ha, and Batang Trembesi Estate (merged to Batang Merangin Estate since 2015) 85.06 Ha. With HCV types 1.1 and 4.1 and 6 in the form of the Semak River, Pelakar River, Nyuruk River, fresh water swap, and public grave.

Based on interviews with management representatives it is known that the HCV of Pelakar Estate area is 196.79 ha; consisting of 117.10 ha included in the planted area and 79.69 ha included in other areas (roads, swamps/rivers, and enclaves) and the HCV of Batang Merangin Estate area of 258.51 ha; consisting of 36.81 ha included in the planted area and 221.7 ha included in other areas.

In addition, based on field visits to riparian area in Pelakar River at Batang Merangin Estate Block E01/02 and G12, also in Merangin River at Pelakar Estate Block C16/17 it is known that the border area has planted with oil palm. In addition, the company made efforts to planted riparian areas by erosion prevention plants. All conservation areas owned by the unit of certification are in accordance with what is stated in the basic info.

#### 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

The unit of certification has carried out activities in order to maintain protected areas and High Conservation Values which implemented in line according with the HCV management and monitoring plan period 2021, also reviewed periodically every 5 years

involved consultation with relevant stakeholders such as villagers around.

- RTE species monitoring
- Maintenance of RTE species warning boards
- Socialization to employees and the community around
- Maintenance of HCV boundary markers, attributes, and warning boards with a buffer zone/river border with a width of 50 m right and left along the river, as a spray boundary in the form of a cross
- Manual maintenance of *piringan* and *pasar pikul*.
- HCV rehabilitation monitoring of erosion prevention plants *with vertifier grass*.
- Applying environmentally friendly cultivation methods (using slow release fertilizer, utilization of organic waste, application of IPM)

Based on interviews with management representatives it is known that the entire protected area belongs to the planted area. This is due to the identification of protected areas after oil palm planting has been carried out. In addition, based on field visits to riparian area, such as Pelakar River at Batang Merangin Estate Block E01/02 and G12, also in Merangin River at Pelakar Estate Block C16/17 it is known that the border area has planted with oil palm and the location of the protected area matches the map with the actual location in the field. In addition, the company made efforts to rehabilitation the river border areas by erosion prevention plants.

### 7.12.5

Based on the verification of the 2013 HCV identification document, it is known that the area identified as HCV is entirely within the company's HGU. No HCV areas have been identified as being on community-owned land.

Based on the results of the document review and interview with management, it was found that there were no new clearing at unit certification since 15 November 2018. The study of the distribution of planting years revealed that oil palm plantations were carried out in 1990 to 2017, and has entered the second cycle of planted (re-planting)

### 7.12.6

Unit of Certification has a SOP for Management and Monitoring of High Conservation Values (Dok. No. SOP/SMART/BCOS-EHSD/SADV/II/002, dated July 1, 2014). The SOP aims to ensure that all management and monitoring activities of High Conservation Values also discuss the protection of rare and endangered wildlife. And the policy document for the Protection of Rare And Endangered Wildlife on June 25, 2015 which was legalized by the President Director of PT SMART Tbk. The protective measures set by the company are as follows:

- The company is committed to protecting and prohibiting the hunting of all types of wild animals that are included in the criteria for rare and endangered species that are in the plantation area
- The company will carry out continuous socialization and training activities on the protection of rare and endangered wild animals and their habitats to employees of contractor companies as well as to the community and other relevant stakeholders around the company.
- The company will investigate every case of violation and impose strict disciplinary sanctions (up to layoffs) to company employees who commit acts of hunting, maintaining, injuring, harming and killing endangered and endangered wildlife.
- For the handling of rare and endangered wildlife both inside and around its concession area, the company will cooperate with government agencies or related competent institutions
- The company is committed to evaluating and reporting on the company's performance based on this policy on a regular and open basis through the website and the company's annual sustainability report and continuously involving key stakeholders in the palm oil industry.

Based on *Laporan Identifikasi Kawasan Lindung* PT Kresna Duta Agroindo in 2021, the results of the identification of flora and fauna within the company's are, using the latest protection regulations, namely Permen LHK Number 106 of 2018 which are within the company's area, including:

- **Flora:** Consisting of 26 species of plants, with 3 types of them, such as: *Kompasia exelsa*, *Durio kutaiensis*, and *Macaranga gigantea*.
- **Fauna:** Consisting of 21 species of birds, 8 species of mammals, and 5 species of reptiles with 5 pisces, several of which are protected, such as; *Spilornis cheela*, *Helarctos malaynus* and, *Naja sumatrana*

The certification unit has a flora and fauna identification document prior and monitoring program that is scheduled annually to update species data found in the company area using the latest protection regulations, namely Permen LHK Number 106 of 2018. This report is submitted to the institution that handles conservation and protection of plants and wild animals on a regular basis in *Laporan Pelaksanaan Pengelolaan dan Pemantauan Kawasan Bernilai Konservasi Tinggi* which including the results of species monitoring and observations on 09 June 2022.

Based on the results of interviews with representatives of the village community, it is known that the community understands the existence of the HCV area and the presence of flora and fauna in the company area. The village community understands that the company protects the HCV area also for flora & fauna, and is aware of the protected fauna species, prohibitions on hunting, logging and burning forests. Respondents added that in addition to direct socialization, the company also installed warning boards or signboards marking HCV areas as well as prohibitions on environmental destruction which were an indirect form of socialization. Based on this explanation, it can be concluded that the company already has a plan and evidence of the implementation of socialization and is known by the surrounding community.

#### 7.12.7

Unit of certification can show records of HCV management carried out in the period 2022. The results of the monitoring are used for follow-up improvements to the management plan, for example:

- Record of HCV Patrol Report with document No. F/SMART/BCOS-EHSD/SADV/002/014
- Record of HCV Attribute Monitoring Report (sign board, spray limit sign, HCV stake) with document No. F/SMART/BCOS-EHSD/SADV/002/019
- Records of Maintenance for the Rehabilitation of HCV Areas (management of erosion potential; *vertifier grass*)
- Monitoring Records of Animal and Plant Species with document No.F/SMART/BCOS-EHSD/SADV/002/021

The certification unit has a continuous action to improve the management plan resulting from the report on Identification of High Conservation Values (HCV) document as an effort to improve the quality of HCV management and monitoring activities in accordance with the recommendations, including by:

- Make documentation of each management and monitoring activity as evidence of activities and complement the reporting file.
- Conduct more intense monitoring of species from the class of mammals, reptiles and amphibians so as to allow for additional species.
- Repair damaged attributes in accordance with the existing management plan, because some attribute locations have started to break down.
- Provide socialization and direct monitoring of replanting activities in blocks where rivers are included in HCVs

HCV monitoring is periodically evaluated by unit of certification every 5 years and is used as a reference as a management plan for HCV management. The management plan is implemented effectively based on the results of monitoring from the previous period. All evaluation results will be reviewed and will be adjusted to the HCV management program in the 2023 period.

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

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

### 3.3 Summary of RSPO Partial Certification.

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

Golden Agri-Resources, Ltd Time Bound Plan (TBP) is explained in table 1.5. Golden Agri-Resources run forty nine (49) mills and one hundred and eighty (180) estates (own and smallholders) in Indonesia and has achieved RSPO certified for thirty-one (31) mills and supply base in Indonesia. Golden Agri-Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri-Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri-Resources, Ltd on 17 January 2022 made by Head of Operations Sustainability.

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

MUTU Auditor has verified company partial certification and concludes that:

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

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><b>Company Group/Holding Statement:</b> The company has carried out a Compliance Audit / Internal Compliance Verification (ICV) to see compliance with RSPO standards and also the Set up System in the Company's units to be certified.</p> <p>There are Compliance Audit (ICV) reports for each company including:</p> <ol style="list-style-type: none"> <li>1. PT Sawitakarya Manunggul – Sawita Mill : Pre Audit 2015, Compliance Audit 24 - 31 May 2021</li> <li>2. PT Smart Tbk – Bukit Kapur Mill: Pre Audit 2015, Compliance Audit 15 November 2021</li> <li>3. PT Sinar Kencana Inti Perkasa – Kasuari Mill: Pre Audit 2015, Compliance Audit 11 October 2021</li> <li>4. PT Agrolestari Mandiri – Pekawai Mill: Pre Audit 2015, Compliance Audit 01 March 2021</li> <li>5. PT Binasawit Abadi Pratama – Perdana Mill: 14 June 2021</li> <li>6. PT Agrokarya Prima Lestari – Kuayan Mill: Pre Audit 2014, Compliance Audit 13 September 2021</li> <li>7. PT Mitrakarya Agroindo – Tangar Mill: Pre Audit 2015, Compliance Audit 27 September 2021</li> <li>8. PT Paramita Internusa Pratama – Belian Mill: Pre Audit 2015, Compliance Audit 28 June 2021</li> <li>9. PT Kresna Duta Agroindo – Rantau Panjang Mill: Compliance Audit 01 November 2021</li> <li>10. PT Kresna Duta Agroindo – Gunung Kombeng Mill: Compliance Audit 15 February 2021</li> </ol>

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



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

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

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

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>after Nov 2005 has follow RaCP. Detail information of uncertified unit are:</p> <ol style="list-style-type: none"> <li>1. PT Kencana Graha Permai - Kalimantan Barat (Delima Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel.</li> <li>2. PT Agrolestari Sentosa – Kalimantan Tengah (Jalemo Estate, Manuhing Estate, Kajui Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted the Concept Note Project Batu Menangis on 14 January 2022 and is currently still being reviewed by the RSPO Compensation Panel.</li> <li>3. PT Sumber Indah Perkasa – Papua (Mambruk Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel.</li> <li>4. PT Kresna Duta Agroindo – Kalimantan Timur (Gunung Kombeng Mill, Rantau Panjang Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel</li> <li>5. PT Kartika Prima Cipta – Kalimantan Barat (Muara Tawang Estate), the LUCA report which is still in the RSPO review process.</li> <li>6. PT Agrolestari Mandiri – Kalimantan Barat (Pekawai Mill and supply bases), the LUCA report which is still in the RSPO review process.</li> <li>7. PT Cahaya Nusa Gemilang – Kalimantan Barat (Kenanga Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>8. PT Paramitra Internusa Pratama – Kalimantan Barat (Belian Mill, Belian Estate and Tengkawang Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>9. PT Bangun Nusa Mandiri – Kalimantan Barat (Kenari Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>10. PT Persada Graha Mandiri – Kalimantan Barat (Kapuas Hulu Estate and Sungai Beran Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>11. PT Satya Kisma Usaha – Kalimantan Tengah (Medan Sari Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</li> <li>12. PT Binasawit Abadi Pratama – Kalimantan Tengah (Perdana Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</li> </ol>

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

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



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>sanction.</p> <p>15. The uncertified area of Sei Rindu Estate covering 203.89 Ha located in the Location Permits of PT Tapan Nadenggan with planting period on 2006</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p><b>Company Group/Holding Statement:</b></p> <p>No land conflicts. The company has a land conflict resolution mechanism in accordance with the RSPO criteria 4.2, 4.6, 4.7 and 4.8. This procedure is contained in the SOP for handling social conflicts with the registration number SOP/SMART/SCRD/NSDV/I/002 revision 1 dated 18 May 2016 and SOP for Handling Complaints and Dissatisfaction no SOP/SMART/GIMSSCMD/USDV/I/001 revision 2 dated April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/GIMS-SCMD/USDV/I/001 revision 2 dated 11 April 2017, handling complaints appropriately and quickly. GAR has initiated to become a member of the RSPO DSF as a "Grower" category.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <ol style="list-style-type: none"> <li>1. Complaint dated July 11, 2021 to PT SMART Tbk (West Kalimantan Region) regarding the alleged purchase/supply of fresh fruit bunches (FFB) and crude palm oil (CPO) from PT Kapuasindo Palm Industri (PT KPI), a subsidiary of the Kencana Group (not members of the RSPO), who have committed a series of violations against workers and indigenous peoples in the district. Last Status RSPO Complaints Panel has issued a decision letter regarding the complaint on 17 January 2022 in which it was decided to terminate the entire complaint. The decision letter has been submitted to both parties, and time is given if anyone wishes to appeal until April 11, 2022. (RSPO Complaint Panel Decision is attached).</li> <li>2. Complaint on 2 March 2020 to GAR (Central Kalimantan Region) from Forest Peoples Program &amp; Elk Hills Research regarding alleged land legality and bribery cases. On the part of GAR itself, GIS-2 analysis for land clearance alerts after November 2014 from discussions with RSPO GIS manager on 21 May 2021 has agreed on the sampling method. GAR's clarification report was sent on September 8, 2021. As for the legal review on anti-bribery policies &amp; practices, the company rejected the ToR for Legal Review on March 26, 2021. Until now the company is still waiting</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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> <ol style="list-style-type: none"> <li>Complaint on 19 October 2018 to GAR (Kapuas Hulu Region, West Kalimantan) from the Forest Peoples Program (FPP) &amp; Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding legality. On 26 August 2021, the RSPO Complaint Panel decided to proceed with further investigations. The investigation carried out will be fully funded by the RSPO, and carried out by PROFUNDO Parties. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 6, 2021, the RSPO is waiting for the results of a review from the consultant.</li> <li>Complaint on 13 October 2014 to PT Kartika Prima Cipta (West Kalimantan) from Forest Peoples Program (FPP) &amp; Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding the FPIC process and 6 other issues. RSPO with the approval of GAR and FPP divides the conflict resolution verification process into 5 phases (phase 1 related to NPP, maximum land holding and new land development, phase 2 related to legality, phase 3 related to smallholders, phase 4 related to FPIC and phase 5 related to HCV), where GAR has responded to phase 5 on 26 August 2021. The information submitted has responded to all stages and GAR is currently waiting for a decision from the RSPO Complaint Panel. The latest status as of 15 December 2021, the RSPO Complaint Panel has reached a decision for phase 2 and is awaiting discussion of phases 3 and 4.</li> <li>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.</li> </ol> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There is no land conflicts in the following uncertified management unit:</p> <ol style="list-style-type: none"> <li>PT Sawitakarya Manunggul (Sawita Mill and supply base)</li> <li>PT SMART (Bukit Kapur Mill and supply base)</li> <li>PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base)</li> <li>PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>PT Binasawit Abadi Pratama (Perdana Mill and supply base)</li> <li>PT Agrokarya Prima Lestari (Kuayan Mill and supply base)</li> <li>PT Mitra Karya Agroindo (Tangar Mill and supply base).</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>8. PT Paramitra Internusa Pratama (Belian Mill and supply base)</p> <p>9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base).</p> <p>10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base).</p> <p>11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base)</p> <p>12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</p> <p>13. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base)</p> <p>14. PT Bangun Nusa Mandiri (Kenari Mill and supply base)</p> <p>15. PT Agro Lestari Sentosa (Jalemo Mill and supply base)</p> <p>16. PT Adi Tunggal Mahajaya (Sako Mill and supply base)</p> <p>17. PT Kruing Lestari Jaya (Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA)</p> <p>18. PT Harapan Rimba Raya (Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA).</p> <p>19. PT Rimbaraya Tamajaya (Sungai Pahu Estate and Sungai Pahu KKPA), which will be supply base for Sungai Kedang Mill.</p> <p>20. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill that has been certified</p> <p>21. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill that has been certified</p> <p>22. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill that has been certified</p> <p>23. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</p> <p>Based on the auditor's search through news from the internet, no information on land conflicts was found in the above uncertified management unit. However, on the RSPO website (Complaint Panel) there is information about complaints from various stakeholders against GAR and this has been explained by the company regarding the progress of the settlement as described above.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 4.2	<p><b>Company Group/Holding Statement:</b></p> <p>The company has a procedure for handling employee complaints before becoming into conflicts. The procedure is SOP/SMART/SCRD/NSDV/II/002 revision 1 dated 18 May 2016.</p> <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</p>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>an official letter submitted through the worker union or put in the suggestion box provided in strategic locations.</p> <p>During 2021, there were no new complaints regarding employment through the RSPO website, as for the progress of previous complaints, they have closed status.</p> <p><i>Auditor Verification:</i></p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p><i>Company Group/Holding Statement:</i></p> <p>Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/I/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Subsidiaries of GAR which still on going to process HGU consist of:</p> <ol style="list-style-type: none"> <li>1. PT Djuandasawit Lestari (Muara Kandis Estate &amp; Muara Tawas Estate)</li> <li>2. PT Sawit Mas Sejahtera (Sawit Mas Estate)</li> <li>3. PT Bumi Sawit Permai (Bumi Sawit Estate)</li> <li>4. PT Forestralestari Dwikarya (Tanjung Rusa Estate)</li> <li>5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate)</li> <li>6. PT Ivo Mas Tunggal (Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate, Nenggala Estate)</li> <li>7. PT Buana Wiralestari Mas (Kijang Estate, Nagamas Estate, Nagasakti Estate)</li> <li>8. PT Ramajaya Pramukti (Ramarama Estate)</li> <li>9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate)</li> <li>10. PT Agrokarya Prima Lestari (Muara Tawang Estate, Kuayan Estate, Bukit Sentuhai Estate, Tajur Beras Estate, Seranau Estate)</li> <li>11. PT Buana Adhitama (Sapiri Estate)</li> <li>12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate)</li> <li>13. PT Mitra Karya Agroindo (Sungai Nusa Estate)</li> <li>14. PT Aditunggal Mahajaya (Sungai Ayawan Estate)</li> <li>15. PT Satya Kisma Usaha (Medang Sari Estate)</li> <li>16. PT Buana Adhitama (Bukit Dua Estate)</li> <li>17. PT Agrolestari Sentosa (Jalemo Estate)</li> <li>18. PT Binasawit Abadipratama (Perdana Mill)</li> <li>19. PT Agrokarya Prima Lestari (Kuayan Mill)</li> <li>20. PT Mitrakarya Agroindo (Tangar Mill)</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>21. PT Agrolestari Sentosa (Jalemo Mill)</p> <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, Gaharu Plasma, Kenari Plasma)</p> <p>25. PT Tapan Nadenggan (Sei Rindu Estate)</p> <p>Beside that, there are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> <li>1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma)</li> <li>2. PT Ramajaya Pramukti (Ramarama Plasma)</li> <li>3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma)</li> <li>4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma)</li> <li>5. PT Djundasawit Lestari (Pandawa Plasma)</li> <li>6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma)</li> <li>7. PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma)</li> <li>8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma)</li> <li>9. PT Sawitakarya Manunggul (Sawita Plasma)</li> <li>10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma)</li> <li>11. PT Kresna Duta Agroindo (Rantau Panjang Plasma)</li> <li>12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma)</li> <li>13. PT Paramitra Internusa Pratama (Belian Plasma)</li> <li>14. PT Paramitra Internusa Pratama (Muara Tawang KKPA)</li> <li>15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA)</li> <li>16. PT Mitrakarya Agroindo (Sulin Plasma)</li> <li>17. PT Agrokarya Prima Lestari (Sapiri Plasma)</li> <li>18. PT Adi Tunggal Mahajaya (Sako Plasma)</li> <li>19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma)</li> <li>20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)</li> </ol> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> <li>1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate)</li> <li>2. PT Sumber Indah Perkasa (Mambruk Estate)</li> <li>3. PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangsi Estate, Sungai Musi Estate, Sungai Saling Estate)</li> <li>4. PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate)</li> </ol>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>In the 2021 period, several companies were acquired by GAR according to the notarial deed of amendment dated August 4, 2021, including:</p> <ol style="list-style-type: none"> <li>1. PT Kruing Lestari Jaya</li> <li>2. PT Harapan Rimba Raya</li> <li>3. PT Rimbaraya Tamajaya</li> <li>4. PT Agrolestari Subur Sejahtera</li> <li>5. PT Agrolestari Hijau Sentosa</li> <li>6. PT Kharisma Riau Sentosa Prima</li> <li>7. PT Mitranusa Permata</li> </ol> <p>The company is still collecting information and documentation related to compliance with legal documents such as HGU, Environmental Documents and SHM (for plasma).</p> <p><b>Auditor Verification:</b></p> <p>Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance. Supply base for Kasuari Mill are PT Sinar Kencana Inti Perkasa and PT Sumber Indah Perkasa. The legal non compliance which still on process is EIA revision in PT Sumber Indah Perkasa and Hazardous waste permit in PT Sinar Kencana Inti Perkasa.</li> <li>- PT Binasawit Abadi Pratama (Perdana Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Agrokarya Prima Lestari (Kuayan Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. Supply base for Kuayan Mill are PT Agrokarya Prima Lestari and PT Buana Adhitama.</li> <li>- PT Mitrakarya Agroindo (Tangar Mill and supply base, doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Sawit Mas Sejahtera (Sungai Kikim Mill and supply base), there is a legal non-compliance. Supply base for Sungai Kikim Mill are PT Sawit Mas Sejahtera and PT Bumi Sawit Permai. The legal non compliance which still on process is EIA revision.</li> <li>- PT Agrolestari Sentosa (Jalemo Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Adi Tunggal Mahajaya (Sako Mill and supply base), there is a legal non-compliance. Supply base for Sako Mill are PT Adi Tunggal Mahajaya, PT Mitra Karya Agroindo and PT Agrokarya Prima Lestari. The legal non compliance which still on process is Land Use Title (HGU).</li> <li>- PT SMART Tbk (Bukit Kapur Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base, doesn't have land use title (SHM), the SHM is</li> </ul>



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>still on process. Supply base for Gunung Kombeng Mill is communities plantation.</p> <ul style="list-style-type: none"> <li>- PT Bangun Nusa Mandiri (Kenari Mill and supply base), doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Djuanda Sawit Lestari: there is an area is still in process for HGU in Muara Wahau Estate (574.58 Ha)</li> <li>- PT Satya Kisma Usaha – Kalimantan Tengah: there is an area is still in process for HGU in Medang Sari Estate (24,41 Ha)</li> <li>- PT Sawit Mas Sejahtera: there is an area is still in process for HGU in Sawit Mas Sejahtera Estate (2,291 Ha)</li> <li>- PT Bumi Sawit Mas: there is an area is still in process for HGU in Bumi Sawit Mas Estate (773 Ha)</li> <li>- PT Sumber Indah Perkasa: there is an area is still in process for HGU in Sungai Buaya Estate (155.46 Ha) and Sungai Merah Estate (241.54 Ha)</li> <li>- PT Ivomas Tunggal: there is an area still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha)</li> <li>- PT Buana Wiralestari Mas: there is area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha)</li> <li>- PT Ramajaya Pramukti: there is an area still in process for HGU Rama Rama Estate (318.76 Ha)</li> <li>- PT Bumipalma Lestari Persada: there is an area still in process for HGU Bumi Palma Estate (39.21 Ha)</li> <li>- PT Tapian Nadenggan ( Sei Rindu Estate: there is an area still in process for HGU covering 203.89 Ha, the area located in production forest while the latest updated, the company has been principle permits based on decree from ministry of environment and forestry No S.566/Menlhk/Setjen/PLA.2/8/2019 dated 19 August 2019 regarding principal permits exchange of Forest areas for palm oil plantation on behalf of PT Tapian Nadenggan, consist of limited production forest areas (<i>Hutan Produksi Terbatas/HPT</i>) covering <math>\pm</math> 8.191 Ha</li> <li>-</li> </ul> <p>Then there will be additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 estate plasma/KKPA). Internal audit activities have not yet been carried out, but prior to the acquisition of these units, GAR has carried out a due diligence or internal assessment so that it can be decided to be acquired by GAR, with details as follows:</p> <ol style="list-style-type: none"> <li>1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA.</li> <li>2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA.</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<ol style="list-style-type: none"> <li>PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya).</li> <li>PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified.</li> <li>PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified.</li> <li>PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma Lestariopersada) which has been certified.</li> <li>PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</li> </ol> <p>The acquisition company already has legality in the form of HGU, but other legalities such as environmental documents and other permits are being collected and will be completed when an internal audit of the acquisition units is carried out.</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> <li>PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate)</li> <li>PT Sumber Indah Perkasa (Mambruk Estate)</li> <li>PT Sawit Mas Sejahtera (Sungai Kikim Mill, Sungai Kikim Estate, Sungai Pangi Estate, Sungai Musi Estate, Sungai Saling Estate)</li> <li>PT Bumi Sawit Permai (Sungai Enim Estate, Sungai Lematang Estate)</li> </ol> <p>There are some unit still on process the land certificate (SHM) consist of:</p> <ol style="list-style-type: none"> <li>PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma)</li> <li>PT Ramajaya Pramukti (Ramarama Plasma)</li> <li>PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma)</li> <li>PT Agrokarya Prima Lestari (Sungai Sambon Plasma)</li> <li>PT Djundasawit Lestari (Pandawa Plasma)</li> <li>PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma)</li> <li>PT Palmindo Biliton Berjaya (Tanjung Sawit Plasma)</li> <li>PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma)</li> <li>PT Sawitakarya Manunggul (Sawita Plasma)</li> <li>PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma)</li> <li>PT Kresna Duta Agroindo (Rantau Panjang Plasma)</li> <li>PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma)</li> <li>PT Paramitra Internusa Pratama (Belian Plasma)</li> </ol>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>14. PT Paramitra Internusa Pratama (Muara Tawang KKPA)</p> <p>15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA)</p> <p>16. PT Mitrakarya Agroindo (Sulin Plasma)</p> <p>17. PT Agrokarya Prima Lestari (Sapiri Plasma)</p> <p>18. PT Adi Tunggal Mahajaya (Sako Plasma)</p> <p>19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma)</p> <p>20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)</p> <p>Based on auditor verification, there is still progress in obtaining legality documents for the uncertified units so that GAR has included the certification plan for the uncertified units in the timebound plan.</p>

**3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.**
**3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1+ASA-2**

<b>NCR No.</b> :		<b>Issued by</b> :	
<b>Date Issued</b> :		<b>Time Limit</b> :	
<b>NC Grade</b> :		<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :			
<b>Evidence observed</b> (filled by auditor):			
<b>Non-Conformance Description</b> (filled by auditor):			
<i>DURING ASA 2, THERE IS NO NON-CONFORMITIES AGAINST RSPO P&amp;C STANDARD.</i>			
<b>Root Cause Analysis</b> (filled by organization audited):			
<b>Correction</b> (filled by organization audited):			
<b>Corrective Action</b> (filled by organization audited):			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):			
<b>Verified by</b> :			

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

<b>NCR No.</b> :		<b>Issued by</b> :	
<b>Date Issued</b> :		<b>Time Limit</b> :	
<b>NC Grade</b> :		<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :			
<b>Evidence observed</b> (filled by auditor):  <b>Non-Conformance Description</b> (filled by auditor):  <i>DURING ASA 3, THERE IS NO NON-CONFORMITIES AGAINST RSPO P&amp;C STANDARD.</i>			
<b>Root Cause Analysis</b> (filled by organization audited):			
<b>Correction</b> (filled by organization audited):			
<b>Corrective Action</b> (filled by organization audited):			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):			
<b>Verified by</b> :			

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	3.4.3	<p><b>The social and environmental management and monitoring plan is implemented, reviewed, and updated regularly in participatory way.</b></p> <p>Regarding the social management and monitoring plan owned by the company, it has conducted a review which is conducted every two years and monitoring once every year. During this covid pandemic, GAR has developed a Field Activity Guide for Reviewing / Monitoring Social Impacts during the Covid-19 Pandemic</p> <p>In July 2022 the company has conducted a review of social impact management for the 2021 - 2022 period and developed a social management plan, in which the process has been participatory involving relevant stakeholders. Based on the results of the document review, companies are encouraged to carry out a more in-depth mapping of key stakeholders, for example for external stakeholders by paying attention to women, non permanent residents, local residents, youth leaders, contractors, and for internal stakeholders by paying attention to the representation of wider workers such as local workers, women, new workers including contract workers.</p> <p>Furthermore, the results of document reviews and interviews with management and stakeholders (internal and external) found that the company had managed issues that could have a social impact which were carried out partially by the relevant departments but were not explained in detail in the SIA review report, for example</p> <ul style="list-style-type: none"> <li>• Issues related to employment regarding issues of wages</li> <li>• Issues related to potential land disputes/claims against the company's operational area</li> </ul> <p>Based on the explanation above, companies are encouraged to develop a comprehensive social monitoring and management plan by integrating between sections/departments that cover all impacts and represent a sample of affected parties.</p>
2	4.2.3	<p><b>The unit of certification keeps parties informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.</b></p> <p>The results of document reviews, interviews with management, workers' representatives, the Manpower Office and verification on the internet show that there are currently demands from workers regarding remuneration. Currently, this matter has been mediated by the Manpower Office of Jambi Province (last held on 09 August 2022) and is currently in the process of being resolved through <i>Pengadilan Hubungan Industri</i> of Jambi Province, where the case registration was carried out on 05 December 2022</p> <p>The company has the opportunity to continue monitoring and informing every development and filing complaints from the workers' union (SPSI) regarding wages that have been proposed to be held at the <i>Pengadilan Hubungan Industri</i> (PHI) at the <i>Pengadilan Negeri</i> Jambi to the relevant stakeholders, namely SPSI.</p>
3	6.2.2	<p><b>Employment contracts and related documents detailing payments and conditions of employment (e.g regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll document give accurate information on compensation for all work performed.</b></p> <p>The results of document verification show that there are still casual daily workers in the company's operational area and are regulated in a work relationship signed by both parties and the work agreement has been registered at the Manpower Office in Sorolangun Regency. In the Work Agreement referred to in</p>



No	Ref. Std.	Description
		<p>article 5 it is explained that the second party will comply with the work regulations set first, one of which is "Enforce and carry out all the work discipline set by the first party, Work for 7 working hours and if you don't work for 7 hours then the wages willing to be in proportion according to actual working hours." Furthermore, in PP 36 of 2021 concerning Wages in article 16 it is stated that the formula for calculating hourly wages is a month's wage divided by 126 (hourly wages = month's wages / 126)</p> <p>In this regard, companies are encouraged to ensure that the payment of wages for BHL workers who work less than 7 hours a day is guided by the hourly wage setting stipulated in Government Regulation No. 36 of 2021.</p>
4	6.2.4	<p><b>The unit of certification provides adequate housing. Sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.</b></p> <p>From the results of visits to the Pelakar Estate and Pelakar Mill housing, it is known that the housing area has been equipped with drainage facilities behind the housing. Furthermore, the results of the field visit revealed that there was still one residential drainage that had been completed so that due to high rainfall there was a pool of water behind the housing. The results of the document review obtained information that the canal will be completed in 2023.</p> <p>Therefore, companies are encouraged to ensure the realization of drainage canal construction is in accordance with the budget plan.</p>

#### 3.4.4. Noteworthy Positive Components

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

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>CPO/PK Transportation Contractor PT Satrindo Jaya Agropalma</b> <ul style="list-style-type: none"> <li>Contractor's activities in the field of transporter CPO, FFB, and kernel.</li> <li>The contractor has a cooperation agreement with the company.</li> <li>Workers have received wages in accordance with the applicable <i>UMP</i> and payments are made on time.</li> <li>PPE for contractor workers is provided individually by the contractor (including; safety helmet, shoes, and gloves)</li> <li>The contractor has enrolled his employees in the BPJS health program</li> <li>Relation between the company and contractors is going well</li> <li>There are no major accidents, accident handling can be done through the nearest clinic.</li> </ul>	<p>There are no negative issues that need further verification.</p>
<b>Gender Committee of Pelakar Mill (PLKM).</b> <p>Since 2015, the gender committee is still actively organizing in the company. The management of the gender committee has been officially approved by the leadership and consists of administrators who are male and female workers. Since 2021 there have been no issues related to gender, harassment, violence or serious violations of reproductive rights in the company environment area. At present it is certain that no workers who work with chemicals are pregnant or breastfeeding women, this is because the company has a separate policy regarding the prohibition for pregnant or breastfeeding women workers to work in jobs related to chemicals.</p>	<p>There are no issues related to gender, harassment, violence or serious violations of reproductive rights in the company's environmental area.</p>
<b>Gender Committee of Pelakar Estate (PLKE).</b> <p>Since 2015, the gender committee is still actively organizing in the company. The management of the gender committee has been officially approved by the leadership and consists of administrators who are male and female workers. Since 2021 there have been no issues related to gender, harassment, violence or serious violations of reproductive rights in the company environment area. At present it is certain that no workers who work with chemicals are pregnant or breastfeeding women, this is because the company has a separate policy regarding the prohibition for pregnant or breastfeeding women workers to work in jobs related to chemicals.</p>	<p>There are no issues related to gender, harassment, violence or serious violations of reproductive rights in the company's environmental area.</p>
<b>Labour Union – Serikat Pekerja Seluruh Indonesia (SPSI) of Pelakar Mill (PLKM).</b> <p>Labour unions have been formed and are still actively organized today. Bipartite meetings with companies and internal unions are held routinely, but if there are problems that can be discussed further. The company has also socialized the freedom of association policy to workers in the plantations and factories to continue to join the union without any coercion and during the process of selecting/forming union</p>	<p>Regarding the employment issue (minimum wage) that is currently happening, the company has proven it by showing evidence of meetings to proof of registration for Industrial Dispute Trials at the Jambi Provincial Court. This will be explained further chronologically in the section on verifying the results of internet issues below.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>officials, there was no intervention/interference by the company (the workers did it independently). independent).</p> <p>Currently the company and the union are awaiting the results of the registration of industrial relations disputes which have been registered in December 2022 at the Industrial Relations Court of Jambi Province. This is related to the minimum wage given by the company that is not in accordance with that set by the company according to the workers' union. However, this did not cause turmoil or disruption in terms of communication between the company in the unit and the union. The union also stated that the company did not provide intimidation, countermeasures or things that could interfere with the independence of the union (especially the management) as long as the results of this dispute were resolved in court. His party also stated that the company actually provided support to the management by providing compensation for time when it was needed for union meetings, providing pocket money for meeting trips and so on. Therefore the current relationship is still quite well established.</p> <p>As additional information, when the unions in other units (apart from Pelakar Estate, Pelakar Mill and Batang Merangin Estate) went on strike, the unions here did not do so because of the good relationship between the union and the company so that this was agreed upon by the management. and its members not to do.</p>	
<p><b>Labour Union – Serikat Pekerja Seluruh Indonesia (SPSI) of Pelakar Estate (PLKE).</b></p> <p>Labour unions have been formed and are still actively organized today. Bipartite meetings with companies and internal unions are held routinely, but if there are problems that can be discussed further. The company has also socialized the freedom of association policy to workers in the plantations and factories to continue to join the union without any coercion and during the process of selecting/forming union officials, there was no intervention/interference by the company (the workers did it independently). independent).</p> <p>Currently the company and the union are awaiting the results of the registration of industrial relations disputes which have been registered in December 2022 at the Industrial Relations Court of Jambi Province. This is related to the minimum wage given by the company that is not in accordance with that set by the company according to the workers' union. However, this did not cause turmoil or disruption in terms of communication between the company in the unit and the union. The union also stated that the company did not provide intimidation, countermeasures or things that could interfere with the independence of the union (especially the management) as long as the results of this dispute were resolved in court. His party also stated that the company actually provided support to the management by providing compensation for time when it was needed for union meetings, providing pocket money for meeting trips and so on. Therefore the current relationship is still quite well established.</p>	<p>Regarding the employment issue (minimum wage) that is currently happening, the company has proven it by showing evidence of meetings to proof of registration for Industrial Dispute Trials at the Jambi Provincial Court. This will be explained further chronologically in the section on verifying the results of internet issues below.</p>


Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>As additional information, when the unions in other units (apart from Pelakar Estate, Pelakar Mill and Batang Merangin Estate) went on strike, the unions here did not do so because of the good relationship between the union and the company so that this was agreed upon by the management. and its members not to do.</p>	
<p><b>Labour Union – Serikat Pekerja Seluruh Indonesia (SPSI) of Batang Merangin Estate (BMRE).</b></p> <p>Labour unions have been formed and are still actively organized today. Bipartite meetings with companies and internal unions are held routinely, but if there are problems that can be discussed further. The company has also socialized the freedom of association policy to workers in the plantations and factories to continue to join the union without any coercion and during the process of selecting/forming union officials, there was no intervention/interference by the company (the workers did it independently). independent).</p> <p>Currently the company and the union are awaiting the results of the registration of industrial relations disputes which have been registered in December 2022 at the Industrial Relations Court of Jambi Province. This is related to the minimum wage given by the company that is not in accordance with that set by the company according to the workers' union. However, this did not cause turmoil or disruption in terms of communication between the company in the unit and the union. The union also stated that the company did not provide intimidation, countermeasures or things that could interfere with the independence of the union (especially the management) as long as the results of this dispute were resolved in court. His party also stated that the company actually provided support to the management by providing compensation for time when it was needed for union meetings, providing pocket money for meeting trips and so on. Therefore the current relationship is still quite well established.</p> <p>As additional information, when the unions in other units (apart from Pelakar Estate, Pelakar Mill and Batang Merangin Estate) went on strike, the unions here did not do so because of the good relationship between the union and the company so that this was agreed upon by the management. and its members not to do.</p>	<p>Regarding the employment issue (minimum wage) that is currently happening, the company has proven it by showing evidence of meetings to proof of registration for Industrial Dispute Trials at the Jambi Provincial Court. This will be explained further chronologically in the section on verifying the results of internet issues below.</p>
<p><b>Employment Issues related to Minimum Wage on Websites/Online Media.</b></p> <p>First Link  <a href="https://www.gatra.com/news-558742-gaya-hidup-usai-disambangi-anggota-dewan-pekerja-pabrik-pt-kda-agendakan-aksi-mogok-.html">https://www.gatra.com/news-558742-gaya-hidup-usai-disambangi-anggota-dewan-pekerja-pabrik-pt-kda-agendakan-aksi-mogok-.html</a></p> <p>Second Link  <a href="https://www.elaeis.co/berita/baca/tak-digaji-sesuai-ump-pekerja-di-anak-usaha-sinarmas-group-mogok-kerja">https://www.elaeis.co/berita/baca/tak-digaji-sesuai-ump-pekerja-di-anak-usaha-sinarmas-group-mogok-kerja</a></p> <p>Third Link</p>	<p>From these internet issues, the main point is related to the provision of the minimum wage given by the company, which is felt by the union to be not in accordance with the minimum wage. The company has been able to show the chronology starting from the complaints/complaints submitted to the registration of industrial relations disputes at the Jambi Provincial Court. The following is the chronology:</p> <ul style="list-style-type: none"> <li>On July 14, 2022 the Representative Office of PT Kresna Duta Agroindo received Letter No. 191/PD.F.SPPP-SPSI/JB/VI/2022 dated 27 June 2022 from the Jambi Province Regional SPSI Management</li> </ul>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<a href="https://detail.id/2022/11/besok-pekerja-pt-kda-mogok-serikat-ungkap-banyak-hak-buruh-yang-tidak-dipenuhi-perusahaan/">https://detail.id/2022/11/besok-pekerja-pt-kda-mogok-serikat-ungkap-banyak-hak-buruh-yang-tidak-dipenuhi-perusahaan/</a>	<p>regarding the Bipartite Negotiations related to the minimum wage on 02 July 2022.</p> <ul style="list-style-type: none"> <li>On 01 July 2022 (the meeting was accelerated from the specified schedule), the company and the union agreed to hold a bipartite meeting at the SPSI Representative Office in Jambi. The result is that there is no agreement on this matter.</li> <li>From the results of the meeting there was no common agreement, so the company and SPSI agreed to clarify and register the dispute with the Jambi Province Manpower Office.</li> <li>On 02 and 09 August 2022 using a Mediator from the Jambi Provincial Manpower Office, a Tripartite meeting was held at the relevant Service Office. The results are still the same as before and have not found an agreement.</li> <li>The Jambi Provincial Manpower Office finally issued its recommendations in accordance with Letter No. 21/8.2554/Disnakertrans-3.3/X/2022 dated 18 October 2022 which states that companies are advised to pay the minimum wage shortfall for the January-August 2022 period.</li> <li>Based on this suggestion, the company rejected the suggestion and sent Letter No. 162/HR PSM 1/10/2022 dated 25 October 2022 concerning the Company's response regarding the rejection of this suggestion. By rejecting this recommendation, the company on December 5, 2022 registered this Industrial Relations Dispute (case) with the Jambi Provincial Court and currently the registration file has been well received.</li> </ul> <p>From the results of the auditor's verification, it is known that currently the salary component provided by the company refers to and is in accordance with the 2022 minimum wage. This is based on the results of a review of wage documents for October and November 2022 along with the 2022 wage determination from the company. The union is of the opinion that the wage component in the form of rice supply should not be included in the wage component, however this has been explained in the Collective Labour Agreement that one of the wage components that is calculated in the wage component is rice supply. Related to this dispute will be reconfirmed at the time of the next assessment and after the outcome of the industrial relations dispute trial has been decided.</p>
<b>Land Agency of Sarolangun District</b> <ul style="list-style-type: none"> <li>No negative issue related to land conflict.</li> <li>Land utilization report done yearly.</li> <li>Land use title still valid.</li> <li>No issue related to land fire.</li> </ul>	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Had good relationship with company.</li> </ul>	
<b>Plantation Agency of Sarolangun District</b> <ul style="list-style-type: none"> <li>The Company has a Plantation Business License (IUP).</li> <li>Report on plantation business activities (LKUP) are routinely reported.</li> <li>Fire Extinguisher Equipment of company is sufficient and one year behind there is no issue of land fires that occurred in the area of PT KDA.</li> <li>Communication between the company and the agency is also well established, and if the office requested data, the company quickly responded.</li> <li>There are no issues related to the disturbance of plantation business by the community</li> <li>No new land clearing on peat soil</li> </ul>	<p>There are no negative issues that need further verification.</p>
<b>Manpower Agency</b> <p>There were no information request or complaint from Manpower Agency. Every communication with the company is carried out through text message or telephone.</p> <p>Currently the company and the union are awaiting the results of the registration of industrial relations disputes which have been registered in December 2022 at the Industrial Relations Court of Jambi Province. This is related to the minimum wage given by the company that is not in accordance with that set by the company according to the workers' union</p>	
<b>Tanah Abang Village, Sei Pelakar Hamlet Pangkal Bulian Hamlet Umpang Benau Village</b> <p>There is no negative issues, land dispute issues or environmental pollution. The land compensation process has been carried out by involving various parties</p> <p>The company has made efforts to develop the surrounding community through CSR programs, the use of local labor and local contractors.</p> <p>The relationship between the company and the community has run quite well and harmoniously. Communication between the company and the village is quite good.</p> <p>There is no issue regarding air pollution, environmental pollution or land fires in the last 12 months.</p>	<p>The company has shown land compensation documentary evidence carried out referring to the concept of FPIC and no land dispute.</p>
<b>FFB Suppliers Tiga Serumpun Cooperative</b> <ul style="list-style-type: none"> <li>The FFB purchase price refers to the government's FFB pricing.</li> <li>The management of plasma plantations is carried out by the Company.</li> </ul>	<p>There are no negative issues that need further verification.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>The applicable FFB price is in accordance with the price set by the Government, namely the Plantation Service.</li> <li>The company has provided trainings such as pesticide handling training, Cooperative management training, HCV</li> <li>Communication between the Cooperative and the Company is going well. If there is a complaint, it will be reported to the PIC of the Company.</li> </ul>	
<b>FFB Suppliers</b> <b>KUD Segar Tani</b> <b>Loading Ramp Wagiantoro</b>  <p>The company receives FFB from third parties provided that FFB supplied is not the result of looting, theft or FFB produced by looting state forests. It is stated in the agreement based on the agreement between the two parties, further explained that the payment was made on time in accordance with the contents of the agreement and there had never been a problem in terms of payment.</p>	<p>The company has demonstrated its commitment and mechanism so that FFB received is not from illegal activities. in addition documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in detail indicator related.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p><b>Formal Sign-off of Assessment Findings</b></p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Kresna Duta Agroindo Head of Sustainability Management System and Certification Operations Sustainability</p>  <p><u>Yahya Mustakim</u> Friday, 30 December 2022</p> </div> <div style="text-align: center;"> <p>MUTU International Lead Auditor</p>  <p><u>Moh. Arif Yusni</u> Friday, 30 December 2022</p> </div> </div>

**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	Sarolangun District	-	Direct Interview	6 December 2022	✓	
2	Manpower Agency	Sarolangun District	-	By Phone	07December 2022	✓	
3	Land Agency	Sarolangun District	-	Direct Interview	6 December 2022	✓	
4	Plantation Agency	Sarolangun District	-	Direct Interview	6 December 2022	✓	
5	CPO/PK Transportation Contractor (PT Satrindo Jaya Agropalma)	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
6	Gender Committee of Pelakar Mill (PLKM)	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
7	Gender Committee of Pelakar Estate (PLKE)	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
8	Labour Union – Serikat Pekerja Seluruh Indonesia (SPSI) of Pelakar Mill (PLKM)	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
9	Labour Union – Serikat Pekerja Seluruh Indonesia (SPSI) of Pelakar Estate (PLKE)	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
10	Labour Union – Serikat Pekerja Seluruh Indonesia (SPSI) of Batang Merangin Estate (BMRE).	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
11	Tanah Abang Village	Sarolangun District	-	By Phone	6 December 2022	✓	
12	Sei Pelakar Hamlet	Sarolangun District	-	Direct Interview	7 December 2022	✓	
13	Pangkal Bulian Hamlet	Sarolangun District	-	Direct Interview	7 December 2022	✓	
14	Umpang Benau Village	Sarolangun District	-	By Phone	6 December 2022	✓	
15	KUD Segar Tani	Sarolangun District	-	Direct Interview	6 December 2022	✓	
16	Loading Ramp Wagiantoro	Sarolangun District	-	Direct Interview	6 December 2022	✓	
17	Tiga Serumpun Cooperative	Sarolangun District	-	Direct Interview	6 December 2022	✓	
18	Pelakar Mill (PLKM): 16 workers	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
19	Plakar Estate (PLKE): 22 workers	PT Kresna Duta Agroindo	-	Direct Interview	6 December 2022	✓	
20	Batang Merangin Estate (BMRE): 24 workers	PT Kresna Duta Agroindo	-	Direct Interview	7 December 2022	✓	
21	World Wide Fund	Indonesia	<a href="mailto:wwf-indonesia@w">wwf-indonesia@w</a>	Via Email	25 November 2022		✓

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Comm	Date of Contact	Response	
						Yes	No
			<a href="http://wf.or.id">wf.or.id</a>				
22	Wahana Lingkungan Hidup Indonesia	Indonesia	<a href="mailto:informasi@wahli.or.id">informasi@wahli.or.id</a>	Via Email	25 November 2022		✓
23	Sawit Watch	Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Via Email	25 November 2022		✓
24	Aliansi Masyarakat Adat Nusantara	Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Via Email	25 November 2022		✓

**Appendix 2. Assessment Program**

DATE	05 – 09 December 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>MONDAY, 05 DECEMBER 2022</b>		
08.00 – 09.00	<b>JAKARTA → Jambi</b>	<b>All Auditor</b>
10.00 – 16.00	<b>Jambi → PT Kresna Duta Agro Indo</b>	
16.00 – 16.30	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor</b>
16.30 – 17.00	<b>Verification of Basic Information Mill and Estate</b>  <b>Confirmation of Time Bound Plan</b>  <b>Review of Partial Certification</b>	<b>All Auditor</b>
<b>TUESDAY, 06 DECEMBER 2022</b>		
08.00 – 12.00	<b>Stakeholder Consultation</b> <ul style="list-style-type: none"> <li>public consultation with stakeholder to relevant agency in Sorolangan Regency</li> </ul>	<b>BLI</b>
08.00 – 12.00	<b>Field Observation to Pelakar Estate</b> <b>Aspect to be verified :</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>MAY / ALS</b>  <b>RIU</b>  <b>MAY / ALS</b>  <b>RIU</b> <b>MAY / ALS</b> <b>RIU</b>
12.00 – 14.00	<ul style="list-style-type: none"> <li><b>Break</b></li> </ul>	<b>All Auditor</b>
14.00 – 16.15	<b>Field observation to Pelakar MILL :</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> </ul>	<b>RIU</b>  <b>BLI / ALS</b>  <b>BLI / ALS</b>
14.00 – 16.15	<b>Stakeholder Consultation</b> <ul style="list-style-type: none"> <li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders</li> </ul>	<b>MAY</b>

DATE	05 – 09 December 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.15 – 17.00	Presentation of Daily Progress	ALL AUDITOR
WEDNESDAY, 07 DECEMBER 2022		
08.00 – 12.00	<b>Field Observation to Batang Merangin Estate</b> <b>Aspect to be verified :</b> <ul style="list-style-type: none"><li>- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li><li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li><li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li><li>- Implementation of Occupational Health &amp; Safety Aspect</li><li>- Implementation of Employment Procedure and Mechanism Aspect</li><li>- Observation of Workers Facilities (Housing, School, Worship Place).</li></ul>	MAY / ALS BLI  MAY / ALS  BLI MAY / ALS BLI
08.00 – 12.00	<b>Stakeholder Consultation</b> <ul style="list-style-type: none"><li>• Stakeholder consultation to affected communities surrounding the plantations and previous land owner</li></ul>	RIU
12.00 – 14.00	Break	
14.00 – 16.15	<ul style="list-style-type: none"><li>• Verification of stakeholder consultation result and field visit.</li><li>• Document review and completing audit checklist.</li></ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"><li>• Presentation of Daily Progress</li></ul>	
THURSDAY, 08 DECEMBER 2022		
08.00 – 11.30	<ul style="list-style-type: none"><li>• Verification of stakeholder consultation result and field visit.</li><li>• Document review and completing audit checklist.</li></ul>	All Auditor
11.30 – 14.00	Break	
14.00 – 16.15	<ul style="list-style-type: none"><li>• Verification of stakeholder consultation result and field visit.</li><li>• Document review and completing audit checklist.</li></ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"><li>• Presentation of Daily Progress</li></ul>	
FRIDAY, 09 DECEMBER 2022		
08.00 – 09.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
09.00 – 10.00	<b>Closing Meeting</b> <ul style="list-style-type: none"><li>• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, TimeLine of CAR's, Conclusion)/</li><li>• Comments, Responses and Questions</li></ul>	



DATE	05 – 09 December 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
10.00 – 16.00	PT KRESNA DUTA AGROINDO → JAMBI	All Auditor
17.30 -	JAMBI → JAKARTA	