

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management Organisation : **Kenanga Palm Oil Mill – PT Kencana Graha Permai subsidiary of Golden Agri Resources Ltd**

Plantation Name : **PT Kencana Graha Permai supply base of Kencana Estate and Cendana Estate**

Location : Village of Randai, Sub District of Marau, District of Ketapang, Province of Kalimantan Barat, Indonesia

Certificate Code : MUTU-RSPO/153

Date of Certificate Issue : 01 August 2022 Date of License Issue : 31 October 2023

Date of Certificate Expiry : 31 July 2027 Date of License Expiry : 31 July 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 1.1	03 – 07 July 2023	Leonada (RSPO Lead Auditor Witnessing), Rindu Galih Rezza Rachmansyah (Lead Auditor Witnessed), Fauzi Prima Sanusi, Benli Manurung, Riska Pangestika Imaniar	Moh Arif Yusni	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.1	27 October 2023

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 on March 12th, 2014 with registration number **ASI-ACC-055**

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Figure 1. Location Map of PT. Kencana Graha Permai – Kenanga Mill

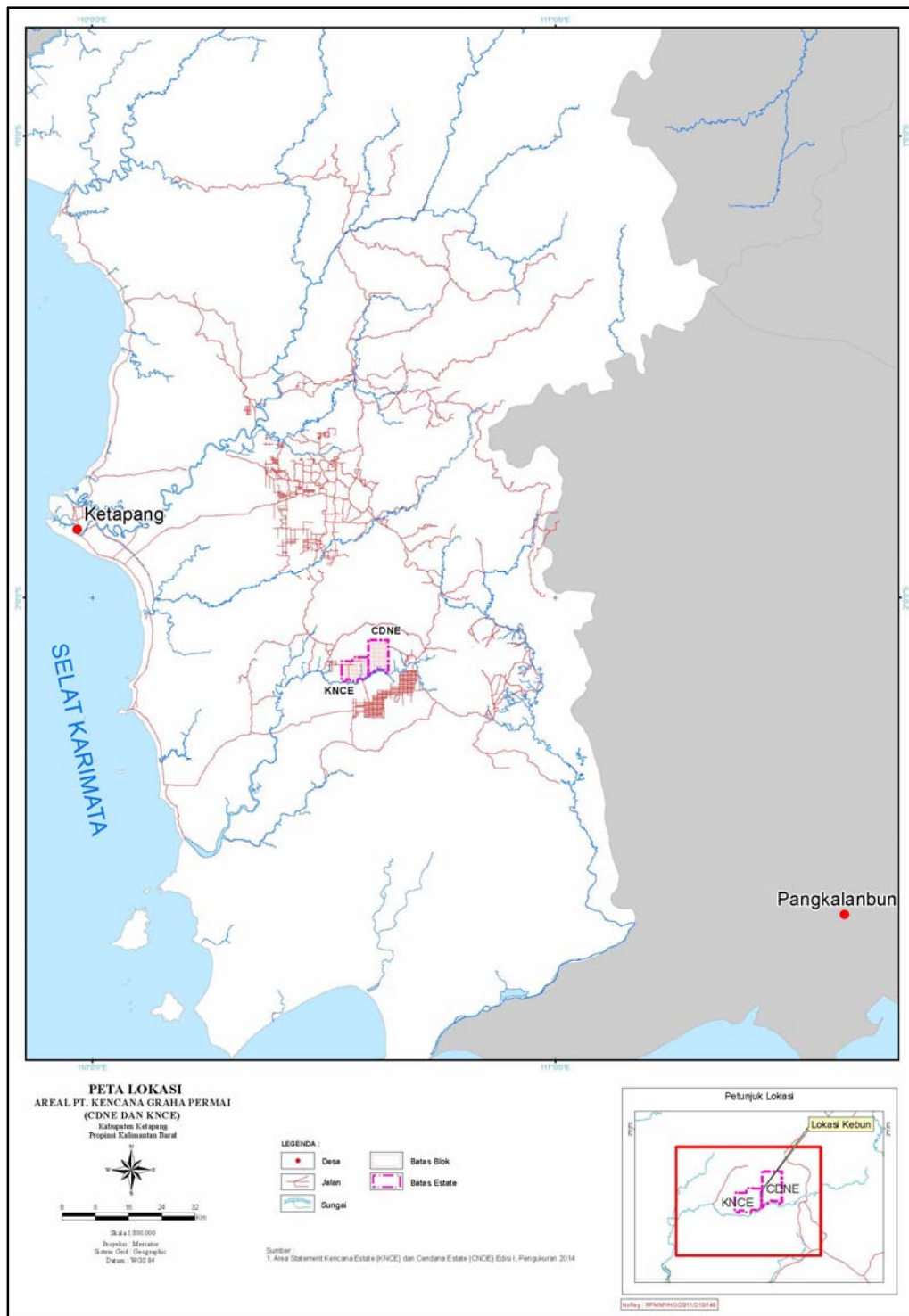
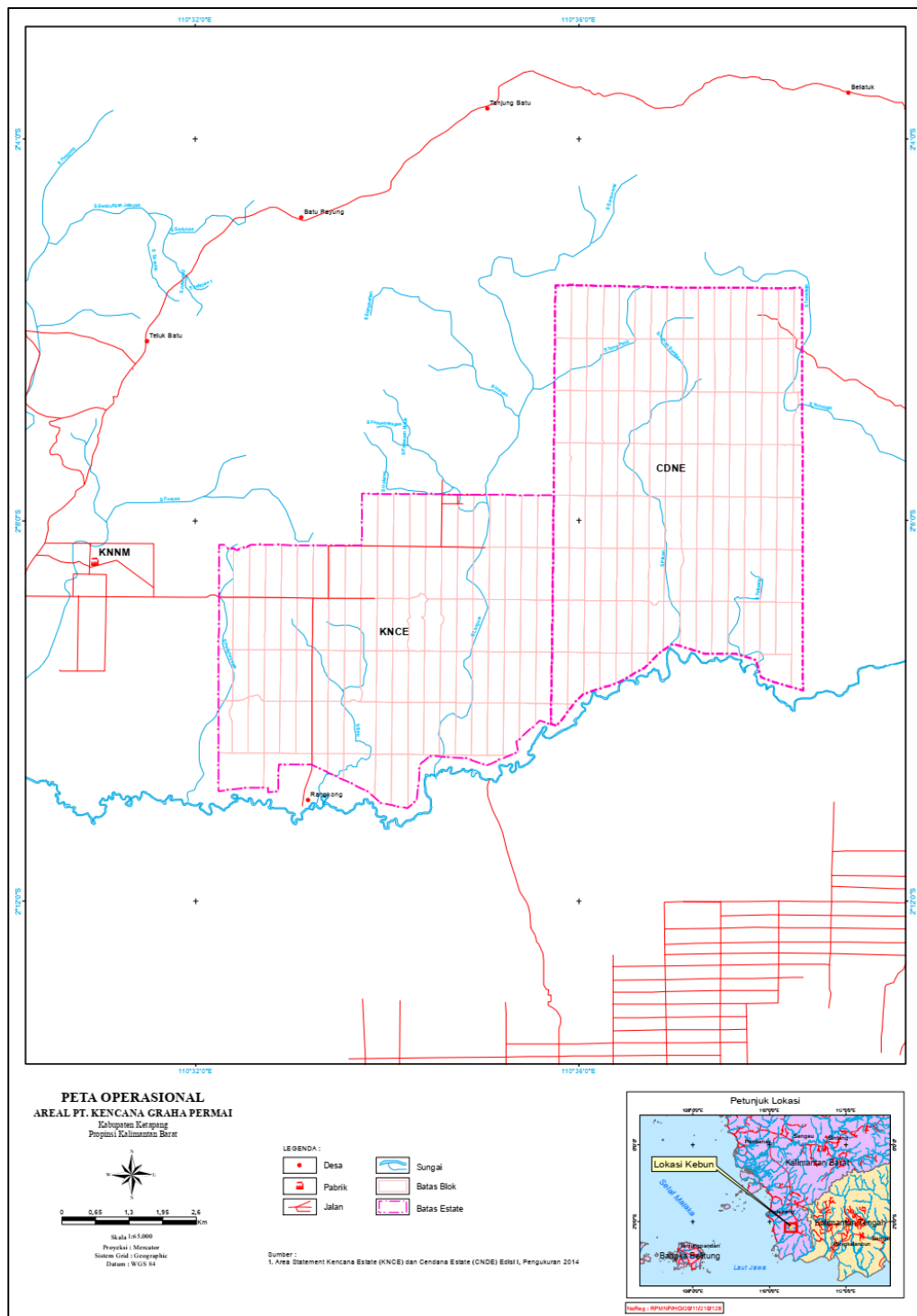


Figure 2. Operational Map of PT. Kencana Graha Permai – Kenanga POM



Abbreviations Used

ANDAL	:	Environmental Impact Analysis (<i>Analisis Dampak Lingkungan</i>)
AMDAL	:	Environmental Impact Analysis (<i>Analisis Mengenai Dampak Lingkungan</i>)
BKSDA	:	<i>Badan Konservasi Sumber Daya Alam</i> (Natural Resource Conservation Agency)
BKPM	:	<i>Badan Koordinasi Penanaman Modal</i> (Investment Agency)
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Administrator)
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CDNE	:	Cendana Estate
CEO	:	Chief Executive Officer
CLA	:	Collective Labour Agreement
CITES	:	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CNG	:	Cahaya Nusa Gemilang
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	Commanditaire Vennootschap (Business Entity)
FFB	:	Fresh Fruit Bunch
GAR	:	Golden Agri Resources Ltd.
GPS	:	Global Positioning Systems
GSEP	:	GAR Social and Environmental Policy
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Rights)
ID	:	Identity
ISBPPR/HIRAC	:	Hazard Identification Risk Assessment & Control
IUP	:	Izin Usaha Perkebunan (Plantation Permit)
IUCN	:	International Union for Conservation of Nature and Natural Resources
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
KGP	:	Kencana Graha Permai
KNCE	:	Kencana Estate
KNNM	:	Kenanga Mill
kWh	:	Kilo Watt Hour
LA	:	Land application
LUCA	:	Land Use Change Analysis
Jamsostek	:	<i>Jaminan Sosial dan Ketenagakerjaan</i>
MB	:	Mass Balance
MT	:	Metric Ton
MUSRENBANGDES	:	<i>Musyawarah Rencana Pengembangan Desa</i>
OHS	:	Occupational Health and Safety
OIA	:	Operational Internal Auditor
OSH	:	Occupational Safety and Health
OSS	:	Online Single Submission
P2K3	:	Panitia Pembina Keselamatan dan Kesehatan Kerja (OHS Committee)
PKHL	:	<i>Perjanjian Kerja Harian Lepas</i> (Casual Worker Agreement)
PCDV	:	Policy and Compliance
PIC	:	Person in Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i> (Collective Labour Agreement)
POM	:	Palm Oil Mill

PPE	:	Personal Protective Equipment
RKL	:	Environmental Management Plan (<i>Rencana Pengelolaan Lingkungan</i>)
RPL	:	Environmental Monitoring Plan (<i>Rencana Pemantauan Lingkungan</i>)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, threatened and endangered
SCCS	:	Supply Chain Certification Standard
SDS	:	Safety Data Sheet
SPM	:	Serikat Pekerja Mandiri (Labour Union)
SJA	:	Satrindo Jaya Agropalma
SMART	:	Sinar Mas Agro Resources and Technology
SMK3	:	<i>Sistem Manajemen Keselamatan dan Kesehatan Kerja</i> (Occupational Safety and Health Management System)
SOP	:	Standard Operating Procedure
SPO	:	Sustainable Palm Oil
UKL	:	Environmental Management Plan (<i>Upaya Pengelolaan Lingkungan</i>)
UPL	:	Environmental Monitoring Plan (<i>Upaya Pemantauan Lingkungan</i>)
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> <i>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</i> <i>RSPO Certification System for Principles and Criteria, 14 June 2017</i> 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Kenanga Mill – PT Kencana Graha Permai, subsidiary of Golden Agri Resources Ltd	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	Organisation address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia	
1.2.4	Telephone	(+62-21) 5033 8899 ext 1184	
1.2.5	Fax	(+62-21) 5038 9999	
1.2.6	E-mail	yahya.mustakim@sinar-mas-agri.com	
1.2.7	Web page address	www.goldenagri.com.sg	
1.2.8	Management Representative who completed the application for certification	Yahya Mustakim (Head of Sustainability Management System and Certification Operations Sustainability)	
1.2.9	Registered as RSPO member	1– 0096 – 11 – 000 – 00; 30 January 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill (Kenanga Mill) and it's supply base, i.e.: Kencana Estate and Cendana Estate 2	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Kenanga POM	Randai Village, Marau Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 08' 26" E 110° 30' 57"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Kencana Estate	Rangkung Village, Marau Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 08' 01" E 110° 34' 42"
	Cendana Estate	Belaban Village, Marau Sub District, Ketapang District, Kalimantan Barat Province, Indonesia	S 02° 06' 22" E 110° 36' 30"

1.5	Description of Area Statement						
1.5.1	Tenure						
	• State HGU HGB			6,835.54 Ha 16.73 Ha			
	• Community			- Ha			
1.5.2	Area Statement						
	Total area (HGU + HGB)			6,852.27		Ha	
	Mill (HGB)			16.73		Ha	
	Mature area			5,628.15		Ha	
	Emplacement			37.54		Ha	
	Road			223.08		Ha	
	Ditch/Swamp/River			32.91		Ha	
	Reserve Area			899.46		Ha	
	Others Area			3.34		Ha	
	Air Strips			11.06		Ha	
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Kencana Estate		Cendana Estate		Total	
	2007	798.15	659.80	1,457.95			
	2008	920.99	1,028.44	1,949.43			
	2009	698.67	839.00	1,537.67			
	2010	316.00	154.86	470.86			
	2011	-	172.18	172.18			
	2012	-	40.06	40.06			
	Sub Total Mature	2,733.81	2,894.34	5,628.15			
	-	-	-	-			
	Sub Total Immature	-	-	-			
	TOTAL	2,733.81	2,894.34	5,628.15			
1.6.2	New Planting area after January 2010		683.10 Ha				
1.6.3	Planting Cycle		1 st 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 (%)
	Kenanga	80	305,904.380	66,020.86	21.55	17,125.229	5.59

	<i>*Production data source from 12 months before assessment (July 2022 – June 2023)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted / Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/h a/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Kencana Estate	3,260.42	2,733.81	52,846.73	19.33	52,846.73	100
	Cendana Estate	3,591.85	2,894.24	57,293.98	19.80	57,293.98	100
	TOTAL	6,852.27	5,628.15	110,140.71	19.57	110,140.71	100
	<i>*Production data source from 12 months before assessment (July 2022 – June 2023)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Kencana Smallholder	Scheme Smallholder	-	1,017.88	6,473.12		
	Kenanga Smalholder	Scheme Smallholder	-	278.79	15,912.32		
	Delima Estate	Subsidiary of Golden Agri Resources Ltd	-	1,889.99	42,382.81		
	Kenanga Estate	Subsidiary of Golden Agri Resources Ltd	-	2,246.27	29,279.21		
	Cahaya Indah Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	1,981.16		
	Berkah Sumber Kyai Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	3,472.30		
	Sawit Sarana Makmur Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	741.94		
	Mandiri Sejahtera Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	24,841.40		
	Pelakauan Sungai Sembatu Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	42,669.98		
	Benua Jelai Bersinar Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	22,172.47		
	Konsumen Benuak Harapan Baru Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	3,611.81		
	Produsen Tiga Batu Putih Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	753.35		
	Sinar Lempe Mandiri Cooperative	Supplier of PT Kreasi Agro Serasi	-	-	1,471.80		
	TOTAL					195,763.67	
	<i>*Production data source from 12 months before assessment (July 2022 – June 2023)</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (July 2022 – June 2023) (MT)		
	FFB Processed		139,923.47		110,140.71		
	CPO Production		31,196.34		23,908.03		
	Palm Kernel (PK) Production		8,166.44		6,181.79		

1.8.2	Product selling							
	Type of selling product	Actual selling product for last year (July 2022 – June 2023) (MT)						
	CSPO sold as RSPO certified product	20,655.70						
	CSPK sold as RSPO certified product	5,261.05						
	CSPO sold under other scheme	-						
	CSPK sold under other scheme	-						
	CSPO sold as conventional	-						
	CSPK sold as conventional	-						
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted / Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Kencana Estate	3,243.69	2,733.81	58,000	21.22			
	Cendana Estate	3,591.85	2,894.24	62,000	21.42			
	TOTAL	6,835.54	5,628.15	120,000	21.32			
	*Projected FFB production for 12 months of certificate (July 2023 – June 2024)							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	Extraction (%)	Palm Kernel Out put (tonnes)	Extraction (%)	Supply Chain Module
	Kenanga	80	120,000	25,000	20.83	6,500	5.42	MB
	*Projected CSPO and CSPK production for 12 months of certificate (July 2023 – June 2024)							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	ISPO			Have a ISPO Certificate No. MUTU-ISPO/239 from PT Mutuagung Lestari.				
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)	2024		-			
Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	Sumatera Selatan Province	Certified			
		Bumi Sawit Estate (HGU on progress – 773.39 Ha)	2024		-			

Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	Sumatera Selatan Province	Certified
		Muara Kandis Estate	2013		Certified
		Muara Kandis Estate (HGU on progress – 418.49 Ha)	2023		-
		Muara Tawas Estate (HGU on progress – 57.7 Ha)	2023		-
		Smallholder (KKPA Pandawa)	2024		-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Kalimantan Tengah Province	Certified
		Sungai Seruyan Estate	2013		Certified
		Terawan Estate	2013		Certified
		Tangar Estate	2013		Certified
		Bukit Tiga Estate	2013		Certified
Bukit Perak Mill (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung Province	Certified
		Bukit Permata Estate	2013		Certified
		Bukit Permai Estate (PT Agrolestari Subur Sejahtera)	2024		-
		Bukit Lestari estate (PT Agrolestari Hijau Sentosa)	2024		-
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Bangka Belitung Province	Certified
		Tanjung Rusa Estate	2013		Certified
		Tanjung Rusa Estate (HGU on process 48.81 Ha)	2024		-
		Tanjung Sawit Estate (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Sawit Plasma (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Rusa KKPA	2024		-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung Province	Certified
		Sungai Buaya Estate (HGU on process – 99,89 Ha)	2024		-
		Smallholder (KKPA Gedung AJi Lama)	2014		Certified
		Smallholder (KKPA Mesuji)	2014		Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung Province	Certified
		Sungai Merah Estate (HGU on process – 241.54 Ha)	2024		-

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

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

		Manuhing KKPA	2025		-
Sako Mill (PT Adi Tunggal Mahajaya)	2025	Mentaya Estate	2025	Kalimantan Tengah Province	ST-1
		Kuayan Estate	2025		ST-1
		Sako Plasma	2025		-
		Sungai Ayawan Estate	2025		-
		Sungai Nusa Estate	2025		-
Padang Halaban Mill (PT SMART Tbk)	2011	Padang Halaban Estate	2011	Sumatera Utara Province	Certified
		Pernantian Estate	2011		Certified
		Adipati Estate	2011		Certified
		Kanopan Ulu Estate	2011		Certified
Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	Kalimantan Selatan Province	Certified
		Batu Mulia Estate	2012		Certified
		Sungai Panci Estate	2012		Certified
		Sungai Panci KKPA	2012		Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	Kalimantan Selatan Province	Certified
		Kintapura Estate	2012		Certified
		Kintapura Estate (HGU on process - 636.33 Ha)	2024		-
Langga Payung Mill (PT Tapian Nadenggan)	2012	Langga Payung Estate	2012	Sumatera Utara Province	Certified
		Paya Baung Estate	2012		Certified
		Normark Estate	2012		Certified
Hanau Mill (PT Tapian Nadenggan)	2012	Hanau Estate	2012	Kalimantan Tengah Province	Certified
		Tasik Mas Estate	2012		Certified
		Tanjung Paring Estate	2012		Certified
		Langadang Estate	2012		Certified
		Medang Sari Estate (PT Satya Kisma Usaha)	2025		-
Semilar Mill (PT Tapian Nadenggan)	2013	Semilar Estate	2013	Kalimantan Tengah Province	Certified
		Sei Rindu Estate	2013		Certified
		Mandang Estate (PT Buana Arta Sejahtera)	2013		Certified
		Puri Estate (PT Buana Arta Sejahtera)	2013		Certified
Jak Luay Mill (PT Tapian Nadenggan)	2015	Pantun Mas Estate	2015	Kalimantan Timur Province	Certified
		Jak Luay Estate	2015		Certified
		Jak Luay KKPA	2024		-
		Long Buluh Estate	2015		Certified
		Long Buluh Estate (HGU on progress - 329.66 Ha)	2024		-
		Bukit Subur Estate	2015		Certified

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

Samsam Mill (PT Ivo Mas Tunggal)	2009	Samsam Estate	2009	Riau Province	Certified
		Samsam Estate (HGU on progress – 29.09 Ha)	2024		-
		Kandista Estate	2009		Certified
		Kandista Estate (HGU on progress – 158.46 Ha)	2024		-
		Palapa Estate	2009		Certified
Libo Mill (PT Ivo Mas Tunggal)	2009	Libo Estate	2009	Riau Province	Certified
		Nenggala Estate	2009		Certified
		Nenggala Estate (HGU on progress 419.9 Ha)	2024		-
		Sei Rokan Estate	2009		Certified
		Sei Rokan Estate (HGU on progress – 102.7 Ha)	2024		-
		Sungai Tapung Plasma	2009		Certified
Ujung Tanjung Mill (PT Ivo Mas Tunggal)	2009	Ujung Tanjung Estate	2009	Riau Province	Certified
		Kandis Sejahtera KKPA	2023		-
		Swadaya Mas Bersama KKPA	2023		-
		Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2022		-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Riau Province	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2024		-
		Naga Sakti Estate	2010		Certified
		Naga Sakti Estate (HGU on process – 59.79 Ha)	2024		-
		Rama Bakti Estate	2010		Certified
Kijang Mill (PT Buana Wiralestari Mas)	2010	Kijang Estate	2010	Riau Province	Certified
		Kijang Estate (HGU on process – 56.07 Ha)	2024		-
		Kijang Kencana Plasma	2010		Certified
Ramarama Mill (PT Ramajaya Pramukti)	2010	Ramarama Estate	2010	Riau Province	Certified
		Ramarama Estate (HGU on process – 318.76 Ha)	2024		-
		Amartajaya Plasma	2010		Certified
		Berkat Ridho KKPA	2023		-
		Produsen Rama Sawit KKPA	2023		-
		Smallholder (Ramarama KKPA)	2024		-

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

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

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

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

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

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

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

- PT Sawit Mas Sejahtera (Sawit Mas Estate)
- PT Bumi Sawit Permai (Bumi Sawit Estate)
- PT Djuanda Sawit Lestari (Muara Kandis Estate & Muara Tawas Estate).
- PT Forestalestari Dwikarya (Tanjung Rusa Estate);
- PT Sumber Indah Perkasa (Sungai Merah Estate and Sungai Buaya Estate). Based on the results of the ASA 1.4 audit, it is known that the Sungai Buaya Estate HGU for an area of 99.89 Ha has been issued, namely SK Number 2/HGU/BPN.18/2019 on June 12 2019 and certificate No. 36 of 2019 for an area of 26.18 Ha with a date of issue August 20, 2019 with a validity period of up to June 12, 2049. For an area of 73.71 Ha, HGU certificates have been issued with Certificate Number 37 of 2019 (Decree Number 1/HGU/BPN.18/2019 on June 12, 2019) with the date of issue 20 August 2019 with validity period until 12 June 2049. For Sungai Merah Estate HGU has also been issued, namely SK HGU No. 1/HGU/BPN.18/2018 dated 8 November 2018 for an area of 241.54 Ha and HGU certificate No. 82 of 2019 area of 2,415,400 M2. The issuance date of the certificate is March 06, 2019 and the period of expiry of the rights is November 08, 2049.
- PT SMART Tbk (Kinta Pura Estate)
- PT Tapan Nadengan (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 Tapan Nadengan (Sei Rindu Estate)

	<ul style="list-style-type: none"> PT Kruing Lestari Jaya (Sungai Perak Mill and supply base), doesn't have land use title (HGU), the HGU is still on process
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard
	Smallholder under PT KGP are full managed by the company and planned to be certified on 2023.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 1.1	<p>1. Leonada (Lead Auditor Witneeing). Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, lead auditor ISO 9001; 2008, ISO 14001; 2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor. During audit he is witneeing Rindu Galih Reza as development programs</p> <p>2. Rindu Galih Rezza Rachmansyah (Lead Auditor Witnessed) 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, Lead Auditor RSPO-SCCS, RaCP & 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 assessment, he assigned to verification towards Legality Aspect, SCCS, Time Bound Plan, BMP, OHS Social & Partial Audit.</p> <p>3. Fauzi Prima Sanusi (auditor). Indonesian citizens. Bachelor of Forestry. Has work experience in the field of HSE, Environmental NGOs, attended training including Proper Training, General Helath and Safety Expert, Biodiversity Study, HCV, Water and Air Monitoring Management, ISO 14001: 2004 Auditor, FSC Auditor, Sustainable Forest Management Auditor 2014, ISPO Auditor 2018, Forest and Land Fire Control Training 2014, has participated in audit activities for SFM Since 2016 FSC Audit 2017, ISPO Audit 2019. During assessment, he assigned to verification towards Environment, conservation and GHG.</p> <p>4. Benli Manurung (Auditor) 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 training he has attended include: ISPO, RSPO, Lead auditor of ISO 9001: 2015; ISO 14001: 2015, IHT Health & Safety Aspect and Best Management Practice. Has participated in several audit activities since 2016 in the field of Best Management Practice, Health & Safety Aspect and Worker Welfare. During assessment, he assigned to verification towards Worker Welfare, Social and Transparency.</p> <p>5. Riska Pangestika Imaniar (Auditor Trainee). Bachelor of Agriculture, Department of Soil. Has training in Lead Auditor ISO 14001: 2015, Lead Auditor ISO 9001: 2015, Awareness ISO 19011: 2018, Awareness ISO 17021: 2015, and Awareness ISO 14020 series. Has carried out environmental audit activities ISO 14001: 2015 related to EMS. During this audit, an assessment was made in the field of best management practices and OHS aspects under the supervision of the Lead Auditor.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 1.1	<p>Number of auditors: 3 auditors and 1 trainee auditor.</p> <p>Number of days for RC Onsite Audit: 4.5 days</p> <p>Number of working days for ASA 1.1 Onsite Audit: 12 Working days</p>
2.2.2	Assessment Process
ASA 1.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Kencana Graha Permai to the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</p>

For this section (ASA-1.1) The assessment was conducted in three methods: 1) document review, aiming to observe the sufficiency of types or substances from required documents, 2) Video Observation, 3) Stakeholders Consultation by Phone. Improvement of findings from recertification findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of RC Remote Audit report.

The opening meeting was held on 17 November 2020 at 08.00 am through a teleconference (Skype for Business). As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, RC, PC, Support Team from sustainability department and other relevant staff. while the closing meeting will take place on 20 November 2020 at 16 pm. attended by the same participants as the opening meeting. Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well using email or cloud drive.

Some opportunities for improvement of the results ASA-1.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.2).

Improvement of findings from RC findings were observed by auditors at this ASA-1.1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of RC.

There is no reduction or extension scope. Certification unit also agree with the audit conclusion and the audit is done according to the audit plan.

The assessment program please find Appendix 2.

2.2.3 Locations of Assessment

ASA 1.1

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

Kenanga POM

- **Land Application.** Observation of flatbed conditions, indications of POME spills or overflows, and interviews with workers regarding duties, responsibilities and labor aspects.
- **Hazardous Waste Temporary Storage.** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **Solar Tank.** Observations related to material handling, OHS and environmental management.
- **Hazardous Waste Temporary Storage.** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **Water Treatment Plant (WTP).** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **POM Housing Complex.** Observation the condition of residential buildings, managing domestic waste, sanitation, public facilities, and clean water and electricity facilities
- **Waste Water Treatment Plant (WWTP).** Observation of sewage pond conditions, pump and flow meter conditions, waste overflow potential and interviews with WWTP officers related to OHS, liquid waste management techniques, and employment
- **Security Pos.** Interviews related to the technique of receiving FFB, completeness of fruit delivery letters, employment and worker facilities as well as the scope of security duties
- **Weighbridge.** Interview with the weighing officer regarding the completeness of the fruit delivery letter, marking of certified and non-certified FFB and CPO as well as technical weighing and employment
- **Sortation.** Observation and interview related to work procedure, OSH, worker welfare, and ethic.
- **Sterilizer.** Observation and interview related to work procedure, OSH, and worker welfare.
- **Tipler Station.** Observation related work practices according to procedures and OHS aspect.
- **Press station** Observations and interview related to best practices, OHS, license, and employment

- **Engine room.** Observation and interview related to work procedure, OSH, and worker welfare.
- **Kernel station.** Observation and interview related to work procedure, OSH, and worker welfare.
- **Boiler station.** Observation and interview related to work procedure, OSH, and worker welfare.
- **Hydrant simulation.** Observation related emergency response, readiness of firefighting equipment

Kencana Estate

- **Clinic.** Observations and interviews of health, environmental, training, and employment facilities.
- **Workshop.** Observations and interviews related to OSH and worker welfare.
- **Temporary Storage of Hazardous Waste.** Observations and interviews for OHS, materials handling and Hazardous waste management.
- **Fuel Warehouse.** Observations for material handling and OHS.
- **Oil Warehouse.** Observations for OHS, Handling of hazardous materials and PPE.
- **Chemical warehouse.** Observations and interviews for material handling, OHS, and hazardous materials handling.
- **PPE storage.** Observations related to the management of agrochemical materials and waste, SDS, emergency response facilities.
- **Fertilizer warehouse.** Observation of material handling, OHS, and handling of hazardous materials.
- **Firefighting warehouse and simulation.** Material handling observations for OHS and simulations.
- **Daycare.** Observations and interviews with workers related to labor and OHS aspects.
- **Employee Housing (Pondok II).** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Landfills Divisi 3 Block J36.** Observations related to domestic waste management.
- **Rinse House.** Observations and interviews related to OSH and worker welfare.
- **Child Care Center (Big and Small).** Observations regarding facilities and infrastructure for employee welfare
- **Spraying at Block H37 Divisi III.** Observation and interviews with workers related to spray techniques, spray bans, health checks, OHS and employment,
- **Harvesting activities in block K37/38 Division III.** Interviews with harvest workers about harvesting techniques, quality of FFB, grading of harvested FFB, wage and premium systems, employment and OHS
- **HGU Pole No. 054 and 055.** Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties
- **HCV Area Langsat River. Block L32/33 Division IV.** Observation related to HCV management and potential pollution.
- **HCV Area Biru River. Block K25 Division II.** Observation related to HCV management and potential pollution.
- **HCV Area Bukit Mengkabang Block L20 Division II.** Observation related to HCV management, potential pollution, and the local wisdom.
- **Location of Tyto alba Block I33 Division III.** Observation of barn owl box location and traces of Tyto alba's presence
- **Beneficial Plant. Block J26 Division III.** Field observations of beneficial plant variety and circumstances

Cendana Estate

- **HGU Stakes No. 114 at Blok D55.** Observations related to the legal boundaries of the company's operational land.
- **HGU Stakes No. 24 at Blok D54.** Observations related to the legal boundaries of the company's operational land.
- **HGU Stakes No. 25 at Blok E55.** Observations related to the legal boundaries of the company's operational land.
- **Conservation Area (Hill Area) at Blok H47.** Observations related to conservation area management.
- **Conservation Area (Hill Area) at Blok I45.** Observations related to conservation area management.
- **Conservation Area (Riparian Area) at Blok I51.** Observations related to conservation area management.
- **Conservation Area (Forest Area) at Blok E47.** Observations related to conservation area management.
- **Enclave Area at Blok E46.** Observations related to HGU areas controlled by the community.
- **Clinic.** Observations and interviews of health, environmental, training, and employment facilities.
- **Workshop.** Observations and interviews related to OSH and worker welfare.

- **Temporary Storage of Hazardous Waste.** Observations and interviews for OHS, materials handling and Hazardous waste management.
- **Fuel Warehouse.** Observations for material handling and OHS.
- **Oil Warehouse.** Observations for OHS, Handling of hazardous materials and PPE.
- **Chemical warehouse.** Observations and interviews for material handling, OHS, and hazardous materials handling.
- **PPE storage.** Observations related to the management of agrochemical materials and waste, SDS, emergency response facilities.
- **Fertilizer warehouse.** Observation of material handling, OHS, and handling of hazardous materials.
- **Firefighting warehouse and simulation.** Material handling observations for OHS and simulations.
- **Daycare.** Observations and interviews with workers related to labor and OHS aspects.
- **Employee Housing (Pondok II).** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Landfills Divisi 3 Block J36.** Observations related to domestic waste management.
- **Rinse House.** Observations and interviews related to OSH and worker welfare.
- **Child Care Center (Big and Small).** Observations regarding facilities and infrastructure for employee welfare
- **HGU Pole No. 114,024 and 025.** Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties
- **Landfill in Block E 47 Divisi III.** Observation of the condition of the landfill, the type of waste disposed of, the potential for contamination and the safety of the facility
- **HCV Area 4.2 Bukit Pundu Blok H 47.** Observation of the condition of the HCV area, vegetation, presence of HCV signboards, warnings and prohibitions on the destruction of HCV areas
- **Buffer zone Pikan River at Blok H46.** Observation of the condition of the buffer zone, vegetation, presence of HCV signboards, warnings and prohibitions on the destruction of HCV areas
- **Harvesting and Loose Fruit Picker Block G52/53 Division III.** Interview with harvest workers about harvesting techniques, quality of FFB, grading of harvested FFB, wage and premium systems, employment and OHS
- **Manual Road Maintenance. D47 Division III.** Observation and interview with workers related to work procedures, environmental management, OHS, employment and complain mechanism.
- **Beneficial Plant Maintenance. Block G54 Division III.** Field observations of beneficial plant variety, circumstances, and its maintenance.
- **Location of Tyto alba Block G42 Division IV.** Observation of gupon location and traces of Tyto alba's presence
- **Reserve Area. Block E47 Division III.** Observation related to reserve area's management
- **Enclave Area. Block E46 Division III.** Observation related to enclave area's management

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 1.1	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Kencana Graha Permai was held by:</p> <ul style="list-style-type: none"> • Public consultation meeting with government institution of Ketapang Regency in 04 July 2023 • Public consultation meeting with communities including previous land owner in 04 July 2023 • Public consultation meeting with internal stakeholders and contractor in 04 July 2023 <p>Numbers of input from stakeholders were clarified by PT Mutuagung Lestari</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment

The next visit ASA 1.2 will be conducted eight (8) month to twelve (12) month after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Kenanga POM – PT Kencana Graha Permai subsidiary of Golden Agri Resources Ltd operation consisting of one (1) mill and three (2) oil palm estates.

During the assessment, No nonconformity identified; and two (2) opportunities for improvement were identified.

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

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The company provides types of documents that can be accessed and given to stakeholders was presented in procedure in document No. F/SMART/UMUM/SADV/004/003, updated on January 2022. The list of information for stakeholders, such as employee list, NPWP, local tax payment / levy, environmental documents, company establishment deed and amendments, production area data and fertilizer application, High Conservation Value reports, Social Impact Assessment reports, social activity documents, work accident reports, OHS reports, improvement program documents, RSPO audit report documents, human rights policy documents. If the information requested is not included in the list of information, it is necessary to consider top management first such as Land Titles/user Rights, Pollution Prevention and reduction Plans, Details of complaints and grievances, Negotiations Procedure</p>	
1.1.2	<p>Based on the results of interviews with management, information was obtained that all publicly available documents are information that can be accessed by the public by submitting an official letter requesting information or documents that are mandatory reports. The unit of certification can show evidence that information has been received in an appropriate form and language regarding stakeholder engagement, company rights and obligations that are conveyed to all relevant stakeholders, among others:</p> <p><u>Compliance with Social and Environment Regulation</u></p> <ul style="list-style-type: none"> Addendum to the <i>AMDAL</i> regarding the addition of PT KGP 800 Ha plantation area to a total of 10,800 Ha and a mill capacity of 80 Tons of FFB/hour based on the Recommendation Letter of the West Kalimantan Provincial AMDAL Assessment Commission Number 660.1/1340/DPRKLH-B dated 25 April 2017. Decree of Environmental Feasibility Number 456/PERKIMLH-C/2017 dated August 21, 2017 based on the decision of the Ketapang Regent for PT KGP Oil Palm Plantation in Marau District, Ketapang Regency regarding the addition of a plantation area of 800 Ha (733 Ha effective area, 67 Ha of bridges, river banks, and others). Environmental Permit Number 1383/DPMPSTP-D/2017 dated 26 September 2017 based on the Decree of the Regent of Ketapang concerning Oil Palm Plantation Activities by PT KGP located in Marau District, Ketapang Regency for a total area area of 10,800 Ha and OPM with a capacity of 80 tons/hour. Report on the Identification and Analysis of the Existence of High Conservation Values (HCV) in the Permit Area of 	

PT. Kencana Graha Permai Ketapang Regency, West Kalimantan Province in collaboration with the Faculty of Forestry IPB in 2011.

- PT KGP 2014 Social Impact Identification Study of the Palm Oil Plantation and Mill (SIA) by the Division of Internal Sustainability Department (Team SIGS).

Compliance with OHS Regulation:

- OHS Report of PT KGP - Kenanga Mill Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- OHS PT KGP – Kencana Estate Report for Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- PT KGP's OHS Report – Cendana Estate Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- Reporting of PT Kencana Graha Permai Fire Prevention for 1st Semester of 2023 was reported to the Ketapang Regency Plantation Service and the Ketapang Regency Residential and Environmental Public Housing Service on January 26, 2023.

Compliance with BMP Regulation:

- PT KGP's 1st Quarter 2023 Plantation Business Assessment Report to the Ketapang Regency Agriculture, Livestock and Plantation Service on 17 May 2023.

Compliance with manpower Regulation:

- Mandatory Manpower Report with reporting number 78863.20221026.0002 for the Kencana Estate, Cendana Estate and Kenanga Mill units with a report date of October 26, 2022 and report back on November 26, 2023.
- Reporting of contract workers and daily workers for the Kencana and Delima Estate units with document number B/8/DISNAKERTRANS-B.500.10.26.1/VI/2023 of 220 contract workers and daily workers who were reported on 05 June 2023 to the Office of Manpower and Transmigration, Ketapang Regency, West Kalimantan Province.
- Reporting of contract workers and daily workers for Kencana and Delima Estate units with document number B/4/DISNAKERTRANS-B.500.10.26.1/VI/2023 as many as 28 contract workers with yield units reported on 05 April 2023 to the Manpower Office and Transmigration, Ketapang Regency, West Kalimantan Province.

Legal Aspect:

- HGU Utilization Report of PT Kencana Graha Permai period of 2022 reported to National Land Agency of Ketapang Regency in 16 January 2023.
- Investment Progress Report of PT Kencana Graha Permai (Plantation) period of 1st Quarter 2023 reported online to Investment Minister in 10 April 2023.
- Investment Progress Report of PT Kencana Graha Permai (Palm Oil Mill) period of 1st Quarter 2023 reported online to Investment Minister in 10 April 2023.
- CSR Report of PT Kencana Graha Permai period of 2022 reported to Governor of Kalimantan Barat on 03 April 2023.
- Progress Report on Implementation of Plantation Business Permit Activities for Quarter 1 of 2023 (January-March) of PT Kencana Graha Permai to the Agriculture, Livestock and Plantation Agency of Ketapang Regency on 17 May 2023.

1.1.3

The company already has a mechanism related to recording requests for information and providing responses as contained in Communication and Consultation SOP No. SOP / SMART / UMUM / SADVI / 004, 1 July 2014. Responses no later than 3 weeks after receipt of the letter. To ensure that any information can be received and responded to properly.

Records related to requests for information and responses are contained in the Document of Communication and Consultation Logbook. The document informs the letter number, date of the letter, and the required information.

Company showing The Communication and Consultation Book contains information on the date, name of the reporter, address, subject matter and Actions:

- a. Batu Payung Dua Village Government Letter Number 01/BP2/044/2023, April 1, 2023, regarding Football Funding Assistance, the company responded to on April 5, 2023 with the approval of financial assistance for

organizing Football Tournaments.

- b. Letter from Temanggung Adat Dusun Balapan-Pasir English Belaban Village, Marau District, dated May 2, 2023, regarding a request for financial assistance for ADAT Sapat Taun Takar Pati'q activities, the company responded on May 5, 2023 in the form of approval for funding for ADAT activities.
- c. Marau 1 State Vocational High School letter, regarding the application for Student Internship at the Company, was responded to by the company on May 12, 2023 in the form of approval to accept 5 students as apprentices.

1.1.4

The company already has a mechanism related to recording requests for information and providing responses as contained in Communication and Consultation SOP No. SOP / SMART / UMUM / SADVI / 004, 1 July 2014. Responses no later than 3 weeks after receipt of the letter. To ensure that any information can be received and responded to properly.

Records related to requests for information and responses are contained in the Document of Communication and Consultation Logbook. The document informs the letter number, date of the letter, and the required information.

1.1.5

The company already has a list of PT KGP stakeholders for 2023 which is contained in the document list of stakeholders for the Kenanga Mill, Kencana Estate and Cendana Estate units. while PT KGP's stakeholders include the Regent of Ketapang. Superintendent of the Office of Social Affairs, Manpower and Transmigration, the Office of Agriculture, Livestock and Plantations, BPPD, the Service for the Environment, the Marau District Government, the Police, Blaban Village, the Palm Oil Community Circle and the Environmental Testing Laboratory, totalling 90 stakeholders.

Status: Comply

1.2

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

1.2.1

PT. KGP already has a written document "Code of Integrity and Ethical Behavior Policy" made on November 1, 2015 and signed by the Regional Controller. The contents of the Code of Integrity and Ethical Behavior consist of 4 points, namely:

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

The company does not tolerate bribery and corruption in any form. Any employee who is found to be involved in a bribery or corruption case will be given strict sanctions by the company and punished according to the applicable laws and regulations.

1.2.2

The company already has a system to monitor compliance and implementation of these policies by carrying out contractor evaluations, for example, which are carried out every month and the company can show examples of contractor evaluations sampled by the auditor, namely April 28, 2023 and May 10, 2023. The results of the contractor evaluation are that the contractor has fulfilled, among others:

- Integrity
- Rejection of Bribery and Corruption
- Not involved in money laundering
- Fair competition.

Based on this explanation, the company already has a system to monitor compliance and implementation of code of ethics policies.

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 Kenanga POM certification unit is under the company PT Kencana Graha Permai, in compliance with the compliance, the company has complied with all relevant laws and regulations. Based on the results of interviews with management, information was obtained that all publicly available documents are information that can be accessed by the public by submitting an official letter requesting information or documents that are mandatory reports. The unit of certification can show evidence that information has been received in an appropriate form and language regarding stakeholder engagement, company rights and obligations that are conveyed to all relevant stakeholders, among others:

Compliance with Social and Environment Regulation

The Kenanga POM certification unit is under the company PT Kencana Graha Permai, in fulfilling compliance, the company has complied with all relevant laws and regulations by having the following documents:

- AMDAL documents based on Letter of Approval from the West Kalimantan Provincial EIA Assessment Commission No. 546 of 2008 dated July 7 2008 by the West Kalimantan Provincial Environmental Agency concerning Plantations with an area of 10,000 Ha and Palm Oil Mills with a capacity of 60 Tons of FFB/Hour for PT KGP in Marau District, Ketapang Regency, West Kalimantan.
- Decree of the Ketapang District Office of the Environment Number 660.1/597/KLH-B dated 22 September 2011 concerning Letter of Recommendation on UKL-UPL for Factory Construction Activities and supporting facilities on a 27.64 Ha site by PT KGP. The capacity of the palm oil processing factory built based on the UKL-UPL document is 80 tons of FFB/hour.
- Addendum to the AMDAL regarding the addition of PT KGP's 800 Ha plantation area to a total of 10,800 Ha and a mill capacity of 80 Tons of FFB/hour based on the Recommendation Letter of the West Kalimantan Province AMDAL Assessment Commission Number 660.1/1340/DPRKLH-B dated 25 April 2017.
- Environmental Feasibility Decree Number 456/PERKIMLH-C/2017 dated August 21, 2017 based on the decision of the Ketapang Regent for PT KGP's Oil Palm Plantation in Marau District, Ketapang Regency regarding an additional 800 Ha of plantation area (733 Ha of effective area, 67 Ha of bridges, river banks, and others).
- Environmental Permit Number 1383/DPMPTSP-D/2017 dated 26 September 2017 based on the Decree of the Regent of Ketapang concerning Oil Palm Plantation Activities by PT KGP located in Marau District, Ketapang Regency for a total plantation area of 10,800 Ha and OPM with a capacity of 80 Tons/Hour.
- The 2015 UKL-UPL document for the construction of the Airstrip which has been approved based on the Decree of the Ketapang Regent Number 864/KLH-B/2015 dated 29 December 2015 concerning Environmental Permits for Special Airport Activities/Airstrips by PT. Kencana Graha Permai which is located in Belaban Village, Marau District, Ketapang Regency with an area of 21.72 Ha.
- Environmental Permit Document Number 660.1/33/KLH-B dated 21 January 2016 concerning Issuance of an Environmental Permit to PT Kencana Graha Permai for transportation activities, a special airport or Airstrip with an area of 21.72 Ha in Belaban Village, Marau District.
- Permit document for Temporary Storage of Hazardous and Toxic Waste in accordance with the Decree of the Head of the Investment Service, One Stop Service for Ketapang Regency Number 660.1/192/DPMPTSP-D/2020 dated 29 June 2020 concerning Operational Permit for Management of Hazardous and Toxic Waste for Hazardous Waste Producers to PT Kencana Graha Permai. This permit is valid for a period of 5 years. The permit documents cover 4 Hazardous Waste Storage Warehouses owned by the company located in the PKS Kenanga, Kencana Estate, Cendana Estate and Delima Estate areas.
- Permit document for Utilization of Liquid Waste for Land Application in accordance with the applicable quality standard provisions based on Decree of the Regent of Ketapang No. 758/KLH-B/2016 dated 23 December 2016 concerning Permit for Utilization of Wastewater for Application to Land for Oil Palm Plantation PT Kencana Graha Permai covering an area of 701.77 Ha located in Marau District, Ketapang Regency. The permitted area is in the Kencana Estate and Kenanga Estate (PT Cahaya Nusa Gemilang) covering an area of 701.77 Ha spread over 37 blocks (blocks I, J, K and L). The permit is valid for 5 years from the date of stipulation. Based on this, the Liquid Waste Utilization Permit has expired, but if you refer to the Circular Letter from the Ministry of Environment and Forestry Number SE.2/MENLHK/SETJEN/KUM.1/3/2021 concerning the transitional arrangements for the implementation of PP Number 5 of 2021, PP Number 22 of 2021, and PP Number 23 of 2021 which in general states that all permits related to the environment expire on February 2, 2021, then the license is still valid as long as there

is no change in scope. This was also reinforced based on the results of an interview with the Ketapang Regency Environmental Service which stated the same thing.

- Surface Water Use Permit document based on the Decree of the Minister of PUPR Number 878/KPTS/M/2017 dated 2 November 2017 concerning the Granting of Water Resources Concession Permits to PT KGP for Industrial Businesses in the Puayan River which are valid for 5 (five) years. The permitted discharge quota is 44.32 liters/second or 31,907 m³/month. In connection with the expiry of the surface water concession permit, the company has made efforts to extend it in chronological order as follows:
 - a. On October 3, 2022, D&L (Document & Legal) staff of PT Kencana Graha Permai coordinated with the Kalimantan River Basin Office 1 of West Kalimantan Province for a plan to extend the surface water utilization permit, then was informed by the Ka River Basin Office.
 - b. On October 5, 2022, PT Kencana Graha Permai sent an application for Technical Recommendations for the Utilization of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, with proof of receipt No. 002/KGP-DL7/PNKO/X/2022 on October 6, 2022 in 1 copy by the Rekomtek Technical Representative.
 - c. On December 6, 2022, the Company submitted another request for Technical Recommendations for the Utilization of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, directly.
 - d. On January 25, 2023 The Company submitted a letter confirming the status of the request for Technical Recommendations for the Use of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, with proof of receipt No. 006/KGP-DL7/PNKO/I/2023 on January 27, 2023 in 1 copy by the Rekomtek Technical Representative.
 - e. On March 6, 2023 The company sent back a letter confirming the status of the request for Technical Recommendations for the Use of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, with proof of receipt No. 006/KGP-DL7/PNKO/I/2023 on March 8, 2023 in 1 copy by the Rekomtek Technical Representative.

According to the results of interviews with the D&L (Document & Legal) company, it was explained that until the last letter on March 6, 2023, there had been no response from the Kalimantan River Basin Office 2, Palangkaraya.

Companies are encouraged to open alternative communications to the Kalimantan River Basin Office 2 Palangkaraya to obtain information regarding the surface water permit extension process and the stages of the fulfillment process for the issuance of a surface water concession permit. **(OFI)**

Compliance with OHS Regulation:

- OHS Report of PT KGP - Kenanga Mill Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- OHS PT KGP – Kencana Estate Report for Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- PT KGP's OHS Report – Cendana Estate Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- Reporting of PT Kencana Graha Permai Fire Prevention for 1st Semester of 2023 was reported to the Ketapang Regency Plantation Service and the Ketapang Regency Residential and Environmental Public Housing Service on January 26, 2023.

Compliance with BMP Regulation:

- PT KGP's 1st Quarter 2023 Plantation Business Assessment Report to the Ketapang Regency Agriculture, Livestock and Plantation Service on 17 May 2023.

Compliance with manpower Regulation:

- Mandatory Manpower Report with reporting number 78863.20221026.0002 for the Kencana Estate, Cendana Estate and Kenanga Mill units with a report date of October 26, 2022 and report back on November 26, 2023.
- Reporting of contract workers and daily workers for the Kencana and Delima Estate units with document number B/8/DISNAKERTRANS-B.500.10.26.1/VI/2023 of 220 contract workers and daily workers who were reported on 05 June 2023 to the Office of Manpower and Transmigration, Ketapang Regency, West Kalimantan Province.
- Reporting of contract workers and daily workers for Kencana and Delima Estate units with document number B/4/DISNAKERTRANS-B.500.10.26.1/VI/2023 as many as 28 contract workers with yield units reported on 05 April

2023 to the Manpower Office and Transmigration, Ketapang Regency, West Kalimantan Province.

Compliance with legal aspect**Plantation Business Permit**

- Decree of the Regent of Ketapang No. 223/DISBUN-D/2012 concerning the Granting of an Oil Palm Plantation Business Permit for PT Kencana Graha Permai for an area of 10,000 hectares with a milling capacity of 60 tons of FFB/hour, which was issued in 2012.
- The latest IUP based on the Decree of the Regent of Ketapang No. 1425/DPMTSP-D.B/2017 concerning Amendments to the Decree of the Regent of Ketapang No. 223/DISBUN-D/2012 concerning the Granting of an Oil Palm Plantation Business Permit for PT Kencana Graha Permai for an area of 10,000 hectares with a milling capacity of 80 tons of FFB/hour, which was issued on 12 October 2017.

HGU & HGB

The total HGU owned by the company is 9,332.80 Ha. Meanwhile, the area of HGB is 16.73 Ha, bringing the total area to 9,349.53 Ha. Of the area that is included in the scope of certification is an area of 6,852.27 Ha with the following details:

- Kenanga POM covering an area of 16.73 Ha.
- Kencana Estate covering an area of 3,243.69 Ha.
- Cendana Estate with an area of 3,591.85 Ha.

Plantation Class Assessment

In accordance with the Decree of the Regent of Ketapang No. P/445/DPMTSP-C.446/VI/2023 concerning the Determination of Plantation Business Class dated 05 June 2023 with the result of plantation class: Class II.

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 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 04 January 2023.

Evaluation of law registers for contractors which have been implemented on May 2023 Explanation on contractor compliance is explained in more detail in 2.2.2. In the explanation in indicator 2.2.2, it is known that for now the contractor has fully complied with all relevant laws and regulations in Indonesia, and the company has made several efforts to ensure that the contractor remains obedient and has targeted clear timelines for its fulfilment. So that all regulatory compliance has been properly monitored and has a clear timeline for compliance.

2.1.3

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

The company shows the document for monitoring the HGU stake which is carried out twice a year. The last HGU stake monitoring was carried out in June 2023 for first semester in 2023. The report on the inspection and maintenance of the boundary markers has provided complete information regarding the number of stakes, condition of stakes, location of stakes, coordinates of stakes and corrective actions as well as the target time for repairs if there are damaged or missing

stakes. In the monitoring report, it is known that all HGU stakes are available.

Field observations to several HGU boundary markers in Kencana & Cendana Estate, show that the poles sampled during the audit were available in the field and in well-maintained conditions. Verification using GPS indicates that the pole coordinate is in accordance with the provisions of the land title. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU.

Status: Comply

2.2

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

2.2.1

The company already has a list of contracted parties made in the list of stakeholders for the period June 1, 2023.

The contractors for the PT KGP unit include:

- 9 FFB suppliers.
- 22 contractors and other stakeholders.

From the list of contractors, the company can show a cooperation agreement sampled by the auditor, namely PT Satrindo Jaya Agropalma and PT Kencana Graha Permai with document number No. 002/KGP/JKTO-VII/XII/2019-ATBS made on 02 December 2019 in the field of FFB transportation and the agreement is valid from 02 January 2020 to 31 December 2024.

2.2.2

Companies can show cooperation agreements sampled by auditors namely PT Satrindo Jaya Agropalma and PT Kencana Graha Permai with document number No. 002/KGP/JKTO-VII/XII/2019-ATBS made on 02 December 2019 in the field of FFB transportation and the agreement is valid from 02 January 2020 to 31 December 2024.

From the auditor's verification, the company can also show a statement signed on January 1, 2023 with document number 06/KAS/KNNM/I/2023 and in point 2.9 explaining that the contracted party will not employ children under the age of 18.

The company already has a system to monitor compliance and implementation of these policies by carrying out contractor evaluations, for example, which are carried out every month and the company can show examples of contractor evaluations sampled by the auditor, namely on April 28, 2023 and May 10, 2023 with the results:

- Contractor quality and performance
- Timely completion of work
- Compliance with labor regulations
- Compliance with OHS implementation
- Housekeeping
- Compliance with environmental regulations
- Compliance with business ethics.

2.2.3

Companies can show cooperation agreements sampled by auditors namely PT Satrindo Jaya Agropalma and PT Kencana Graha Permai with document number No. 002/KGP/JKTO-VII/XII/2019-ATBS made on 02 December 2019 in the field of FFB transportation and the agreement is valid from 02 January 2020 to 31 December 2024.

From the auditor's verification, the company can also show a statement signed on January 1, 2023 with document number 06/KAS/KNNM/I/2023 and in point 2.9 explaining that the contracted party will not employ children under the age of 18.

From the results of the auditor's interview with the contractor, information can be obtained that the company has socialized the prohibition of child labor and if the contractor violates it, the company will be subject to sanctions.

Status: Comply

2.3
All FFB supplies from outside of the unit of certification are from legal sources.
2.3.1

The company has a list of Direct and Indirect FFB suppliers for the acceptance period for the past year (2022/2023). From the list it is known that there are 6 direct suppliers who send FFB to Kenanga Mill originating from GAR Group. Sources of FFB suppliers include:

- Kencana Estate (Own Estate – RSPO Certified)
- Cendana Estate (Own Estate – RSPO Certified)
- Kenanga Estate (GAR Group – RSPO Non-Certified)
- Delima Estate (Own Estate – RSPO Non-Certified)
- Kencana Scheme Smallholder (Partnership Full Manage - RSPO Non-Certified)
- Kenanga Scheme Smallholder (Partnership Full Manage - RSPO Non-Certified).

Based on the direct suppliers mentioned above, it is known that currently these suppliers are RSPO certified suppliers. Since all of the direct suppliers mentioned above have received RSPO certificates, it can be ensured that the geolocation information on the origin of FFB, land ownership status, along with other permits have been fulfilled (legality requirements, geolocation and land ownership status are things that must be fulfilled in RSPO certification).

2.3.2

As explained in indicator 2.3.1, the company already has a list of Direct and Indirect FFB suppliers for the acceptance period for the past year (2022/2023). Based on this, there are currently 9 indirect suppliers (middlemen or agents) who are still supplying FFB to Kenanga Mill. These suppliers include:

- Cahaya Indah Cooperative
- Berkah Sungai Kyai Cooperative
- Sawit Sarana Makmur Cooperative
- Mandiri Sejahtera Cooperative
- Pelakauan Sungai Sembatu Cooperative
- Benua Jelai Bersinar Cooperative
- Konsumen Benuak Harapan Baru Cooperative
- Produsen Tiga Batu Putih Bercahaya Cooperative
- Sinar Lempe Mandiri Cooperative.

For the 13 indirect suppliers, the company has obtained information related to geolocation and evidence of land ownership from each farmer who supplies his FFB to these indirect suppliers. The following is an example of information that can be shown by the company such as Business ID Number (NIB), Land Legality and Farmer Coordinate. Based on the explanation above, it can be concluded that currently all indirect suppliers who supply FFB to Sei Intan POM already have information regarding geolocation, land ownership status and other legal permits.

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 shows the company's long-term plan documents listed in the Economic Feasibility Analysis document - 5 Year Period for the period 2023 - 2027 which was approved on 14 February 2023 by the Director. The document contains information on projected total FFB processed, CPO production, PK production, total revenue, total estate costs (upkeep, manuring, harvesting, transport, overhead, depreciation), total mill costs (processing, repair and maintenance, overhead, depreciation), and operational profit.

3.1.2

Based on the results of interviews with management representatives and document review, it is known that the company

has not carried out any new land clearing or replanting activities. The last land clearing activities were carried out in 2012 (Cendana Estate) and 2010 (Kencana Estate). There are no plans for replanting activities in 2023 and up to five years. Based on the results of the field visit, it is known that there is no new land clearing/replanting in the company's operational area.

3.1.3

Plantation business monitoring activities are carried out through ISPO and RSPO internal audit activities and followed up with company management review activities with an agenda of management review activities discussing internal audit results of SPO, OHS, OIA, discussion of customer feedback, discussion of process performance and product suitability, and discussion of preventive and corrective actions. The ISPO internal audit was carried out by the ISPO internal auditor team on April 10-14 2023. ISPO's internal audit results stated that the company had not been able to show the 5-year CSR strategic plan document for the 2023 – 2027 period. The ISPO internal audit findings were completed on April 20, 2023 with the PT KGP's 2023 – 2027 Corporate Responsibility Strategic Plan (TJSP) document.

In the management review meeting apart from discussing the results of the ISPO and RSPO internal audits, there was also discussion on the SMK3 and OIA internal audits. The results of internal audits of plantations and factories (OIA) include detailed harvest inspections using eFact that have not been optimally implemented (estate), and inventory management is not good (mill). The follow-up carried out by the company is by planning preventive and corrective actions on the results of internal audits of plantations and factories (OIA), such as following up on eFact phone repairs and providing guidance to the foreman to carry out detailed harvest inspections as needed (estate), and ensuring material expenditure is carried out D+1 and carrying out warehouse repairs and arranging the arrangement/storage of warehouse (mill) material.

Status: Comply

3.2

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

3.2.1

The unit of certification has a form of implementation of a continuous improvement action plan such as :

- Companies no longer use pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and owls to reduce pesticide use.
- Management and monitoring of fires in company border areas that give benefit to the community.
- Use of eFact in recording and monitoring operational activities in the field.
- Digital implementation to ensure warehouse stock taking using the "Storage Manager" application.
- Consistent with the paperless policy and using the GSIS (GAR Sustainability Information System) system in document management.

3.2.2

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

Name of RSPO Member	: Golden Agri Resources
RSPO Membership Number	: 1-0096-11-000-00
Name of Certified Unit	: PT Kencana Graha Permai – Kenanga POM
Name of Certification Body	: PT Mutuagung Lestari
RSPO PalmTrace ID Number	: RSPO_PO1000001638
Number of Mills	: 1
Number of Estates	: 2
Certified Area (ha) - Estate	: 5,628,15
High Conservation Value (HCV) Area (ha)	: 378
Peatlands - Planted (ha)	: 0
Peatlands - Unplanted (ha)	: 0

Status: Comply

3.3
Operating procedures are appropriately documented, consistently implemented and monitored.
3.3.1

Based on verification with representative management, starting in 2021 the company has changes in work procedures through the 1.0 revision with an issued date of June 15th, 2020 which was prepared by the SOP integration team and checked by MCAR and PCDV for agronomic activities and SOP/SMART/MCMD/I/TM-PMKS with an issued date of February 10th 2020 which was prepared by the SOP integration team and checked by MCMD and PCDV

SOP is contained in documents such as:

1. SOP for Planning for New Land Preparation, No. SOP/SMART/MCAR/TA-PPL, dated 15 July 2020 revision 1 which describes the stages of activities: scoping social risks, socialization of plans and agreements on social and environmental studies, socialization of the results of social and environmental studies and community approval, implementation of agreements, and the process of obtaining HGU
2. SOP for New Land Preparation, No. SOP/SMART/MCAR/IV/TA-PLB, 15 July 2020 revision 1. The procedure describes the technical preparation for opening new land for planting oil palm, including the stages of pilot activities – blocking and roads, building roads, bridges and drainage, land preparation on open land and young mineral groves using the principle of zero burning, preparation of former scrub land, construction of contour terraces and hoof hooves
3. SOP for Palm Oil Planting No. SOP/SMART/MCAR/V/TA-PKS, dated 15 July 2020 revision 1 which among other things regulates planting stakes, planting nuts, planting holes for oil palm, retailing seeds, planting oil palm, tree census, and block numbering
4. SOP of Oil Palm Rejuvenation (Replanting), No. SOP/SMART/MCAR/VI/TA-RPL, dated 15 July 2020 revision 1 describes: cessation of fertilization 2 years before rejuvenation, tree census, blocking, mechanical replanting techniques including, among other things, tree felling, stump dismantling and chipping with an excavator
5. Nursery SOP No. SOP/SMART/MCAR/III/TA-BBT dated 15 July 2020 revision 1 contains information regarding:
 - Preparation of nursery land in two stages as contained in IK/SMART/MCAR/III/TA-BBT/01
 - Preparation of pre nursery planting media contained in IK/SMART/MCAR/III/TA-BBT/02
 - Acceptance and planting of sprouts is contained in IK/SMART/MCAR/III/TA-BBT/03
 - Watering the seedlings is contained in IK/SMART/MCAR/III/TA-BBT/04
 - Selection for pre-nursery is included in IK/SMART/MCAR/III/TA-BBT/05
 - Preparation of the main nursery planting medium contained in IK/SMART/MCAR/III/TA-BBT/06
 - Transplanting into large polybags contained in IK/SMART/MCAR/III/TA-BBT/07
 - The selection for the main nursery is contained in IK/SMART/MCAR/III/TA-BBT/08
 - Preparation for transferring and transporting seedlings to the field is contained in IK/SMART/MCAR/III/TA-BBT/09
 - Trimming fronds and roots is included in IK/SMART/MCAR/III/TA-BBT/10
6. SOP for planting oil palm plantations on mineral land No. SOP/SMART/MCAR/V/TA-PKS dated 15 July 2020 Revision Number 1.0. The SOP contains guidance on:
 - Stake for planting flat area until wavy, contained in IK/SMART/MCAR/V/TA-PKS/01
 - Stake for planting in hilly areas, contained in IK/SMART/MCAR/V/TA-PKS/02
 - Planting and caring for *Mucuna bracteata* (Mb) fields, contained in IK/SMART/MCAR/V/TA-PKS/03
 - Manual planting of *Pueraria javanica* (Pj) and *Calopogonium mucunoides* (Cm) legumes, contained in IK/SMART/MCAR/V/TA-PKS/04
 - Mechanical planting of legumes, contained in IK/SMART/MCAR/V/TA-PKS/05
 - Planting hole, contained in IK/SMART/MCAR/V/TA-PKS/06
 - Retail of seeds, contained in IK/SMART/MCAR/V/TA-PKS/07
 - Planting oil palm seeds, contained in IK/SMART/MCAR/V/TA-PKS/08
 - Tree census, contained in IK/SMART/MCAR/V/TA-PKS/09
 - Block numbering, contained in IK/SMART/MCAR/V/TA-PKS/10
7. SOP for Pest and Plant Disease Control in SOP/SMART/MCAR/VII/TA-HPT. Procedures explaining: census and control of pests and diseases in nurseries, TBM and TM, as well as a detailed explanation of actions for detection, census, biological, mechanical and chemical pest control, as well as prevention and control of other types of pests and diseases
8. SOP for Weed Control in the SOP/SMART/MCAR/VIII/TA-PGM document. This procedure describes the steps

that need to be taken to control weeds in oil palm plantations in seedlings, TBM and TM as well as monitoring the use of pesticides.

9. SOP for Fertilization in the SOP/SMART/MCAR/IX/TA-PPK document. This procedure is intended as a guide in carrying out fertilization in accordance with management policies. The scope of fertilization activities in the SOP covers all activities related to fertilizing oil palm in nurseries, TBM and TM, both inorganic fertilization and by product (empty bunches, POME) of oil palm based on the results of soil and leaf analysis as well as the management and washing of used fertilizer sacks.
10. SOP for the Maintenance of Immature Plants and Mature Plants in the SOP/SMART/MCAR/X/TA-PTB and SOP/SMART/MCAR/XII/TA-PTM documents
11. SOP for Pre-harvest Preparation Activities in the SOP/SMART/MCAR/XI/TA-PMP document, which includes pollinator insect development, castration and sanitation activities.
12. SOP for harvesting the company's oil palm is contained in the SOP/SMART/MCAR/XIII/TA-PNN document issued on July 15, 2020. The document explains harvest planning, setting random and harvest cycles, harvesting systems, harvesting activities, harvest monitoring, and fruit maturity criteria

3.3.2

Mechanisms to checking the implementation of procedures are carried out consistently starting from the level of supervision by foremen and field assistants and followed by daily evaluation in morning briefing. Besides that, the inspection also goes through an internal audit conducted by the OIA Department with a frequency of activities 2 times a year that refers to the procedure of Internal audit in SOP/SMART/UMUM/SADV/009 and will be followed up in the management review meeting. The objective of operational internal audits is to ensure consistency in the application of procedures, the company routinely conducts internal audits of both agronomy and processing. For management review activities described in 3.1.3

3.3.3

Monitoring and follow-up records are managed and maintained. This is regulated in SOP/SMART/UMUM/SADV/II/001 issued on July 1st, 2014 which states that the types of records and documents have a shelf life for 10 years. Recording forms are available such as management review reports that discuss about RSPO, ISPO, OHS, and OIA internal audit that documented in form F/SMART/UMUM/SADV/010/001 Rev. 0.0 made by SPO officer and approved by EM estate. For management review activities described in 3.1.3

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 unit of certification already has several documents related to social and environmental impact assessments that are carried out independently or participatively by involving affected stakeholders in collaboration with accredited independent experts. Some of the documents owned by the unit of certification are as follows:

Environmental Impact Assessment (EIA)

The Kenanga POM certification unit is under the company PT Kencana Graha Permai, the company already has documents on the results of an Environmental Impact Assessment (EIA) which covers all areas included in the scope of certification and can be proven based on environmental documents as described in indicator 2.1.1 with environmental permits owned as follows:

- Environmental Permit Number 1383/DPMPTSP-D/2017 dated 26 September 2017 based on the Decree of the Regent of Ketapang concerning Oil Palm Plantation Activities by PT KGP located in Marau District, Ketapang Regency for a total plantation area of 10,800 Ha and OPM with a capacity of 80 tons/hour.
- Environmental Permit Document Number 660.1/33/KLH-B dated 21 January 2016 concerning Issuance of an Environmental Permit to PT Kencana Graha Permai for transportation activities, a special airport or Airstrip with an area of 21.72 Ha in Belaban Village, Marau District.

In the document above, there is information related to environmental aspects and parameters that must be monitored and managed along with information on targets and implementation times contained in the UKL-UPL matrix. The document

also covers all aspects of plantation and factory activities and changes during operational activities. The sampling methodology used is also participatory involving groups of external stakeholders for the purpose of identifying impacts. Based on the verification of these documents, it can be concluded that all environmental impacts from plantation activities have been identified and management is recommended with reference to relevant laws and regulations.

Social Impact Assessment (SIA)

The company already has social impact identification documents, namely the 2014 PT KGP Plantation and Palm Oil Mill Social Impact Identification Study (SIA) by the Division of Internal Sustainability Department (Team SIGS) which was carried out by involving affected parties. Social Impact Assessment (SIA) socialization/Public Consultation meetings were held, 13-16 May 2014 with 50 participants, including representatives from surrounding villages, community leaders and representatives from PT KGP. Evidence of community involvement in the form of attendance lists, photos of implementation and sample questionnaire attachments in the SIA document for Belaban Village, Randai Village, Rangkung Village and Batu Payung Dua Village. The assessment method was carried out using a list of questionnaires that had been prepared through an interview system and data measurement.

The SIA study describes the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the communities in the villages around the company, environmental management efforts in the social, economic and cultural fields by PT KGP and community perceptions about the existence and benefits of PT KGP. A social impact assessment is included as part of a complement to all environmental impact assessments. The assessment involved all affected parties, both internal and external stakeholders, including employees, trade unions, heads of villages around the plantation, local NGOs and plasma smallholders with a total of 50 representatives of relevant stakeholders. Participatory evidence with affected parties is shown in the form of attendance at the FGD meetings and photographs during interviews. In addition, the SIA study has also been disseminated to villagers and stakeholders in affected areas with evidence of an invitation to socialization which was conducted on 13 May 2014. The report also contains a matrix of Social Management Plans and Social Monitoring Plans which contain recommendations for the management of identified social impacts.

Community representatives who were resource persons in this assessment were village heads, village officials, and traditional leaders. The types of data collected are primary data and secondary data. Primary data collection for monitoring social impact management is obtained from relevant stakeholders as affected parties as well as local village officials who represent the community and act as verifiers. Secondary data or indirect data collection is carried out by means of literature studies through various references such as environmental assessment documents, HCV study results documents, local government literature, CSR implementation records, company internal data, correspondence between companies and affected parties, local and national news and so on. All of these data sources are used as material for consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts from plantation activities have been identified and management is recommended with reference to relevant laws and regulations.

High Conservation Value Assessment (HCVA)

The company already has an Identification Report and Analysis of the Existence of High Conservation Value (HCV) in the Permit Area of PT. Kencana Graha Permai, Ketapang Regency, West Kalimantan Province in collaboration with the Faculty of Forestry IPB in 2011. In the document, a Map of High Conservation Value Areas of PT. Kencana Graha Permai with a scale of 1:40,000. This activity was carried out for the scope of PT KGP where there were 3 estates, namely the Cendana Estate, the Delima Estate and the Kencana Estate. Based on this study, it is known that in the PT KGP permit area of 11,295.48 ha, 9 (nine) HCV classes have been identified, namely HCV1 (HCV1.1, HCV1.2, HCV 1.3, and HCV 1.4), HCV2 (HCV2.3), HCV4 (HCV4.1 and HCV4.2), HCV5 and HCV6, with a total area of HCV covering an area of 639.91 Ha in the form of river banks, areas of springs, hilly areas, endangered species, cemeteries and *tembawang*. The report also contains a matrix for the Management and Monitoring Plan for High Conservation Value Areas which contains recommendations for the management of all identified HCV areas.

The company again verified all HCV areas identified by the internal assessor at the PT KGP plantation in December 2014 with the final document in February 2015. The results of the identification of conservation areas were also carried out within the scope of PT KGP which consists of 3 estates with the newest total HCV area of 725.41 Ha. Based on these data, it can be concluded that the company has identified protected areas and areas with high conservation value with a

total of 725.41 Ha and for HCVs included in the scope of certification (Cendana and Kencana Estate) with a total of 378.08 Ha. Based on the document verification, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended by referring to the relevant environmental management guidelines.

3.4.2

The unit of certification has carried out efforts to manage and monitor social and environmental impacts independently by involving affected stakeholders. Some evidence of documentation of activities that have been carried out are as follows: Environmental Impact Assessment (EIA).

Based on the results of verification of the RKL-RPL Semester 2 of 2022 documents, it can be concluded that all management and monitoring parameters requested in the environmental document matrix have been implemented. The unit of certification has also evaluated each parameter of significant impact monitoring carried out as required in KepmenLH 45 of 2005, which includes trend evaluation, critical level evaluation, and compliance evaluation. The effectiveness of environmental management and monitoring can be seen from the results of the analysis and the suitability between the management and monitoring plan and its implementation in the field.

This can also be proven from the results of field visits to the EFB storage area, WWTP area and Water Intake area as well as conservation areas. Based on the results of interviews with the Ketapang Regency Environmental Service, it was stated that there were reports of environmental impacts related to the company's operational activities. The company has also carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas, marking in the form of stakes and red paint for spray boundary areas and other chemical applications. Based on the results of interviews with sprayer and fertilization officers, they also stated that they were aware of the ban on the use of chemicals in the buffer zone marked in red. The company in carrying out air and water parameter tests cooperates with the KAN LP-195-IDN Accredited Environmental Test Laboratory, and is carried out every 6 months.

The unit of certification has also prepared an RKL-RPL report which is conducted every 6 months and submitted to the relevant agencies, for example the 2022 RKL-RPL Report which is sent to Government Agencies with detailed evidence in 1.1.2. Based on the results of interviews with the Environmental Service regarding reporting on the implementation of the RKL-RPL, the unit of certification routinely conducts this and until the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the company.

Social Impact Assessment (SIA)

Documents resulting from the 2014 SIA study are used as a guide in preparing the social impact management program which is updated every 2 years, as an example is the 2023-2024 Social Impact Management Plan document. The document contains several social programs, including routine social assistance for surrounding communities, economic improvement through cooperation with companies, opening job vacancies, and improving community welfare through community empowerment programs. Program planning is carried out based on the results of a Focus Group Discussion in December 2022 which was carried out with stakeholders including the village community around the company as well as the results of a potential and risk analysis with attached documentation and absence evidence.

The company also evaluates the Management Plan every year to monitor the progress of program management, for example there are programs that need to be discontinued, continued or added. The evaluation of the management plan refers to the 2021 Social Impact Monitoring and Management results document which was carried out in December 2021, this evaluation activity is also a reference in preparing the program for the 2022-2023 period. Based on the results of the verification of the 2022 Social Impact Monitoring and Management document, it can be concluded that all activities listed in the 2021-2022 Social Impact Management Plan have been carried out. The document also includes social programs to avoid/mitigate negative social impacts, partnership programs for farmers, human rights, CSR programs, gender equality, education and public health.

Based on the results of consultations with workers' representatives, there is no form of discrimination against workers, no underage workers were found, the company has also fulfilled the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship, educational infrastructure (schools), and other facilities. The company also allocates resources for the maintenance of all facilities.

The informants also stated that they could voice their views through their own representative institutions or the spokesperson they chose in the evaluation activities to review and develop mitigation plans, as well as monitor the success of the implemented plans.

Based on the results of field observations and interviews with external stakeholders regarding the management of social impacts carried out by the company for the 2022 period, it can also be concluded that there are no issues related to social impacts that have not been identified by the company. all potential social impacts have been managed as an example:

- Issues related to plasma management, namely: Plasma Cooperative Management submits requests regarding compensation payments (KNCA KNNA)
- Issues related to the impact of the application of empty fruit baskets and liquid waste on Rangkung Village
- Issues related to complaints from the people of Rangkung Village regarding leaks of liquid waste applications (POME) that enter water sources that are accessed by the community.

3.4.3

The unit of certification has made efforts to implement the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, the certification unit also makes periodic efforts to update the management in a participatory manner. Some of the documented evidence of efforts that have been made are as follows:

Environmental Impact Assessment (EIA)

The company involves the Department of Environment and the Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents which are sent every certain period which can be proven in indicator 1.1.2. The company also does not block all environmental agencies from entering if they are going to carry out field verification in their management area. It aims to obtain advice and advice in carrying out environmental management in accordance with the government's vision, mission and programs so that they can run synergistically. Monitoring and updating related to the management of environmental impacts is also carried out every 6 months, with one of them being routine monitoring of air and water quality, quality of liquid waste (POME) every 1 month, in collaboration with the KAN LP-195-IDN accredited environmental laboratory. As well as evaluation of HCV management which is explained in more detail in indicator 7.12.4. But in general, all recommendations from the evaluation of HCV management that are carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

Social Impact Assessment (SIA)

Based on the analysis of the 2021-2022 Social Impact Monitoring Report document, the social impacts in this assessment are divided into positive impacts and negative impacts. The social impact assessment is carried out based on the perceptions of community representatives in the assessment location that represent the community. the company has analysed the positive and negative impacts arising from each activity specifically, for example physical assets for production activities that have positive and negative impacts both on the external and internal levels, and so on as explained in indicator 3.4.2. The company conducts annual evaluations to align data collection related to public perceptions regarding the Management Plan SIA and adjust it to the latest requirements according to conditions in the field.

In December 2022 the company has conducted a review of social impact management for the 2021-2022 period and developed a social management plan for the 2023-2024 period, in which the process has been participatory involving relevant stakeholders.

Furthermore, the results of document studies and interviews with management and stakeholders (internal and external) show that the company has managed issues that could have a social impact in 2022, as follows

- Issues related to plasma management, namely: The management of the Plasma Cooperative submitted a request regarding payment of compensation (KNCA KNNA), related to the request from the cooperative regarding the provision of this compensation which has been discussed at the regular meeting forum. The company accommodates and considers the request from the cooperative. This request was not accompanied by pressure so that it did not become a social issue involving the parties, the meeting was held on October 28 2021,
- Issues related to the impact of the application of empty fruit baskets and liquid waste on Rangkung Village. This can be explained:
 1. The function of EFB to replace inorganic fertilizers is understood by the people of Rangkung Village so they are

interested in being able to apply EFB on the community's oil palm land. In 2021, some communities submit requests for a portion of the produced from KNNM to be applied to community area. KNNM helped supply some of the EFB at the request of the community.

2. Along with the application of EFB in community area, it causes flies to appear. The community is disturbed because the fly's reach reaches some settlements. The emergence of flies is caused by the presence of fly larvae which act as EFB decomposers so that they can assist in the chemical fermentation process in EFB decay.
 3. The application of the empty fruit tree is carried out by the community in private oil palm plantation areas. The community is aware that the emergence of flies from the empty fruit tree application arises from the application of EFB in community area. It is certain that the appearance of flies in the Rangkung Village community did not originate from the EFB application in the PT. KGP. The location of the EFB application block in the PT. The KGP was adjusted to the location of KNNM which was far from Rangkung Village so that it was impossible for flies to appear which would interfere with the Rangkung Village area.
- Issues related to complaints from the people of Rangkung Village regarding leaks of liquid waste applications (POME) that enter water sources that are accessed by the community.
 1. However, it is certain that the LCPKS application from KNNM PT. KGP is in accordance with the SOP and has no impact on pollution in the water sources of the Rangkung village community. This is because the company has an isolation ditch which has a depth that is made to anticipate overflow.
 2. The company has built a bed embankment infrastructure to prevent overflow and land application leakage into the field. With this infrastructure, there was no LCPKS overflow. POME Liquid Waste overflow has never been recorded in the area PT. KGP and its surroundings so that there is no pollution that impacts the community

Based on this, the company has made efforts to identify and mitigate the potential risk of conflict arising from social issues related to the development of plasma, solid waste and liquid waste in depth as well as developing a 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 company has a work agreement document ratified in the Decree of the Head of the Ketapang Regency Manpower and Transmigration Office Number 082/TKT-B.560/2022 concerning Registration of the Collective Labor Agreement (PKB) between PT Kencana Graha Permai and the PT Kencana Graha Permai Ketapang Independent Workers Union – West Kalimantan which is valid until 01 July 2021 to 01 July 2023 which was determined on 23 September 2022 by the Head of the Ketapang Regency Manpower and Transmigration Service.

From the results of document verification and interviews with trade unions and company representatives, information can be obtained that the cooperation agreement document is still valid in accordance with point 2 in the work agreement which explains that this PKB is valid for a period of 2 years and can be extended for 1 year and before a new PKB is determined. the PKB is still valid.

The cooperation agreement document explains, among other things:

Article 13 Acceptance of New Workers

- Candidates who have met the requirements and have passed the selection held by the company. Accepted as a worker/labourer by going through a probationary period of no longer than 3 months from the time the candidate starts working at the company and the probationary period is notified to the prospective worker/labourer.
- The general requirements for accepting workers/laborers include being physically and mentally healthy as evidenced by a medical test by a doctor appointed by the company.

Article 17 Overtime Work

- Overtime work cannot be carried out before there is a written order from the leadership (at least an assistant) except for emergencies such as fires, work accidents.
- Implementation of overtime work is accompanied by a request for overtime (SPL) signed by the worker/labor supervisor (unit head), except in urgent cases, SPL is proposed 1 x 24 hours after normal conditions.

Article 26 Annual Rest (Leave)

- Workers/Labourers who have worked continuously for 12 (twelve) months are given annual leave with full pay for 12 working days.
- Implementation of annual leave is done in such a way as not to disrupt the company's operations.

Article 27 Permit for Menstruation, Pregnancy / Miscarriage / Childbirth

- For those who are going to use the pregnancy permit, they must submit an application in advance to the company, accompanied by a statement.

Article 39 Termination of Employment (PHK)

- Employers, workers/labourers, trade/labor unions and the government make every effort to prevent termination of employment.

Based on the results of interviews with trade unions, it was obtained information that trade union representatives had understood the fulfillment of the rights and obligations agreed to in the collective labor agreement in a language they understood.

3.5.2

The company has a work agreement document ratified in the Decree of the Head of the Ketapang Regency Manpower and Transmigration Office Number 082/TKT-B.560/2022 concerning Registration of the Collective Labor Agreement (PKB) between PT Kencana Graha Permai and the PT Kencana Graha Permai Ketapang Independent Workers Union – West Kalimantan which is valid until 01 July 2021 to 01 July 2023 which was determined on 23 September 2022 by the Head of the Ketapang Regency Manpower and Transmigration Service.

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- The general requirements for accepting workers/labourers include being physically and mentally healthy as evidenced by a medical test by a doctor appointed by the company.

Companies can also show examples of employee work agreements, including:

- VK employee initials with work agreement number for an unspecified time number 069/KNCE/PKWTT/02/2023.
- Employee initials YN with an unspecified time work agreement number 067/KNCE/PKWTT/01/2023.

The cooperation agreement has regulated several provisions including:

- Type and Occupation and place of work
- Terms and conditions of employment
- Remuneration
- The rights and obligations of the first party
- The rights and obligations of the second party
- Termination of employment relationship
- And so forth.

In addition, companies can also show other supporting documents in recruitment such as job applications, identity cards, results of medical examinations and so on.

Status: Comply

3.6
An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.
3.6.1

The company shows the OHS policy owned by the company which was ratified on November 1, 2013. The policy explains hazard identification, environmental impact analysis and all activities/activities/work, work processes, work methods/methods, work place/location, work equipment and materials/materials using a hazard identification form, environmental impact analysis and risk assessment to prevent work-related accidents and diseases.

The company has a hazard identification, risk assessment and risk control (HIRAC) document for Cendana Estate, Kencana Estate, and Kenanga Mill for the period January - December 2023 which was made on January 4, 2023, documented in F/SMART/HESS-EHSD/SADV/002/002. The document describes the potential hazards, risk assessment and risk control for each activity in the factory and plantation which must be obeyed by all workers. Monitoring of HCV areas and HGU stakes have been listed in the HIRAC document also with the use of PPE for workers who carry out these activities.

The organization has an annual occupational health and safety program. The realization of the program will be monitored through regular meetings of the Occupational Safety & Health Advisory Committee (OHS) every month and documented in the OHS meeting minutes as contained in the form F/SMART/HESS-EHSD/SADV/017/002 as follows:

- OHS meeting held at Kencana Estate on May 4 2023 with topics of discussion related to limited pesticide training, APAR monitoring, PPE inspection, and PPE handover.
- OHS meeting held at Cendana Estate on 19 May 2023 with the topic of discussion regarding KTD training and K3 inspection.

OHS meeting held at Kenanga Mill on March 7 2023 with the topic of discussion regarding monitoring the level of sewage ponds, monitoring of KTD equipment, and socialization of fire sources.

3.6.2

Monitoring the effectiveness of occupational health and safety's plans to deal with risks are done by evaluation programme, follow-up plannings about the results of the evaluation activities, and further risk control plans, as found in the document F/SMART/HESS-EHSD/SADV/002/003 for HIRAC follow up and review January – December 2023's period that made by OHS Secretary for each units.

The realization of the OHS work program is monitored through OHS Comittee meetings, every month and reported to Government Agencies. The government command to the company to do report the realization of work safety and health programs every 3 months in a year. Reporting is done as on date :

- OHS Report of PT KGP - Kenanga Mill Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- OHS PT KGP – Kencana Estate Report for Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.
- PT KGP's OHS Report – Cendana Estate Quarter 1 of 2023 has been reported to the Office of Manpower and Transmigration of Ketapang Regency dated 06 April 2023.

Follow-up activities and licensing extensions have been carried out for production power aircraft operators, confined space workers, altitude workers, boiler operators, and lift and transport aircraft workers.

Status: Comply	
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3.7
All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.
3.7.1 – 3.7.2

The company already has a documentation training program that includes the principles and criteria of the RSPO which can be accessed by all staff and interests prepared by the KNCE SPO Assistant for the 2023 period, namely:

- Training on the use of pesticides and weed control in the January 2023 period
- Fertilizer training in July 2023
- First aid training conducted by Doctors in the April 2023 period
- Dissemination of handling of chemicals, MSDS and hazardous and toxic waste by the period May 2023.

The company also shows plans and realization of training activities for plasma farmers regarding ISPO/RSPO, fruit quality and distribution of fruit introduction letters to KNNM vendors, for example to:

- Mandiri Sejahtera Cooperative (MSEX) on April 4, 2023
- Sungai Sembatu Pelalauan Cooperative (KPEX) on May 8, 2023
- Tiga Batu Putih Bercahaya Cooperative (TBPX) on 09 May 2023.

From the results of auditor interviews with harvesters in the field and cooperative workers, information can be obtained that the company has conducted training for workers in a language understood by these workers.

3.7.3

Company provided an understanding of SCCS to weighbridge operators, sorting, sustainability, security, and laboratory on 30 June 2023. The materials discussed included the definition of RSPO SCCS, new standards for RSPO SCCS, principles for compliance with RSPO SCCS. Based on interviews with weighbridge operators and security, it is known that they understand the supply chain process.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

Based on the RSPO Certificate, and previous assessment until current audit the Mill implement MB module, that received FFB from certified unit and uncertified source.

3.8.3

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

Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (July 2022 – June 2023) (MT)	Next Year Projected Certified Volume (12 Months) (MT)
FFB	139,923.47	110,140.71	120,000
CSPO	31,196.34	23,908.03	25,000
CSPK	8,166.44	6,181.79	6,500

Based on table above, there is no overproduction from previous license.

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:

- Name of RSPO Member: PT Kencana Graha Permai – Kenanga Palm Oil Mill
- RSPO Membership Number: 1-0096-11-000-00 (Golden Agri Resources Ltd)
- Name of Certified Audit: Kenanga Palm Oil Mill and Supply Bases
- Name of Certification Body: PT Mutu Agung Lestari
- RSPO Palm Trace ID Number: RSPO_ PO1000001638
- Number of Mill: 1
- Number of Certified Estate: 2

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

Type of Business: Oil Mill The company has had the SOP Supply Chain of Identity Preserve Module (No. PT.KGP-KNMM/SOP/SCCS-MB/23 dated 26 May 2020). The procedures established and covering all elements of the supply chain

model requirements in the P&C of 2018 such as the announcement in RSPO Palmtrace not later than 3 months after dispatch, receiving and recording that identify the traceability of RSPO certified and uncertified source and products (mass balance record), FFB processing, key persons and job descriptions, internal audit, training, etc. The Mill only has a single processing line. If the Mill want to change the model from IP to MB, and particularly from MB to IP, all the processing line started from loading ramp until clarification will be flushed to ensure the certified products not contaminated with uncertified products, including the storage tank will be separated completely between IP products and MB products.

The regular dissemination and training of the procedures has been conducted on 30 June 2023. Based on field observation, obtained information that key persons for SSCS implementation (such as weighbridge operators, security, and Head of Administration) have understood the supply chain implementation. The Mill has had a system to differentiate FFB from certified and uncertified sources.

3.8.6

The procedure to conduct supply chain internal audit already set in the SOP of supply chain. In the SOP mentioned that internal audit will be conducted annually. Internal audit of RSPO SCCS conducted on 10-14 April 2023 (simultaneously with RSPO P&C Internal Audit). All of SCCS indicators has been assessed and complied. Management Review of RSPO SCCS implementation conducted on 26 May 2023. 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 FFBs received (company used the IP Module). Certified FFB received period of 12 months before audit which is July 2022 – June 2023:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Jul-22	11,516.44	20,709.45	32,225.89
Aug-22	12,442.09	21,168.99	33,611.08
Sep-22	10,329.73	17,853.57	28,183.30
Oct-22	8,160.20	14,374.83	22,535.03
Nov-22	7,753.61	14,036.77	21,790.38
Dec-22	7,651.98	12,738.90	20,390.88
Jan-23	8,608.88	14,444.18	23,053.06
Feb-23	8,537.90	12,712.32	21,250.22
Mar-23	8,975.48	15,394.15	24,369.63
Apr-23	7,141.60	13,919.09	21,060.69
May-23	8,817.14	18,490.98	27,308.12
Jul-23	10,205.66	19,920.44	30,126.10
Total	110,140.71	195,763.67	305,904.38

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:

Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (July 2022 – June 2023) (MT)	Next Year Projected Certified Volume (12 Months) (MT)
FFB	139,923.47	110,140.71	120,000
CSPO	31,196.34	23,908.03	25,000
CSPK	8,166.44	6,181.79	6,500

Based on table above, there is no overproduction from previous license.

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.

The mill has product information provided in such as document of contract agreement, delivery order, delivery ticket, report of loading, weighbridge ticket and other invoices for CSPO/CSPK. Documents verification and interview during an audit it was known the claimed RSPO product of (CSPO & CSPK), 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, unique identification number, certificate number, sender's name, and address of the seller, for example:

- Shipping announcement with transaction id TR-667b10fb-627e volume of CSPO 2,002.04 MT, the module of SCCS IP, dated 18 April 2023, the mill can present evidence of delivery of CSPO from Kenanga POM to PT Sumber Indah Perkasa (Contract No. DIC/4150/100423/0001) which was carried out on 03-27 February 2023 with CPO Transporter is PT Satrindo Jaya Agropalma.
- Shipping announcement with transaction id TR-66966b9e-a61e volume of CSPK 600 MT, the module of SCCS IP, dated 19 April 2023, the mill can present evidence of delivery of CSPK from Kenanga POM to PT Sumber Indah Perkasa (Contract No. DIC/4150/110423/0002) which was carried out on 01-14 February 2023 with PK Transporter is PT Satrindo Jaya Agropalma.

3.8.9, 3.8.10, & 3.8.11

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

- Agreement with CPO Transporter of Satrindo Jaya Agropalma No. 001/KGP/KNNM/06/2022 dated 21 June 2022, valid thru 20 June 2024.
- Agreement with PK Transporter of PT Satrindo Jaya Agropalma No. 002/KGP/KNNM/06/2022 dated 21 June 2022, valid thru 20 June 2024.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Kenanga POM, as well as the willingness to observe by Certification Body and the company internal audit in order to verify the compliance.

In the period from 2022 to June 2023, there were no additional new CPO/PK transporters in collaboration with the company. So that at the time of the audit there were only 1 transporter, namely PT Satrindo Jaya Agropalma.

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. 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 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 (July 2022 – June 2023):

CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
Opening stock	742.82	94.03	836.86

July 2022 – June 2023	23,908.03	42,112.83	66,020.86
Total	24,650.85	42,112.86	66,857.71

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme (ISCC)	Non-Certified	
July 2022 – June 2023	20,655.70	-	-	20,655.70

The total CSPO sold as non-certified, the company has removed stock during the last 12 months of the license period, namely from July 2022 – June 2023 where the total CSPO that has been removed from stock is 4,991.04 tons (this is in accordance with the actual sales of CSPO products with non-certified during that period). Meanwhile, for CSPO sold under non-certified in the period July 2022 – June 2023, stock has been removed from the previous license, namely 4,991.04 tons (according to actual sales in that month).

CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
Opening stock	329.29	153.02	482.31
July 2022 – June 2023	6,181.79	10,943.44	17,125.23
Total	6,511.08	11,096.46	17,607.54

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
July 2022 – June 2023	5,261.05	-	-	5,261.05

The total CSPK sold as non-certified, the company has removed stock during the last 12 months of the license period, namely from July 2022 – June 2023 where the total CSPK that has been removed from stock is 1,183.96 tons (this is in accordance with the actual sales of CSPK products with non-certified during that period). Meanwhile, for CSPK sold under non-certified in the period July 2022 – June 2023, stock has been removed from the previous license, namely 1,183.96 tons (according to actual sales in that month).

3.8.13 & 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 12-month period for July 2022 until June 2023 i.e OER 21.55% and KER 5.59%. Periodically update of extraction is actual extraction.

3.8.15

The procedure of supply chain MB module has been set the mechanism to ensure the separation uncertified FFB and certified FFB. The Mill only has one line of processing, and since previous assessment until the audit only implement MB module. In the transporter agreements has been set the obligation to keep the MB certified products. One of the mechanisms, in the vehicle is mounted on a seal that can only be opened at the buyer's location.

3.8.16

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

- Shipping announcement with transaction id TR-667b10fb-627e volume of CSPO 2,002.04 MT, the module of SCCS IP, dated 18 April 2023, the mill can present evidence of delivery of CSPO from Kenanga POM to PT Sumber Indah Perkasa (Contract No. DIC/4150/100423/0001) which was carried out on 03-27 February 2023 with CPO Transporter is PT Satrindo Jaya Agropalma.
- Shipping announcement with transaction id TR-66966b9e-a61e volume of CSPK 600 MT, the module of SCCS IP, dated 19 April 2023, the mill can present evidence of delivery of CSPK from Kenanga POM to PT Sumber Indah Perkasa (Contract No. DIC/4150/110423/0002) which was carried out on 01-14 February 2023 with PK Transporter is PT Satrindo Jaya Agropalma.

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

3.8.17

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

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

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

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

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

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

4.1.2

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.

Status: Comply

4.2

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

4.2.1

The company has a Social Conflict Handling SOP No SOP / SMART / SENS-CSR / SADV / I / 002 which explains conflict handling procedures, from receiving conflict information, mapping conflicts, to monitoring and evaluating the implementation of conflict handling. The SOP also regulates the facilitation of involving third parties (mediators). SENS (Stakeholder Engagement Section) facilitates the involvement of third parties as mediators at the request of the CEO, monitors activities carried out by third parties, facilitates communication between the mediator and management, and facilitates the mediation process for conflict resolution.

Procedure is available in Bahasa Indonesia and if there is any complaints/grievances that the resolution that has not found mutually, the complainants can brought that compliance to RSPO Complaints System. In addition, the certification unit has conducted policy socialization, code of ethics, complaints handling procedures, consultation with FPIC principles and providing information to relevant stakeholders when the socialization for consultation and communication procedure.

From the results of the document review, there were no complaints from stakeholders as outlined in the complaint monitoring document in the document form SOP/SMART/GIMS-SCMD/USDV/001/001 for the period January - May 2023.

4.2.2

Companies can demonstrate the existence of communication standards and consultation procedures as indicated by SOP communication and consultation SOP-SMART-GENERAL-SADP-I-004, which was ratified on 1 July 2014 regarding Communication and Consultation. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received.

And for parties who cannot read and write will be handled by the SPO Officer to record the complaints submitted.

4.2.3

Companies can demonstrate the existence of communication standards and consultation procedures as indicated by SOP communication and consultation SOP-SMART-GENERAL-SADP-I-004, which was ratified on 1 July 2014 regarding Communication and Consultation. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received.

And for parties who cannot read and write will be handled by the SPO Officer to record the complaints submitted.

The company can also show examples of recorded employee complaints received by the company on May 16, 2023 with the initials of STU employees regarding complaints of broken doors in housing. The company can also show the repair documentation on May 19, 2023 with the repair documentation that is known by employees and this case is concluded to have been resolved.

4.2.4

Companies can demonstrate the existence of communication standards and consultation procedures as indicated by SOP communication and consultation SOP-SMART-GENERAL-SADP-I-004, which was ratified on 1 July 2014 regarding Communication and Consultation. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Response no later than 3 weeks after the letter is received.

The company has appointed people who act as communicators between the company and the community so that people who cannot read/write can be informed by the relevant communicators.

Status: Comply

4.3

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

4.3.1

PT Kencana Graha Permai has a welfare improvement program for the surrounding community which includes all general groups and indigenous communities. This program has been included in the 2022/2023 CSR (Corporate Social Responsibility) Program, in which there are 6 (six) fields, namely Health, Economics, Education, Infrastructure, Environment and Social. This program was created based on the results of social identification which was carried out simultaneously to see the social impacts arising from the company's existence on the surrounding village community, which was then formulated and created into a CSR program as a program to improve the welfare of the surrounding community.

From the results of meetings with the community, a CSR program was prepared in 2021. For the CSR program in 2022/2023, the company arranged a CSR program in the fields of Economy, Environment, Education, and social culture. The company has also shown the CSR realization record to the communities. For example:

- Improvement of learning and pursuit facilities which will begin to be implemented in the period January 2023 – December 2023 located at SDN Marau Rangkong Village activities
- Providing support for extracurricular activities in schools which will begin in the period January 2023 – December 2023 at SDN ETF Kencana location
- Counseling on clean and healthy living behavior in villages and schools which will begin to be implemented January 2023 – December 2023 at the Rangkong Village location
- Assistance in providing additional food for posyandu which will start from January 2023 – December 2023 to Rangkong Village Residents
- Road/bridge maintenance assistance (improving community economic access infrastructure) which will begin to be implemented January 2023 – December 2023 in Rangkong Village
- Repairs to worship facilities, repairs to cultural and traditional places, social facilities and public facilities which will begin to be implemented January 2023 – December 2023 in Rangkong Village
- Assistance for commemorating national holidays, religious holidays and traditional cultural activities which will start to be implemented January 2023 – December 2023 in Rangkong Village.

Based on the results of interviews with surrounding village communities, it is known that the company has routinely carried out social identification/studies in their villages routinely carried out by the company, where the results will later be used as a reference for compiling CSR program whose target is the welfare of the surrounding community.

Status: Comply	
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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 total HGU owned by the company is 9,332.80 Ha. Meanwhile, the area of HGB is 16.73 Ha, bringing the total area to 9,349.53 Ha. Of the area that is included in the scope of certification is an area of 6,852.27 Ha with the following details:

- Kenanga POM covering an area of 16.73 Ha
- Kencana Estate covering an area of 3,243.69 Ha
- Cendana Estate with an area of 3,591.85 Ha

The details of the HGU and HGB in question are as follows:

- HGU Certificate No. 75 dated October 1, 2013 with an area of 4,731.77 Ha which is valid until October 2, 2048.
- HGU Certificate No. 76 dated October 1, 2013 with an area of 4,601.03 Ha which is valid until October 2, 2048.
- HGB Decree No. 14/HGB/BPN.61/2015 dated June 22, 2015 regarding the granting of HGB in the name of PT Kencana Graha Permai on a land area of 63,179 M2 for the Mill building.
- HGB Decree No. 15/HGB/BPN.61/2015 dated June 22, 2015 concerning the Granting of HGB on behalf of PT Kencana Graha Permai on a land area of 57,495 M2 for the Mill reservoir
- HGB Decree No. 16/HGB/BPN.61/2015 dated 22 June 2015 regarding the granting of HGB on behalf of PT Kencana Graha Permai on a land area of 46,591 M2 for a waste ditch/pond

In addition, the company also has a Plantation Business Permit in accordance with the Decree of the Regent of Ketapang No. 223/DISBUN-D/2012 for an area of 10,000 Ha with a mill processing capacity of 60 Tons FFB/hour, which was subsequently issued in 2017 by a Decree No. 1425/DPMPSTSP-D.B/2017 for an area of 10,000 Ha and a processing capacity of 80 Tons of FFB/Hour. published on 12 October 2017. There is another 2,497.26 Ha area from the HGU which not included in the certified area because still in the RaCP process.

4.4.2 & 4.4.4

Based on the explanation of the minutes of the B-committee contained in the HGU Decree, it is known that the acquisition of land owned by the company covering an area of 8,161.57 ha is state-owned land and the remaining 1,171.32 ha is community-owned land. Based on the recap of land acquisition shown, it is known that land acquisition was carried out from 2008 – 2009 with the following recapitulation:

- Batu Payung 2 Village with 14 land owners and a GRTT area of 61.16 Ha
- Belaban Village with 91 land owners and a GRTT area of 666.29 Ha
- Rangkung Village with 54 land owners and an area of 443.78 Ha
- So, the total area of compensation is 1,171.32 Ha

Land acquisition documentation shown for example for Boyman with a land area of 22.67 Ha in accordance with the Minutes of Land Handover No.17BA005/BA/KNCE/XI/2008 dated 17 November 2008 and the land owner on behalf of Bakman 006/BA/KNCE/XI /2008 17 November 2008 with supporting documents such as:

- Signatures of witnesses from representatives of land owners, village government, and company representatives
- Measurement of land boundaries in the field
- Signatures of the Camat, Village Head, and Dusun Head for each agreement document
- Price agreement statement
- Certificate of location of cultivation from village /RANGKONG/SK-P/XI?2008 Nov 17, 2008
- Photos of money receipts and receipts
- Map of plots of land.

The results of interviews with representatives of Surrounding Village revealed that the land release process was preceded by socialization and then negotiations and after an agreement was reached, a compensation process would be carried out. The company also respects the people who do not want to give their ownership rights to the land. Therefore, in the company HGU there is actually still ownership of other parties. Related to this, it is explained in more detail in indicators 4.8.1 – 4.8.4. Thus, it can be concluded that the land acquisition and release process has been based on FPIC.

4.4.3

The maps shown by the company include the following:

1. Map of the company operational area which includes block boundaries, emplacement locations, estate boundaries, and HGU boundaries
2. Map of the enclave area
3. Map of distribution of HGU pole

The maps are made by the internal mapping team with a scale of 1: 50,000 and are equipped with legends.

4.4.5

Based on the land acquisition documentation shown by the company, it is known that the land owner acts for himself without being represented by any party. External parties are more like witnesses to ensure the transaction goes according to the agreement. The results of an interview with one of the previous land owners with the initials THR from Belaban Village, it was found that the socialization process from the company related to land release was carried out individually or jointly involving village officials and community leaders. There is no coercion or intimidation when the process is carried out.

4.4.6

Based on the results of interviews with representatives of Surrounding Village, and the Tuah Kencana Permai Cooperative as parties who understand the process and agreement for land release, it is known that the company has fulfilled the

commitments and agreements submitted, such as:

1. Development of plasma plantations
2. Labor recruitment
3. Implementation of CSR

At the time the recertification was carried out there was an issue regarding the realization of plasma plantation development and has been explained in detail in 2.1.1

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

Based on the results of the document review and interviews with stakeholders including village representatives and Ketapang District National Land Agency representatives, it is known that until now there has been no additional permit or expansion of the company operational area. GRTT process were carried out in the period 2008 – 2009. The company has FPIC Procedure SOP/SMART/SUST/IV/006 Rev 1 dated 08/11/2017 explains that to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Surrounding Village known that they know about the procedure through the socialization given and they agree with the procedure.

4.5.2

There is no new land acquisition or expansion that conducted by PT Kencana Graha Permai from the previous audit. Latest land compensation had settled since 2008 – 2009 with the following recapitulation:

- Batu Payung 2 Village with 14 land owners and a GRTT area of 61.16 Ha
- Belaban Village with 91 land owners and a GRTT area of 666.29 Ha
- Rangkung Village with 54 land owners and an area of 443.78 Ha

Land acquisition documentation shown for example for Boyman with a land area of 22.67 Ha in accordance with the Minutes of Land Handover No.17BA005/BA/KNCE/XI/2008 dated 17 November 2008 and the land owner on behalf of Bakman 006/BA/KNCE/XI /2008 17 November 2008 with supporting documents such as:

- Signatures of witnesses from representatives of land owners, village government, and company representatives
- Measurement of land boundaries in the field
- Signatures of the Camat, Village Head, and Dusun Head for each agreement document
- Price agreement statement
- Certificate of location of cultivation from village /RANGKONG/SK-P/XI?2008 Nov 17, 2008
- Photos of money receipts and receipts
- Map of plots of land

4.5.3 & 4.5.4

Based on interview with representative of previous land owners of Surrounding Village, it was known that process of compensation has been carried out smoothly, transparent, voluntary and fair through participative and FPIC approach. Process of compensation or acquisition has conducted through FPIC manners and did not diminish any legal rights and/or customary rights. Previous land owner also informs during the acquisition the process is transparent and inform the planning for oil palm plantation development in their area.

4.5.5 & 4.5.6

Interview with representative of previous land owners and Surrounding Village, known that they have access to information and advice such as from head of village of community figure regarding impact of land acquisition and also the oil palm plantation development. They also inform, head of village of community figure was take an active role during the initial development of plantation until the land title process.

4.5.7

Document review and interview with stakeholder, known that there is no new development after 2018.

4.5.8

Based on interview with community sighted that there is no communities in voluntary isolation around the certification unit.

Status: Comply

4.6

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

4.6.1 & 4.6.2

The company has a Technical Guideline for Land Preparation: Land Compensation/Land Document Number: SOP/NP/SMART/VII/D&L002 dated July 1, 2010 which explains the stages of FPIC and price determination through negotiations. In addition, there is also FPIC Procedure No. SOP / SMART / SENS-CSR / SADV / I / 003, part 2.4 explains that the identification of participatory maps related to legal ownership of the community takes into account gender, community leaders, local or transmigrant communities, ethnic groups, etc.

The results of interviews with representatives of Surrounding Village revealed that the land release process was preceded by socialization and then negotiations and after an agreement was reached, a compensation process would be carried out. The company also respects communities who do not want to relinquish land ownership rights. There was never intimidation and coercion in the whole process.

4.6.3

Based on the results of interviews with representatives of the Tuah Kencana Permai cooperative as one of the previous land owners, it was stated that both men and women have the same rights to own land. This can be seen, for example, from the realization of land compensation that does not differentiate gender, including during the development of Scheme Smallholders.

4.6.4

Land acquisition documentation shown for example for Boyman with a land area of 22.67 Ha in accordance with the Minutes of Land Handover No.17BA005/BA/KNCE/XI/2008 dated 17 November 2008 and the land owner on behalf of Bakman 006/BA/KNCE/XI /2008 17 November 2008 with supporting documents such as:

- Signatures of witnesses from representatives of land owners, village government, and company representatives
- Measurement of land boundaries in the field
- Signatures of the Camat, Village Head, and Dusun Head for each agreement document
- Price agreement statement
- Certificate of location of cultivation from village /RANGKONG/SK-P/XI?2008 Nov 17, 2008
- Photos of money receipts and receipts
- Map of plots of land

The results of interviews with representatives of Surrounding Village revealed that the land release process was preceded by socialization and then negotiations and after an agreement was reached, a compensation process would be carried out. The company also respects the people who do not want to give their ownership rights to the land. Therefore, in the company HGU there is actually still ownership of other parties. Related to this, it is explained in more detail in indicators 4.8.1 – 4.8.4.

Status: Comply

4.7

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

4.7.1 & 4.7.2

The land compensation process has been completed in the period 2008 – 2009. There is FPIC Procedure No. SOP / SMART / SENS-CSR / SADV / I / 003, part 2.4 explains that the identification of participatory maps related to legal ownership of the community takes into account gender, community leaders, local or transmigrant communities, ethnic groups, etc. besides that there are Social Conflict Handling SOP (SOP/SMART/SENS-CSR/SADV/I/002, dated July 1, 2014). The procedure is explained related to the stages of conflict resolution including land conflicts such as receiving information, mapping, analyzing, implementing and handling to monitoring and evaluating follow-up.

The results of interviews with representatives of Surrounding Village revealed that the land release process was preceded by socialization and then negotiations and after an agreement was reached, a compensation process would be carried out. The company also respects the people who do not want to give their ownership rights to the land. Based on this it can be concluded that it is an indication that the procedure has been mutually agreed upon.

4.7.3

Based on the results of a document review and interviews with representatives of the communities of Surrounding Villages and the Tuah Kencana Permai Cooperative, it is known that the benefits obtained by people who have lost their land rights include:

1. Opening of road access (submitted by Batu Payung Village 2).
2. Recruitment of workers from the surrounding village community (from the employee list you can see the composition of employees including from Rangkung Village and Batu Payung Village 2).
3. The realization of plasma plantation development is managed in a full managed manner under the Tuah Kencana Permai cooperative.
4. Realization of CSR programs as described in 4.3.1.

	Status: Comply	
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4.8

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

4.8.1, 4.8.2, 4.8.3 & 4.8.4

Based on the document verification and field visits as well as interviews with representatives of Surrounding Village and representatives of the Tuah Kencana Permai Cooperative, it is known that so far there has never been a land dispute between the community and the company. Actually, within the company HGU area, there are still areas controlled by other parties with the following details:

Estate	Vegetation	Area (Ha)
KNCE	Mixed fields	198,49
	Shrubs	112.93
	village	2,00
CDNE	Mixed fields	152,86
	Shrubs	267,81
Total		734,09

These areas are areas whose ownership is not willing to be relinquished to the company during the GRTT process so that the company does not force the community to relinquish their land rights and are categorized as enclaves. For the current condition, the company has mapped the area and extent of the enclave area.

Based on field visits to the enclave area which is directly adjacent to the plantation area, it is known that there is no conflict with the company. Boundary markings are estate roads CR and MR.

	Status: Comply	
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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

For the 2022-2023 period, based on the results of document reviews and interviews with management, information was obtained that the company obtained its FFB supply from plasma plantations managed by the company, namely the Tuah Kencana Permai Cooperative. In addition, the company also obtains FFB supplies from independent smallholders and Middleman which is coordinated by PT Kreasi Agro Sejahtera, but the form of cooperation with PT Kreasi Agro Sejahtera is only for safekeeping FFB processing and not FFB trading activities, so PT Kreasi Agro Sejahtera is not counted as a FFB supplier. Based on this, the company does not directly buy and sell FFB with third parties in the form of independent smallholders and/or middlemen.

Proof of processing deposit for FFB in April 2023 which was billed by PT Kencana Graha Permai to PT Kreasi Agro Serasi on 07 May 2023 and was paid to PT Kencana Graha Permai on 22 June 2023.

The price used in purchasing FFB for Plasma uses the price of the Plantation Service which can be accessed openly by related parties. The company shows the document Minutes of the meeting to determine the "K" Index and the FFB Price of Palm Oil Produced by West Kalimantan Planters Period IV for May 2023, May 31, 2023, the West Kalimantan Provincial Government's Plantation and Livestock Service. The current and previous FFB prices are publicly available and can be accessed by plasma cooperatives online. As for plasma, the company shows proof of payment to the Tuah Kencana Permai Plantation Cooperative, June 16, 2023.

5.1.2

The price used in purchasing FFB for Plasma uses the price of the Plantation Service which can be accessed openly by related parties. The company shows the document Minutes of the meeting to determine the "K" Index and the FFB Price of Palm Oil Produced by West Kalimantan Planters Period IV for May 2023, May 31, 2023, the West Kalimantan Provincial Government's Plantation and Livestock Service. The current and previous FFB prices are publicly available and can be accessed by plasma cooperatives online. As for plasma, the company shows proof of payment to the Tuah Kencana Permai Plantation Cooperative, June 16, 2023. cooperative as a supplier of FFB also stated that the FFB price that has been determined can be accessed by suppliers, information on price changes is made via SMS, online communication media and telephone from the PIC to the supplier.

5.1.3

The company has determined the fair price that has been agreed with the plasma management cooperative as outlined in the Cooperation Agreement, in the document there is a statement that the price set for the determination of the selling price of FFB is the price set by the Plantation Service, so the parties hereby declare that they will comply with the price fixing so that one party and the other are not entitled to ask for a price increase or decrease. Meanwhile, the determination of prices with outside FFB suppliers refers to the calculation results of fluctuations in CPO and PK prices. Pricing for external FFB suppliers is regulated by PT Agronusa Sejahtera. Meanwhile, the company and PT Agronusa Sejahtera cooperate in a processing custody scheme without any FFB sale and purchase transactions, so that the company does not have a FFB sale stipulation for third parties (independent farmers and middlemen).

The specifications and implementation requirements as well as sanctions that must be met by the FFB supplier with PT Agronusa Sejahtera are contained in the Cooperation Agreement which explains the following information:

The first party has the right to refuse FFB if the quality does not meet the criteria for ripe fruit set.

FFB sold comes from land that all have permits to acquire land and plantation business from the authorities and are managed in accordance with the requirements and provisions of applicable laws and regulations, and are not obtained illegally/in violation of the law.

FFB received have met the specified specifications. Likewise, for FFB rejected, the specifications have also been explained in detail.

Based on document review and interviews with suppliers of FFB and Plasma Cooperatives, it can be concluded that the company has determined a fair price which explains all components including the determination of premium value, savings, treatment cost discounts and others, all of which have been agreed upon by all related parties and are

documented in the form of a letter, cooperation agreement and proof of payment.

5.1.4

Companies can show evidence that parties from FFB supplier representatives and cooperatives as plasma managers are involved in drafting contracts. The document contains agreements such as maintenance financing, loans/credit, repayments through FFB price reductions for replanting programs and/or other support mechanisms that have been signed by all cooperative representatives, witnesses and company parties. This shows that all related parties have been involved in the decision-making process and understand the contents of the contract. The certification unit only has 1 plasma which is managed by the Tuah Kencana Permai Cooperative. The following is the MoU between PT KGP and the Tuah Kencana Permai Cooperative Number 007/KOPBUN/TKP/XII/2007 concerning the Development and Management of a Partnership Pattern Oil Palm Plantation business covering an area of $\pm 2,000$ Ha which was drawn up and ratified on December 7, 2007.

The development of plasma plantations is also carried out to improve the welfare of the community around the plantations where currently management related to plantations is still carried out entirely by company management by assigning Managers and Assistants to help manage plasma within the scope of their managed area. The cooperative plays a role in managing the finances obtained from the sale of FFB and distributing it to all of its members. Cooperative members consist of the community around the company who wish to be involved, not limited to men or women. related to the involvement of women in decision making can also be proven from the results of interviews with the heads of cooperatives which stated that plasma land was given to all people living in the designated village, not limited to men or women. The source stated that the making of the contract was carried out with the agreement of both parties without any coercion, intimidation or discrimination.

5.1.5

As explained in indicators 5.1.1 - 5.1.4 related to Cooperation Agreements with Plasma Cooperatives and Outside FFB Suppliers, the verification results of the Cooperation Agreement Letter document show that all existing contracts have been made fairly, in accordance with applicable law, transparent and have a mutually agreed time period. The results of interviews with the Cooperative Management stated that all members had understood the stipulated provisions such as FFB pricing, management fees, management fees, loans, disputes, and others as explained in indicator 5.1.2. The agreement has also been made in accordance with applicable law in a fair, transparent and has a clear time frame.

In addition, companies can also show a Statement of Cooperation in purchasing FFB from a party that cooperates with PT KGP for processing custody activities, namely PT Kresna Agro Kreasi. The statement made mentions several FFB requirements including FFB source location, FFB Criteria, FFB Returned, Fines and FFB Delivery to Mill. Based on this explanation, it is known that the management unit has contracts that are made fairly, in accordance with applicable law, and are transparent, and have an agreed time period.

5.1.6

The Cooperation Agreement Letter explains the procedure/system for payment of the proceeds from the sale of FFB, both for FFB suppliers, middleman and Plasma. Payments are made based on the Minutes of Calculation of the sale and purchase of FFB which have been agreed upon and signed by all parties. Based on the results of a review of the document proof of payment for FFB to the Tuah Kencana Permai Cooperative as well as the minutes of the presentation of the results and an explanation of the operating costs for the period May 2023, it shows that the payment was made on time and can be proven through receipts for receipt of payment with proof of payment to the Tuah Kencana Permai Plantation Cooperative, dated June 16, 2023. The payment has been completed with income from each farmer group, fruit tonnage, and prices according to the period. Based on the verification results of Plasma FFB prices and proof of calculations from payment recap data, it is known that payment has been in accordance with the price set by the Plantations Office. The proof of payment document also explains production details and period costs per month, FFB production data and details of management costs, maintenance costs and fertilization costs. The document is also submitted to the cooperative through a meeting attended by representatives from the cooperative and has received approval with proof of a stamp.

5.1.7

The company shows the weighing equipment verification documents as follows:

1. Certificate of Test Results, Number 178/SKHP/MET-THE/XII/2022, Electronic Bridge Scales, Serial Number ZM 510; 191650257, capacity 60,000 kg, December 15, 2022, Re-calibration no later than December 15, 2023,

2. Certificate of Test Results, Number 179/SKHP/MET-THE/XII/2022, Electronic Bridge Scales, Serial Number ZM 510; 212051132, capacity 60,000 kg, December 15, 2022, Re-calibration no later than December 15, 2023, Verification of weighing equipment is carried out by the Office of Cooperatives, SMEs, Trade and Industry UPT Meteorology Legal Type A Ketapang district.

5.1.8

The company has conducted outreach to farmers and suppliers to participate in RSPO/ISPO activities which have been carried out by the company in 2023 including socialization activities conducted to farmers in Randai, Rangkong and Belaban villages on March 15 2023, April 4 2023 and May 9 2023. The result is that these farmers are not yet interested in participating in ISPO/RSPO certification because they feel it is still very difficult and requires high costs.

The results of interviews with the company stated that currently it is helping for the socialization stage to all suppliers who work with the company. The informant stated that he was not interested in participating in RSPO certification because there were too many requirements that had to be met, such as using PPE, different agricultural techniques from his habits and so on. However, until the audit was carried out, the company was still trying to involve independent smallholders in RSPO certification by helping to map geolocations and land ownership rights.

5.1.9

The company also has procedures related to communication, consultation and coordination contained in the document SOP for Handling Complaints and Dissatisfaction number SOP/SMART/GIMS-SCMD/USDV/I/001 revision 11 April 2017 and SOP for Communication and Consultation number SOP/SMART/UMUM/SADV/I/004 revision 1 July 2014. The procedure describes technically guidelines for receiving various complaints submitted by stakeholders or other parties and the process for solving them. Companies through their respective departments have recorded requests for information and responses. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Responses must be made no later than 3 weeks after the letter is received. Based on the results of the document review, it is known that for the 2022 period there were only requests for information and assistance, and there were no complaints from farmers or the surrounding community. The company has also appointed officers who act as communicators between the company and the community so that people who cannot read/write can be informed by the relevant communicators.

Apart from that, SOP for Conflict Handling number SOP/SMART/SENSCSR/SADV/I/002 is also available. The company provides suggestion boxes at several locations, and monitors the suggestion boxes. Based on the results of interviews with Cooperatives and FFB suppliers regarding the complaint handling mechanism, they stated that complaints can be submitted by letter or direct delivery through communication media and/or in regular meetings. The resource person also stated that for the 2022 period there were no complaints, the entire collaboration process that has been going on so far has been going well.

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 has conducted outreach related to RSPO certification to independent smallholders and plasma farmers through regular meetings. One proof of this activity is: Outreach to farmers and suppliers to participate in RSPO/ISPO activities has been carried out by the company in 2023 including socialization activities conducted to farmers in Randai, Rangkong and Belaban villages on 15 March 2023, 04 April 2023 and 09 May 2023. The result is that these farmers are not yet interested in participating in ISPO/RSPO certification because they feel it is still very difficult and requires high costs. However, until the audit was carried out, the company was still trying to involve independent smallholders in RSPO certification by providing regular insights.

5.2.2

The company has made improvements to the welfare of the communities around the plantations by developing and fully managing plasma plantations and regularly conducting socialization regarding RSPO certification. Currently, the management of Plasma is fully managed by the management of the cooperative, while the company only provides

assistance to ensure that the management of oil palm cultivation is in accordance with RSPO standards. In addition, companies can also show socialization documents on best practices in oil palm cultivation, work safety, environment, fire, RSPO benefits, and recommendations for registering with RSPO, with detailed evidence in 5.2.1

However, based on the explanation in indicator 5.2.1 which states that there are no independent smallholders who can take part in RSPO certification due to several obstacles, so far, the company has only implemented programs to improve the standard of living for farmers, limited to providing socialization. The results of interviews with the FFB middleman supplier on behalf of the Sungai Sembatu Pelakauan Cooperative stated that the farmers who supplied FFB to them already knew about the RSPO from the results of outreach by the company, but the obstacles experienced were difficulties in forming cooperatives and farmer groups to coordinate certification activities.

5.2.3

The company has conducted outreach related to RSPO certification to independent smallholders and plasma farmers through regular meetings. The company showed the Minutes of Outreach to farmers and suppliers to participate in RSPO/ISPO activities to farmers in Randai, Rangkong and Belaban Villages on 15 March 2023, 04 April 2023 and 09 May 2023. The results of the meeting stated that independent smallholders would take part in the initiation from the company to include their land in RSPO certification and would comply with all existing requirements and regulations. In this socialization activity, the certification unit also promotes the RSPO. Based on the results of the socialization carried out to FFB suppliers, it was concluded that certification activities had not been realized. This is due to difficulties in forming cooperatives and farmer groups to coordinate certification activities. The results of interviews with the company stated that currently it is helping for the socialization stage to all suppliers who work with the company. The informant stated that he was not interested in participating in RSPO certification because there were too many requirements that had to be met, such as using PPE, different agricultural techniques from his habits and so on. Based on this, the company has not been able to realize its support for independent smallholders to take part in RSPO certification because it requires a longer stage in socialization and increasing farmers' understanding and awareness regarding the benefits of RSPO certification.

5.2.4

According to the results of interviews with company representatives, there was no change in the plasma scheme from the previous audit. When the audit was carried out, the cooperation between the certification unit and plasma was carried out with a full managed plasma management system where the management of plasma plantations was fully carried out by the Company. Because management is carried out by the company, all employees working in the plasma plantations are workers who have been trained by the company in handling pesticides, maintenance, fertilizing and others. The company also continues to provide assistance in plantation management according to RSPO standards. Training activities can be proven based on pesticide training minutes to Agrochemical Application Officers and Cooperative management, with one piece of evidence: Minutes of HCV Outreach, 16 – 17 January 2023, employees of Pondok 1 and 2 Cendana Estate, in the morning circle with material on protection of HCV areas and types of protected flora and fauna, prohibition of spraying activities on river banks, delivery of HCV locations.

5.2.5

The unit of certification can show evidence that it has reported the program of support for farmers, especially plasma farmers publicly regarding its progress which is carried out regularly. One of the evidence shown is based on the receipt of documents for submission of the 2022 Semester CSR Report to the Agriculture and Livestock Service Office of West Kalimantan Province on April 3, 2023.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1 – 6.1.2

The unit of certification has a commitment to respect non-discrimination which has been explained in the Sinarmas Agri Business and Food Business and Human Rights Policy dated 12 December 2019. The document explains that GAR is committed to respecting the rights and dignity of workers in accordance with legal provisions, providing fair treatment

without discrimination and building harmonious industrial relations. This is evidenced by the diversity of ethnicities accepted for work. The results of the review of personnel documents prove that the unit of certification does not discriminate and treats all workers equally, the following is evidence that can be shown by the unit of certification:

- Composition of workers consisting of various ethnicities, religions, genders and origins of workers.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers. For example, a harvester worker with the initials VK who is accepted based on the results of selection of job application files, results of medical examinations and results of interviews. The worker also passed the test and was accepted as a permanent worker on 20 February 2023.
- Placement and training of workers is carried out according to their skills/type of work, such as prospective harvest workers are placed as harvest workers and receive regular harvest training.

This explanation can conclude that the company has treated all workers equally (based on skills, quality and eligibility) without discrimination based on gender, ethnicity, religion, health condition or other.

6.1.3

Companies can show proof of implementation related to recruiting, promotion, training.

From the results of the auditor's review of employment documents proving that the company does not discriminate and treats all workers fairly, the following is evidence that can be shown by the company:

- **Recruitment**

Recruitment of employees with the initials VK as outlined in the work agreement document on March 1, 2023. The company can also show proof of medical eligibility stating that the employee is healthy and fit to work.

- **Promotions**

Companies can show employee promotions, for example, employee with the initials JB with ID 2201504 was promoted from the position of compound upkeep to Mill Spareman in the Mill unit.

- **Employee assessment**

Companies can show employee assessments carried out in the March 2023 period for initial JB employees in the Mill unit with satisfactory assessment results.

- **Training**

The company can show a plan for implementing training to all employees, for example training has been carried out on the use of pesticides and weed control in January 2023.

Based on this explanation, it has been proven that selection, recruitment, employment, access to training, and promotions are carried out on the basis of skills, abilities, qualities.

6.1.4

From the results of the auditor's interviews with union officials and employees, information can be obtained that the company does not carry out pregnancy tests as a discriminatory measure.

Pregnancy tests are only carried out for employees who handle chemicals or pesticides.

6.1.5

The company has established a gender committee structure consisting of women and men in company units consisting of:

- Protector
- Advisor
- Chairman
- Vice Chairman
- Treasurer
- Member

- And so forth

The company also has a work program for the gender committee for the 2023 period, namely:

- Socialization of women's rights in the August 2023 period
- Counseling cases of sexual harassment every month if any
- Identify the needs of new mothers every month if any

From the results of the auditor's interview with the management of the gender committee, information can be obtained that there are no cases of harassment in the company unit.

6.1.6

Fair wage payments have been properly made by company units, taking into account abilities, performance, expertise, length of service, and other factors as the basis for remuneration. So that the payment of wages is in accordance with the load / task / type of work respectively.

Companies can also show proof of payment of equal wages for the same scope of work for the period May 2023 for example:

- Salary slips for employees with the initials SN NIK 1809901 (female) who work as maintenance employees get a basic wage of Rp. 3,090,615 with details of premium income of Rp. 645,575, BPJS Health and Employment deductions, etc
- Salary slips for employees with the initials TS NIK 1809401 (male) who work as harvesters get a wage of Rp. 3,090,615 with other income details such as a harvest premium of Rp. 789,998, BPJS Health and Employment deductions, etc.

Based on the results of field auditor interviews with harvesters (men) and maintenance employees (women) in the plantations, it is known that workers get the same basic wages.

Status: Comply

6.2

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

6.2.1

The company has a work agreement document ratified in the Decree of the Head of the Ketapang Regency Manpower and Transmigration Office Number 082/TKT-B.560/2022 concerning Registration of the Collective Labor Agreement (PKB) between PT Kencana Graha Permai and the PT Kencana Graha Permai Ketapang Independent Workers Union – West Kalimantan which is valid until 01 July 2021 to 01 July 2023 which was determined on 23 September 2022 by the Head of the Ketapang Regency Manpower and Transmigration Service.

From the results of document verification and interviews with trade unions and company representatives, information can be obtained that the cooperation agreement document is still valid in accordance with point 2 in the work agreement which explains that this PKB is valid for a period of 2 years and can be extended for 1 year and before a new PKB is determined. the PKB is still valid.

Companies can also show proof of payment of equal wages for the same scope of work for the period May 2023 for example:

- Salary slips for employees with the initials SN with ID 1809901 who work as maintenance employees get a basic wage of Rp. 3,090,615 with details of premium income of Rp. 645,575, BPJS Health and Employment deductions, etc.
- Payslips for employees with the initials TS with ID 1809401 who work as harvesters earn Rp. 3,090,615 with details of other income such as harvest premiums of Rp. 789,998, BPJS Health and Employment deductions, etc.

From the results of auditor interviews with workers in the field, information can be obtained that workers have understood payment documentation on payslips such as basic wages, benefits, premiums, overtime, BPJS deductions, union deductions and so on.

6.2.2

Companies can show documentation related to work contracts and other documents as follows:

- **Employment contract**

The work contract for the initials of VK employees with PKWT status made on February 1, 2023 with work contract number 069/KNCE/PKWTT/02/2023 The work contract document explains, among other things:

- Type of work and place of work
- Working days and hours
- Terms and conditions of working hours
- The validity period of the agreement
- Remuneration
- The rights and obligations of the first party
- The rights and obligations of the second party
- And so forth

- **Overtime**

Overtime employees of the Sungai Crocodile Mill security unit on May 17 2023 with 3 hours of overtime work, namely:

- Employee with the initials PY with ID 15013
- Employee with the initials WJ with ID16012
- Employee with the initials DIG with ID 16003

- **Annual leave**

- Employee with the initials WB with ID 14026 position as clerk applied for 1 day annual leave on June 19, 2023
- Employee with initial C with ID 13109 security position applies for 12 days annual leave from 11 May to 25 May 2023.

- **Maternity leave**

- Employees with the initials DTU who apply for maternity leave from 04 April to 18 May 2022.
- Employees with the initials AC who apply for maternity leave from May 9 to April 22, 2023.

From the results of auditor interviews with workers in the field, information can be obtained that workers understand the work contract in a language that is understood and payment documentation on payslips such as basic wages, benefits, premiums, overtime, BPJS deductions, and so on.

6.2.3

The company has a work agreement document ratified in the Decree of the Head of the Ketapang Regency Manpower and Transmigration Office Number 082/TKT-B.560/2022 concerning Registration of the Collective Labor Agreement (PKB) between PT Kencana Graha Permai and the PT Kencana Graha Permai Ketapang Independent Workers Union – West Kalimantan which is valid until 01 July 2021 to 01 July 2023 which was determined on 23 September 2022 by the Head of the Ketapang Regency Manpower and Transmigration Service.

From the results of document verification and interviews with trade unions and company representatives, information can be obtained that the cooperation agreement document is still valid in accordance with point 2 in the work agreement which explains that this PKB is valid for a period of 2 years and can be extended for 1 year and before a new PKB is determined the PKB is still valid.

Article 26 Annual Rest (Leave)

- Workers/Labourers who have worked continuously for 12 (twelve) months are given annual leave with full pay for 12 working days.
- Implementation of annual leave is done in such a way as not to disrupt the company's operations.

Article 17 Overtime Work

- Overtime work cannot be carried out before there is a written order from the leadership (at least an assistant) except for emergencies such as fires, work accidents.

- Implementation of overtime work is accompanied by a request for overtime (SPL) signed by the worker/labor supervisor (unit head), except in urgent cases, SPL is proposed 1 x 24 hours after normal conditions.

Article 27 Permit for Menstruation, Pregnancy / Miscarriage / Childbirth

- For those who are going to use the pregnancy permit, they must submit an application in advance to the company, accompanied by a statement.

Article 39 Termination of Employment (PHK)

- Employers, workers/labourers, trade/labor unions and the government make every effort to prevent termination of employment.

From the agreed collective labor agreement, the company can show evidence of its implementation, namely:

- **Overtime**

Overtime employees of the Sungai Crocodile Mill security unit on May 17 2023 with 3 hours of overtime work, namely:

- Employee with the initials PY with ID 15013
- Employee with the initials WJ with ID16012
- Employee with the initials DIG with ID 16003

- **Annual leave**

- Employee with the initials WB with ID 14026 position as clerk applied for 1 day annual leave on June 19, 2023
- Employee with initial C with ID 13109 security position applies for 12 days annual leave from 11 May to 25 May 2023

- **Maternity leave**

- Employees with the initials DTU who apply for maternity leave from 04 April to 18 May 2022
- Employees with the initials AC who apply for maternity leave from May 9 to April 22, 2023

- **Work termination**

The company can show the minutes document made on January 14, 2023 regarding the process of completing the termination of an employee with initial YES working at a process station. This was carried out due to disciplinary actions taken by workers and violating the terms agreed upon in the collective labor agreement.

Based on this explanation, the company has shown evidence of legal compliance with overtime, the right to holidays, maternity leave, reasons for dismissal in accordance with labor provisions regulated by applicable law.

6.2.4

The company already has a list of facilities and infrastructure for employees for the 2023 period, such as housing, daycare, houses of worship, clinics, sports facilities and so on.

From the results of field observations in residential areas and interviews with workers and trade unions, it is known that the company has provided housing, infrastructure and facilities that are proper/in good condition to workers such as houses, clean water facilities, prayer facilities, sports, first aid centers and others. The condition of the house is permanent and has good sanitation. From the interviews it was also known that in each housing location there is a daycare, trash bin and others.

6.2.5

Based on the results of field observations of employee housing, it is known that the location of the housing is still close to the village and there are several sellers who are allowed to enter the company area to sell basic food needs.

In addition, from the results of field visits to housing, it can be found that several employees have grown vegetables, raised fish which are made in storage containers.

Based on this explanation, the company has made efforts to improve workers' access to proper, sufficient and affordable food.

6.2.6

The company has set a living wage which is set on May 25, 2023 which is given to all workers which includes among others:

- Electricity Calculations
- Calculation of non-cash houses
- Water calculation (non-cash)
- School calculations (non-cash)
- Calculation of polyclinic facilities and services (non-cash)
- Calculation of child care centers (non-cash)

Based on the results of the auditor's verification that the determination of a living wage has exceeded the minimum wage set by the government and the calculation is also based on actual and rational prices at the location of the certification unit.

6.2.7

The company has 2 types of employee status, namely Permanent Workers (PKWTT) and Contract Workers and Daily Workers. All rights for each employment status have been differentiated. Based on interviews with unit management, it is known that companies accept workers with contract status to accommodate social problems. This can be seen from the comparison of the number of workers with the need for workers. Based on the verification of the attendance list documents for the orientation period, the unit certification has implemented the requirements for hiring workers with contract status, starting from the work agreement, working days, the term of the agreement and recording with the relevant agency in accordance with relevant regulations (UU No. 13/2003).

Status: Comply

6.3

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

6.3.1

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

This document is issued in Indonesian language which can be understood by all employees. The statement states that employees have the right to form a trade union and become a member/leader of a trade union in accordance with applicable regulations.

From the results of interviews with harvest workers, fertilizer workers and other employees, information can be obtained that employees already know about the existence of freedom of association in the company unit.

6.3.2

The company already has a workers' union called the Mandiri Workers' Union. From the results of interviews with the unions, it is clear that currently the unions already have a federation called the Federation of Indonesian Metal Worker Unions.

Companies can also show documentation of union meetings with companies, namely in the 2023 period, while the meeting discusses the procurement of school buses which will be budgeted for in 2024.

Based on this explanation, the company has documented the minutes of the meeting between the certification unit and trade unions or workers' representatives who are freely chosen by workers.

6.3.3

Based on interviews with representatives of the PT KGP workers' union, it is true that the company gives freedom to

workers to form a trade union. In addition, the company also did not provide any intervention related to trade union activities. Interviews with workers revealed that some workers were registered in a trade union and some were not. Workers also state that participation in trade unions is voluntary for all workers.

Status: Comply

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

6.4.1

The company has a policy regarding age requirements for workers as stated in the HR Director's Circular Letter to all unit heads Number 002/SE-HRDV/03/09 dated March 31 2009 concerning the minimum age limit related to the implementation of Law Number 13 of 2003 concerning Manpower article 68 concerning the prohibition of employing children, it is hereby conveyed that in the process of recruiting employees the minimum age limit is 18 years.

6.4.2

The company has a policy regarding the age requirements for employees as stated in a circular letter from the HR Director to all Unit Heads number 002/SE-HRDV/03/09 dated 31 March 2009 regarding the minimum age limit. In addition, in the employee recruitment process, this is evidenced by an identity card (KTP) when recruiting employees.

The company has included a clause regarding the prohibition of child labor in the work agreement Article 5 Terms & job specifications, point 20 both parties are prohibited from employing children under the age of 18, not doing forced labor and the result of human trafficking.

Based on the results of a review of labor list documents for the April and May 2023 periods, no workers were accepted at the company under the age of 18.

Based on interviews with contractors in plantations and factories, it is known that there is a clause regarding the prohibition of employing children under 18 years of age, conveyed through outreach and employment contracts.

6.4.3

Based on a review of employee list documents, for example for the period March 2023 and April 2023, it is known that the minimum age for work is 18 years, and there are no company and contractor workers who are under the age of 18 when starting work.

In addition, the results of interviews and field observations of several plantation and mill operational activities revealed that the company had socialized the prohibition of employing children under the age of 18.

6.4.4

The company has a policy regarding the age requirements for employees as stated in a circular letter from the HR Director to all Unit Heads number 002/SE-HRDV/03/09 dated 31 March 2009 regarding the minimum age limit.

From the results of interviews with representatives of Randai Village, information can be obtained that the company has submitted a child protection policy.

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

Every worker has the right to receive protection against sexual harassment in the workplace and sexual harassment is a violation and if convicted of sexual harassment, the violator will be punished according to applicable regulations. And the management of the gender committee has conducted outreach to employees and representatives of the gender committee are available in each division.

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

6.5.3

The company has identification of pregnant and lactating women workers for 2023.

The results of the identification are:

- Identify nutritional needs before pregnancy
- Monitor fetal/uterine development
- Identify baby delivery equipment
- Provide an understanding of nutritional adequacy
- Conduct baby care training
- Telling about the benefits of breastfeeding
- Inform about the benefits of posyandu and immunization

From the results of interviews with the chair of the gender committee and women workers in plantations and factories, it is known that the company also provides breastfeeding space and time for workers who are breastfeeding.

6.5.4

Based on the results of interviews with women workers in factories and plantations, including the Trade Union and the Gender Committee, it is known that they are familiar with the policy and complaint mechanism. Complaints can be submitted through bipartites, the Gender Committee or the foreman of each worker. It was also explained that the company guarantees confidentiality and protection for reporters. There were no issues or complaints regarding sexual harassment in the workplace.

Based on interviews with female workers in mills and estates, as well as the Worker Union and Gender Committee, they understand the policy and mechanism of complaint submission. Complaints can be submitted to the board of bipartite cooperation, gender committee, or their foreman. Stated that the company also guarantees anonymity and whistle blower protection. There is no issue or complaint related to sexual harassment in the workplace.

	Status: Comply	
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6.6

No forms of forced or trafficked labour are used.

6.6.1 – 6.6.2

The company has a policy regarding the prohibition of forced labor or slavery which is contained in the document:

- Work Environment & Industrial Relations Policy - Manpower Recruitment, document No. KHI-smart/001-00 which was endorsed by the HR Managing Director on 01 August 2017 explains the prohibition of forced or bonded labor (ijon) and takes steps to prevent this from occurring in operational activities. Next, the workforce recruitment process is explained, the company does not withhold formal identity documents from prospective workers.
- Work Environment & Industrial Relations Policy - Forced or Bonded Labor, document No. KHI-smart/006-00 which was ratified by the HR Managing Director on 01 August 2017 explains that the company guarantees to all workers/laborers in the work environment, free from all forms of forced labor or the practice of human trafficking, especially prohibiting slavery in any form.

Based on the results of the verification of labor documents for the period May 2023, it is known that in general the workers come from local workers, such as Javanese, Malays, Flores and others. The results of interviews with spray workers and boiler operators found that all workers have copies of employment relations documents explaining the placement position including job descriptions, there are no fees in the recruitment process, there are no withholding of documents such as ID

cards, diplomas, etc. and there is no position transfer process work without prior notification.

Furthermore, based on the results of interviews with harvesters, it is known that the company has set a realistic harvest base to achieve. If under certain conditions it does not reach the set base, then there will be no wage deduction. The company also sets a premium if the harvester reaches more base. Then, based on the verification results of harvesters' salary slips for the May 2023 period, it is known that in general harvesters earn wages above the minimum wage.

Status: Comply

6.7

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

6.7.1

The company shows the OHS organization formation documents in:

- Decree of the Regent of Ketapang No. 650/264/NAKER/TAHUN 2019 dated 02 December 2019 concerning Changes in Approval of OHS PT KGP – Kencana Mill with an organizational structure consisting of Supervisor, Chair, Secretary, Evaluation Division, Supervision Division, Research Division, Counseling Division, Health Sector. The Secretary of OHS is appointed by the Minister of Manpower in accordance with the Letter of the Minister of Manpower No. 5/1978/AS.02.04/III/2021 dated March 31, 2021 for General K3 Expert a.n. Oko Supanjar which is valid for 3 years from the date of stipulation.
- Decree of the Regent of Ketapang No. 560/144/NAKER/2021 dated 20 September 2021 concerning Ratification of the Organizational Structure and Working Procedures of OHS PT KGP – Kencana Estate with an organizational structure consisting of the Supervisor, Chair, Secretary, Evaluation Division, Supervision Division, Research Division, Counseling Division and Health Division. The Secretary of OHS is appointed by the Minister of Manpower in accordance with the Letter of the Minister of Manpower No. 5/1977/AS.02.04/III/2021 dated March 31, 2021 for General K3 Expert a.n Chandra Iwantono.
- Decree of the Regent of Ketapang No. 560/83/NAKER/2021 dated 16 April 2021 concerning Ratification of the Organizational Structure and Working Procedures of OHS PT Kencana Graha Permai – Cendana Estate whose organizational structure consists of a Trustee, Chair, Secretary, and Evaluation Division, Supervision Division, Research Division, Counseling Division and Health Division. The Secretary of OHS is appointed by the Minister of Manpower in accordance with the Letter of the Minister of Manpower No. 5/5058/AS.01.03/IV/2022 dated 28 April 2022 for General K3 Expert, namely Heru Riatman Simorangkir, which is valid for 3 years from the date of stipulation.

As a form of evaluating and monitoring the implementation of K3 in the company, the OHS organization routinely conducts meeting activities as stated in the minutes as follows:

- OHS meeting held at Kencana Estate on May 4 2023 with topics of discussion related to limited pesticide training, APAR monitoring, PPE inspection, and PPE handover.
- OHS meeting held at Cendana Estate on 19 May 2023 with the topic of discussion regarding KTD training and K3 inspection.
- OHS meeting held at Kenanga Mill on March 7 2023 with the topic of discussion regarding monitoring the level of sewage ponds, monitoring of KTD equipment, and socialization of fire sources.

6.7.2

The company has emergency preparedness and response procedures in SOP/SMART/UMUM/SADV/I/005 and work-related accident and disease management procedures in SOP/SMART/HESS-EHSD/SADV/I/005. The procedure describes accident handling starting from reporting to accident management evaluation.

Based on the results of a document review and field visit, it is known that there are OHS officers belonging to each company's operating unit who are assigned to the field and have received training in first aid in accidents.

The OHS organization routinely conducts training and simulation activities planned in the K3 Work Program documents made by the Assistant SPO Unit dated January 6, 2023. Training activities carried out for example in the Alert of Forest and Land Fires on May 22, 2023 with participants including Manggala Agni, Marau Sub -District and his staff, Marau Police Chief and his staff, Danramil Marau and his staff, the Head of the Village and Land Fire, Uncenan Graha Permai. Kenanga Mill also carried out a fire emergency response simulation activity on 11 February 2023 for members of the emergency

response team, which was attended by 16 people who joined all teams, namely the fire team, health team, evacuation team, removal team, security team, and liaison team. In addition, emergency response socialization activities were also carried out together with PPE and ISBPR socialization, as an example was carried out by Cendana Estate on 13-14 January 2023 which was attended by all employees of the Cendana Estate division.

The results of a review of documents, interviews and field visits found that in 2022 there will be no work accidents in all PT Kencana Graha Permai units. If an accident occurs in the field, the certification unit has first aid services at PT Kencana Graha Permai. Each foreman and assistant functions as first aid before further examinations are carried out at the nearest clinic or hospital and are equipped with a first aid kit.

6.7.3

The company shows documents in the form of ISBPR socialization minutes which contain information, one of which is an understanding of potential sources of hazard and how to prevent work accidents and ensure employees wear PPE according to the potential hazards in the workplace. According to PT Kencana Graha Permai's ISBPR identification for the period January - December 2023, it is known that the PPE in the form of shoes used by the company is a type of safety boots with toe caps. Socialization activities were carried out, for example, on March 10 2023 at Kenanga Mill and were attended by 19 participants consisting of SPO officers, OIA, general AK3 officers, and grading section workers.

PT Kencana Graha Permai already has SOP for Personal Protective Equipment (PPE) with document No. SOP/SMART/HESS-EHSD/SADV/010/005 which was ratified on 01 July 2014. The procedure explains the types of PPE used in each job, the period for giving, replacement when damaged and information that the PPE is provided free of charge (free) by the company to all workers. In addition, there has been a routine PPE replacement program for each type of PPE in each type of work.

- As a form of the company's commitment to fulfilling SOP implementation in the field, the company conducts monitoring activities on PPE stocks, as stated in:
- Kenanga Mill PPE monitoring document made by the SPO Officer and known by the Mill Manager on 18 May 2023. Availability of PPE in the Warehouse is regulated with a minimum stock limit of 10% to automatically place orders immediately. In this document, it is recorded that there are 50 pcs of PPE safety boots with a toe cap in stock with a regulated minimum stock of 30 pcs in the Warehouse, and 23 pcs of long model safety shoes with a regulated minimum stock of 5 pcs in the Warehouse.
- Kencana Estate PPE monitoring document made by the SPO Officer and known by the Estate Manager on 30 June 2023. Availability of PPE in the Warehouse is regulated by the provision of a minimum stock limit of 10% to automatically place orders immediately. The document records PPE stocks such as spray apron, safety helmet complete set, leather gloves, 10" PVC septu boots, rubber gloves, mechanical cloth gloves, leather apron (for welding), black welding glasses, respirator masks, egrek gloves, face shield frames, chin strap safety helmets, mouth masks, safety helmet visors, bitnik cloth gloves, respirator mask cartridges, full face safety helmet visors, PVC spray suits, cloth masks with activated carbon.
- The Cendana Estate PPE monitoring document prepared by the SPO Officer and known by the Estate Manager on 30 June 2023 contains the availability of PPE in the Warehouse with a minimum stock limit of 10% to automatically place orders immediately. The document recorded stocks of PPE types of spray apron, safety helmet complete set, leather gloves, 10" PVC septu boots, rubber gloves, mechanical cloth gloves, leather apron (for welding), black welding glasses, respirator masks, egrek gloves, face shield frames, safety helmet chin straps, mouth masks, safety helmet visors, bitnik cloth gloves, respirator mask cartridges, full face safety helmet visors, PVC spray suits, cloth masks with activated carbon.

Companies can also show proof of delivery or replacement of PPE to workers in 2023, such as:

- Minutes of handing over the replacement of PPE on April 11, 2023 for PPE in the form of safety toe cap boots totaling 12 pcs to 12 process workers at Kenanga Mill which were handed over by the assistant and known by the Chairperson of OHS.
- Minutes of handing over the replacement of PPE on April 12 2023 for PPE in the form of safety toe cap boots in the amount of 3 pcs to compound, process and grading workers at Kenanga Mill which were handed over by the assistant and known by the Head of OHS.
- Minutes of PPE handover on 16 and 17 May 2023 for PPE in the form of boots in the amount of 114 pcs to harvesters,

- sprayers, sprayers at Cendana Estate which were handed over by assistants and known by the Head of OHS.
- Minutes of handover of PPE on 05 and 06 May 2023 for PPE in the form of boots in the amount of 22 pcs to the gatekeeper at Kencana Estate which was submitted by the assistant and known by EM Kencana Estate.

6.7.4

From the results of document verification, the company has paid for workers' health insurance with BPJS Health and Employment which covers all workers including permanent workers, contract employees and daily workers. The following is an example of proof of payment for health insurance:

- Employment BPJS payments for 555 workers paid on 23 May 2023
- BPJS Health payments to 399 workers paid on March 8, 2023.
- Employment BPJS payments for 543 workers paid on 23 June 2023
- BPJS Kesehatan payments for 402 workers that were issued on 10 April 2023

The results of the auditor's verification, for example in the April 2023 period there were 555 workers in the company. Companies can also show justification for differences in BPJS Health payments, such as on March 8, 2023, there were 399 workers whose BPJS health was borne by the company and the remaining 156 workers were enrolled in health insurance borne by the government.

Following up from the previous OFI, from the results of the auditor's verification that all daily workers working at the company already have BPJS Health insurance.

6.7.5

The certification unit records work accidents using the Lost Time Accident (LTA) contained in the FR/SR – Unit Calculation Monthly Data document. The document contains information regarding total employee data, total working days in one year, total overtime in one year, total working hours in one year, total lost day accidents in one year, total lost days in one year as well as the calculation of the frequency rate and severity rate. In the FR/SR recording for Cendana Estate and Kencana Estate and Kenanga Mill for January – December 2022 it is known that there were no work accidents, zero days lost due to work accidents, zero frequency rate and severity rate.

Status: Comply

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

7.1

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

7.1.1

The company has the latest plant maintenance procedures by implementing oil palm Good Agriculture Practices (GAP) issued on July 15, 2020 revision number 1.0 prepared by the SOP team and checked by MCAR and PCDV. These procedures include:

- Pest and Plant Disease Control Procedures in SOP/SMART/MCAR/VII/TA-HPT
Procedures explaining: census and control of pests and diseases in nurseries, TBM and TM, as well as detailed explanations regarding actions for detection, census, biological, mechanical and chemical control of pests, as well as prevention and control of other types of pests and diseases, such as: IK/SMART/MCAR/VII/TA-HPT/02 regarding control of leaf-eating beetles (Apogonia), IK/SMART/MCAR/VII/TA-HPT/04 regarding detection of UPDKS and efforts to control them biologically, mechanically and chemically, IK/SMART/MCAR/VII/TA-HPT/07 regarding census, prevention and control of Oryctes, IK/SMART/MCAR/VII/TA-HPT/10 regarding census and rat control
- Weed Control Procedures in the SOP/SMART/MCAR/VIII/TA-PGM document.
This procedure describes the steps that need to be taken to control weeds in oil palm plantations in seedlings, TBM and TM as well as monitoring the use of pesticides.

The company shows documents of plans and realization of plant pest census activities, for example such as the detection of oil palm leaf-eating caterpillars (UPDKS) and rat pest censuses in the period January - December 2022 and January - May 2023 with the result that there were no types of pests that exceeded the threshold. Gupon monitoring was also carried

out with the results of 66 active gupon in Cendana and Kencana Estate, as well as maintenance of beneficial plants. Based on the document review, it is known that the use of pesticides has decreased from 2021 to 2022.

The company conducted IPM, spray (chemical handling, MSDS, and LB3) training activities and GSEP socialization on 05 May 2023 and 22 May 2023 attended by participants consisting of sprayers, spray foremen, and Cendana and Kenanga Estate division assistants

7.1.2

The company shows a list of invasive species for 2023 based on the Regulation of the Minister of Environment and Forestry No. P.94/MENLHK/SEKJEN/KUM.1/12/2016 concerning Invasive Types. From the list, it is known that the company uses two types of biological control agents for oil palm plants, such as *Turnera subulata* and *Tyto alba*. Observation and control of both types of biological control agents are carried out by the company throughout the year.

7.1.3

The company has procedures on SOP/SMART/MCAR/VII/TA-HPT. Procedures explaining types of pests and diseases in nurseries, pests and diseases in TBM and TM, and other diseases, detailed explanation of detection activities, census, biological mechanical and chemical control of UPDKS, evaluation of UPDKS control, control of pest, etc. The procedure does not explain the use of fire as one of the methods used for pest control.

Integrated pest management activities carried out by the company are in the form of integrated control between biological controls to reduce the use of chemical controls. Biologically, the use of beneficial plants in the form of *Turnera subulata* as a preventive measure to suppress the presence of pests in the field, especially for UPDKS types, as well as the use of natural enemies of rat pests, such as *Tyto alba*.

Status: Comply

7.2

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

7.2.1

The company has procedures regarding pesticide management in the SOP/SMART/MCAR/VIII/TA-PGM document. The procedure address, among others:

- LAMPSMART/MCAR/VIII/TA-PGM/01 regarding weed control in the field
- LAMP/SMART/MCAR/VIII/TA-PGM/02 regarding weed sprayers
- LAMP/SMART/MCAR/VIII/TA-PGM/03 regarding general instructions regarding safety in working with pesticides

In addition, Material Safety Data Sheets are found in pesticide and fertilizer storage warehouses for each type that explain the instructions for storing and handling materials, handling in the event of an accident (first aid effort) and so forth.

The list of pesticides used by the company :

Brand	Active Ingredient	License number	Validity period
Erkafuron 20 WG	Metsulfuron methyl 20%	RI 01030120093530	31 Januari 2025
Roll up 480 SL	Gliphosate isoprophylamine 480 g/L	RI 01030120042133	03 September 2023
Garlon 670 EC	Triclopyr butoxyethyl ester 670 g/l	RI 0103011984695	28 Maret 2024
Starane 290 EC	Fluroxypyr methyl heptyl 290 g/l	RI 01030120083155	12 November 2023
Erkatril 0.0037588	Coumatetralyl 0.00375%	RI 011201201124451	05 Desember 2027

The company applies the procedures recorded in LAMP/SMART/MCAR/VIII/TA-01 containing standard TBM and TM maintenance work in which the use of pesticides with the active ingredients contained in them is adjusted to the target weeds accompanied by an effective dosage measure and also adjusted to the plant's response to herbicides (tolerant or not) taking into account the determination of pesticide classes based on WHO classification

- Erkafuron with active ingredient Metsulfuron methyl 20%with systemic properties has target weeds, namely broadleaf weeds, ferns (soft and dangerous) and woody (shrubs)

- Roll up with the active ingredient Glyphosate isoprophylamine 480 g/L with systemic properties having target weeds, namely the grass and sedge groups,
- Starane with active ingredient Fluroxypyr methyl heptyl 290 g/l with contact properties has target weeds, namely broadleaf weeds
- Garlon with an active ingredient of Triclopyr butoxyethyl ester 670 g/l with systemic properties has target weeds, namely groups of weeds with broad leaves and woody shrubs
- Erkatril with an active ingredient of Coumatetralyl 0.00375% with rats as the target

For recommendations on the use of each type of herbicide and application rotation according to LAMP/SMART/MCAR/VIII/TA-01

7.2.2

The company has records related to the type of pesticides used, namely:

Brand	Active Ingredient	License number	LD50 (ppm)	Validity period
Erkafuron 20 WG	Metsulfuron methyl 20%	RI 01030120093530	5000	31 Januari 2025
Roll up 480 SL	Glyphosate isoprophylamine 480 g/L	RI 01030120042133	5000	03 September 2023
Garlon 670 EC	Triclopyr butoxyethyl ester 670 g/l	RI 0103011984695	2574	28 Maret 2024
Starane 290 EC	Fluroxypyr methyl heptyl 290 g/l	RI 01030120083155	2000	12 November 2023
Erkatril 0.0037588	Coumatetralyl 0.00375%	RI 011201201124451	5400	05 Desember 2027

The company shows records of pesticide use for the period January – December 2021, 2022, up to May 2023 as follows :

Kencana Estate

Pestiside	Unit	2021	2022	Jan- May 2023
Starane 480 EC	(kg, l)/ha	0,03	0,05	0,06
Roll up 480 SL	(kg, l)/ha	0,12	0,15	0,12
Erkafuron	(kg, l)/ha	0,01	0,02	0,01
Garlon 670 EC	(kg, l)/ha	0,24	0,35	0,33
Erkatril 0.0375 BB	(kg, l)/ha	0,02	0,03	0,02

Cendana Estate

Pestiside	Unit	2021	2022	Jan - May 2023
Starane 480 EC	(kg, l)/ha	0,07	0,032	0,027
Roll up 480 SL	(kg, l)/ha	0,014	0,091	0,068
Erkafuron	(kg, l)/ha	0,01	0,004	0,003
Garlon 670 EC	(kg, l)/ha	0,25	0,218	0,204
Erkatril 0.0375 BB	(kg, l)/ha	0,02	0,035	-

The increase in the use of pesticides in 2022 for several types of pesticides due to high rainfall in that year exceeding 2021 so that more pesticides are applied.

7.2.3

Integrated pest control activities carried out by the company have shown that there is no use of pesticides as prophylaxis. Pesticides are used as a last resort in controlling plant pests when census results show values above the control threshold. For the reduction of other pesticides besides paraquat, it has been regulated in SOP for Weed Control No. SOP/SMART/MCAR/VIII/TA-PGM dated 15 July 2020. Where in the procedure it states that the use of pesticides must be

carried out efficiently and on target, so that the use of pesticides is maximized in such a way and interspersed with manual control. The company demonstrates the form of implementation of integrated pest control by utilizing natural enemies of pests such as *Tyto alba* and planting and caring for beneficial plants such as *Turnera subulata* and *Antigonon leptopus* as an effort to reduce the use of pesticides.

7.2.4

Integrated pest control activities carried out by the company have shown that there is no use of pesticides as prophylaxis. Pesticides are used as a last resort in controlling plant pests when census results show values above the control threshold. The company demonstrates the form of implementation of integrated pest control by utilizing natural enemies of pests such as *Tyto alba* and planting and caring for beneficial plants such as *Turnera subulata* and *Antigonon leptopus* as an effort to reduce the use of pesticides.

7.2.5

The President Director of SMART Tbk issued a memorandum not to use paraquat in 2016. Regarding Pesticides that are categorized as WHO Class 1A or 1B, there is a Social and Environmental Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances. Based on the document review, it is known that the pesticide Erkatril was used which is included in class I-B according to WHO Class. This use is due to rat pest outbreak that exceed the control threshold. The company shows the minutes of the due diligence on the use of WHO class I-B pesticide type Coumatetralyl dated 4 July 2022 made by the SPO Ketapang 2 Region, SMARTRI Ketapang 2, approved by RC Ketapang 2.

7.2.6

The company shows several types of training conducted for pesticide application personnel, for the example :

- Training activities carried out by Kencana Estate with the topic of integrated pest control training, chemical handling, MSDS, and hazardous and toxic waste materials as well as socialization regarding GSEP on May 5, 2023 which was attended by Kencana Estate spray employees.
- Training activities carried out by Cendana Estate with the topic of delivering K3 policies, adherence to the use of PPE, delivery of safe work procedures, integrated pest control, chemical handling, MSDS, and emergency response on May 22 2023 which were attended by Sempot employees and Warehouse officers.

The results of field visits and interviews with spray workers and Warehouse officers found that the personnel understood the handling of the chemicals they used and the risks of hazards that might arise so that they were more careful in handling the use of chemicals in their work.

Based on the explanation above, it was concluded that those who applied the pesticide were employees who had attended the training, while the employees understood the dangers and risks related to the chemicals used.

7.2.7

Based on the results of field observations and interviews it is known that pesticides at Kencana Estate and Cendana Estate are stored properly in the chemical warehouse, separated by type, equipped with balance notes, dangerous symbols, fire extinguishers, MSDS, first aid kits, with adequate lighting and circulation. There is also a special room for sanitation activities after workers carry out activities related to pesticides. Containers used for spraying in the field are cleaned and there are facilities for storing water used for washing spray containers which are well managed. The results of visits to employee housing did not find any used pesticide containers that were used out of necessity.

7.2.8

The company can show the waste management program and evaluation form document Number F/SMART/LEMS-EHSD/SADV/002/007. In addition, the company also has SOP for Waste Management No. SOP/SMART/LEMS-EHSD/SADV/1002 which was ratified by the Sustainability Division Head on 01 July 2014. The SOP describes the mechanism for storing pesticides according to the recommendations provided in the MSDS, placement of chemicals with dissimilar characteristics must be separated according to MSDS recommendations, preparation and release of chemicals is carried out first in first out (FIFO), chemical containers must have a label, chemicals are only released based on requests approved by the authorities and records well-documented storage and dispensing of agrochemicals (including pesticides).

Based on field observations at agrochemical warehouses and hazardous waste storage areas at Kencana and Cendana Estate, it is known that pesticide storage areas are well managed, oil traps are available, air ducts are adequate and isolated. Used agrochemical packaging waste is divided into 2 treatments, for small packaging waste it is managed by sending it to hazardous waste collectors, while for large packaging waste it is reused for pesticide mixing containers through a mechanism that has been regulated by the company through Work Instructions for Handling Hazardous Waste Number IK/SMART/LEMS-EHSD/SADV/002/001 and recorded in the monitoring document for used pesticide containers using a logbook with form number F/SMART/LEMS-EHSD/SADV/002/001. Regarding the reuse of used agrochemical packaging, the company showed document number S.11/VPLB3/PNLB3/PLB.3/01/2021 dated 1 January 2021 issued by the Ministry of Environment and Forestry regarding clarification of waste status. Based on these documents, it can be concluded that the 65 companies under PT SMART Tbk (the parent company of PT KGP) have the authority to manage waste from used pesticide packaging, sacks of fertilizer and used personal protective equipment.

Small-sized containers of used pesticides are not reused and stored in well-monitored hazardous waste storage warehouses which are then handed over to licensed collectors. Based on interviews with pesticide application officers at Kencana Estate and Cendana Estate, it is known that all used small pesticide packaging containers were returned and sent to the Hazardous Waste Warehouse and not used for any other purpose than pesticide application activities. Used packaging containers, work tools and work clothes are all stored in a special storage area, so that no contaminated items are brought home. The results of observations in employee housing revealed that no used pesticide packaging was found which was reused.

The company also shows the hazardous waste TPS Maintenance Form document, KNCE unit, CDNE, KNNM for the period January – March (Quarter I) 2023, April 4 2023 with monitoring activities for the condition of the Hazardous waste Material Storage building, condition of the symbol Hazardous Waste Material, TPS Hazardous Waste equipment including Fire Extinguisher equipment, first aid kit, alarm, PPE, procedure, log book board, waste storage conditions, and cleaning equipment, April 4, 2023.

7.2.9

The company applies pesticide spray methods and equipment in accordance with LAMP/SMART/MCAR/VIII/TA-PGM/02 procedures regarding weed spray equipment. Two categories of weed sprayers are knapsack sprayers (carrying) and CDA (Controlled Droplet Applicator) which are regulated regarding how to use the weed sprayer. The company also applies LAMP/SMART/MCAR/VIII/TA-PGM/03 procedures regarding general instructions for safety in working with pesticides. In this procedure there are prohibitions not to spray or spread pesticides when it is going to rain, the wind is blowing hard, and do not direct the spray or spread against the direction of the wind. The procedure instructs to avoid spray carried by the wind to other places so that it does not hit people's homes, plants in other places, rivers, ponds, lakes, and fodder. This is quite representative that the company has procedures that are aware of the spread of pesticides through the air. Based on the results of field visits and interviews, it was found that the company did not apply pesticides by air

7.2.10

Cendana Estate

- The company shows Cendana Estate periodic medical examination documents conducted on October 20, 2022 for a total of 457 Cendana Estate employees which are contained in the form F/SMART/HESS-EHSD/SADV/012/004 Rev. 0.0 made by the secretary of OHS is known by the Chairperson of OHS and the Company Doctor. The results of the inspection of workers declared healthy and ready to work,
- Cendana Estate special health check-up activities were carried out on May 22 2023 in the form of Cholinesterase and Spirometry examinations for 55 workers in the treatment, spray, Warehouse head,
- The Cendana Estate pregnancy check-up activity was carried out on May 4 2023 for 13 spray workers with negative pregnancy test results and were allowed to carry out spray work activities. Head of Warehouse, and Warehouse clerks.

Kencana Estate

- Periodic inspection activities for Kencana Estate were carried out on October 7 2022 for a total of 550 Kencana Estate employees which are contained in the form F/SMART/HESS-EHSD/SADV/012/004 Rev. 0.0 made by the

secretary of OHS is known by the Chairperson of OHS and the Company Doctor. The results of the inspection of workers declared healthy and ready to work

- The Kencana Estate special medical examination activity was carried out on May 24 2023 in the form of a Cholinestrase examination of 37 workers consisting of warehouse officers, sprayers, irrigation officers, chemical workers, spray foremen, and clothes washers. The results of the inspection of workers declared healthy and ready to work
- The Kencana Estate pregnancy check-up activity was carried out on May 8 2023 for 10 spray workers with negative pregnancy test results and were allowed to carry out spray work activities.

7.2.11

Document Number LAMP/VIII/TA-PGM/03-PUKBP dated 26 March 2012 regarding general instructions regarding safety in working with pesticides (PUKBP) the document has explained that pesticides are only used when circumstances really require them, pregnant women and workers whose health is not good, are not allowed to work or be employed to use pesticides.

The company shows records of employee health checks as follows :

Cendana Estate

- Cendana Estate periodic medical examination documents conducted on October 20, 2022 for a total of 457 Cendana Estate employees which are contained in the form F/SMART/HESS-EHSD/SADV/012/004 Rev. 0.0 made by the secretary of OHS is known by the Chairperson of OHS and the Company Doctor. The results of the inspection of workers declared healthy and ready to work,
- Cendana Estate special health check-up activities were carried out on May 22 2023 in the form of Cholinestrase and Spirometry examinations for 55 workers in the treatment, spray, Warehouse head,
- Cendana Estate pregnancy check-up activity was carried out on May 4 2023 for 13 spray workers with negative pregnancy test results and were allowed to carry out spray work activities. Head of Warehouse, and Warehouse clerks.

Kencana Estate

- Periodic inspection activities for Kencana Estate were carried out on October 7 2022 for a total of 550 Kencana Estate employees which are contained in the form F/SMART/HESS-EHSD/SADV/012/004 Rev. 0.0 made by the secretary of OHS is known by the Chairperson of OHS and the Company Doctor. The results of the inspection of workers declared healthy and ready to work
- Kencana Estate special medical examination activity was carried out on May 24 2023 in the form of a Cholinestrase examination of 37 workers consisting of warehouse officers, sprayers, irrigation officers, chemical workers, spray foremen, and clothes washers. The results of the inspection of workers declared healthy and ready to work
- Kencana Estate pregnancy check-up activity was carried out on May 8 2023 for 10 spray workers with negative pregnancy test results and were allowed to carry out spray work activities.

The results of field observation it is known that there are no workers who are related to pesticides aged less than 18 years, they were in normal condition (healthy), and none of them were pregnant.

Status: Comply

7.3

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

7.3.1

The company has identified waste from operational activities contained in the F/SMART/LEMS-EHSD/SADV/001/001 document. The identification is grouped based on the activity that generates the waste, the name of the waste, the code of the waste, the type of solid or liquid, and its management. Determination and classification of waste codes using Government Regulation number 101 of 2014. The company also has several procedures related to waste management and utilization listed in the Waste Management SOP document Number SOP/SMART/LEMS-EHSD/SADV/I002 which was approved by the Sustainability Division Head. dated 01 July 2014. The procedure explains, among others:

- Liquid waste quality testing is carried out at the outlet in accordance with the company's internal provisions and laws and regulations and reports the results of the liquid waste testing to the relevant agencies.
- Emissions and ambient air quality testing is carried out in accordance with company internal and statutory regulations and reports the results of emission and ambient testing to the relevant agencies
- Chemical or agrochemical packaging waste is collected then rinsed and recorded in a logbook of former chemical packaging. After that, the waste is stored in a designated place and can be reused for similar activities and/or returned to the supplier and/or in accordance with the SDS. The residual rinse water is reused for the process of mixing agrochemicals.
- Hazardous waste in the form of used oil, used batteries, used oil filters, Hazardous contaminated cloth rags and other types of Hazardous waste produced, is managed by being collected at a licensed Hazardous waste storage and handed over to a licensed third party.
- Medical waste in the form of used syringes, expired drugs, and others is treated like Hazardous waste and is carried out in collaboration with a licensed third party for destruction.
- Shell and fiber waste is used for boiler fuel
- Empty pods are applied as organic fertilizer in oil palm plantations.
- Boiler ash produced can be applied to paving roads or applied to land.
- Domestic solid waste in the form of household and office waste is disposed of at the Final Waste Disposal Site (Landfill).

In the realization of waste management, it is divided into several types based on the characteristics of the waste it produces, including :

Hazardous and Toxic Waste

In managing hazardous and toxic waste, the company does not reuse it, but only temporarily stores it in 4 warehouses. The company also has a hazardous waste storage area that has a Temporary Storage Permit for Hazardous and Toxic Waste in accordance with the Decree of the Head of the Investment Service, One Stop Service of Ketapang Regency Number 660.1/192//DPMPTSP-D/2020 dated 29 June 2020 concerning Operational Permit for Management of Hazardous and Toxic Waste for Producing Hazardous Waste to PT Kencana Graha Permai. This permit is valid for a period of 5 years. The permit documents cover 4 Hazardous Waste Storage Warehouses owned by the company located in the Kenanga POM, Kencana Estate, Cendana Estate and Delima Estate areas.

The waste stored in the temporary storage warehouse will then be transported by a licensed party once every 3 months. The last transportation is proven through Electronic Manifest documents and minutes of transportation with examples of evidence:

1. Minutes of Handover of B3 Waste dated 01 July 2023, to PT Semesta Langgeng Sentosa
2. Manifest KLHK-1676186001, December 7, 2022
3. The transport of B3 waste has been uploaded to the Siraja Waste system on July 3 2023, currently awaiting further submissions from third parties and the Ministry of Environment and Forestry, to issue a manifest

The company shows Cooperation Agreement document No. 001/KGP/LOKAL/03/2023-B3 Waste Management, dated 1 March 2023, between PT Kencana Graha Permai and PT Semesta Langgeng Sentosa, valid until 28 February 2024, type of waste Oil filter, B3 contaminated waste, Electronic waste (CRT, TL lamps, PCB, Rubber wire), expired chemicals and pharmaceutical products, used and B3 contaminated packaging, Medical Waste.

The results of field visits to the hazardous waste storage warehouses at Kenanga POM and Kencana Estate also show that the company has managed the hazardous waste quite well. All obligations stated in the waste storage permit have been fulfilled, such as the availability of fire extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labeling. In addition to adequate lighting and air ventilation, the company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. The results of interviews with the warehouse manager also show that the manager has fully understood the SOP for hazardous waste management and mitigation measures in the event of potential pollution. The company has also reported the results of hazardous waste management which is carried out quarterly with evidence:

1. Electronic receipt 1686059714-3558, B3 waste management, first quarter period (01 January 2023 to 31 March

- 2023) dated 06 June 2023, West Kalimantan provincial government
2. Electronic receipt 1676378560-3558, B3 waste management, quarter IV (01 -October 2022 to 31 December 2022) February 14, 2023, Government of Ketapang Regency

Non-hazardous and Toxic Waste

Non-hazardous waste such as domestic waste and used sacks of fertilizer and large packaging of used pesticides are managed in the form of reuse as explained in indicator 7.2.8. In addition, waste that cannot be reused will be collected, if it still has economic value, such as scrap metal and used tires, it will be sold to those who work with the company. Non-hazardous waste that cannot be reused will be disposed of in landfills. Transportation of non-hazardous waste from employee housing or the emplacement area is carried out once a week and immediately disposed of in the landfill, and when the landfill is full, stockpiling and installation of signboards marking the opening and closing dates will be carried out. The company has a policy regarding the prohibition of burning waste, including in landfill areas.

The results of field visits through the landfill areas of Block E37 Cendana Estate and Pondok I Cendana Estate showed that there were no traces of burning, all domestic waste was disposed of in waste storage tanks spread throughout the building with classifications of organic and inorganic waste types. the results of interviews with residents of the emplacement also stated that the company routinely conducts socialization regarding domestic waste management, both directly through meetings, and indirectly by installing signboards prohibiting burning waste and littering.

Liquid, Solid and Air Waste :

The solid waste from the FFB processing process in the form of shells and fiber is reused by the company as a substitute for fossil fuels (Solar) for electricity generation in boilers, while EFB is used to replace fertilizer applied to plantation land. Some of the solid waste in the form of shells is also shipped or sold, while the empty fruit bunches are used as fertilizer. Waste utilization data is explained in more detail in indicator 7.9.1.

Companies take advantage of POME by applying it to land applications and not disposing of it into water bodies. Regulation and management of POME is explained in more detail in indicators 7.3.1 and 7.8.3. As for air waste, the company has not utilized waste air in general, namely the Biogas Plan. So far, management related to air waste has only been limited to measuring air quality from waste-producing sources such as WWTP, Boilers and Gensets.

7.3.2

Based on interviews with the Manager of the Kenanga POM and Kencana Estate Hazardous Waste Warehouse, it was found that they understood the handling of waste disposal, especially hazardous waste and domestic waste and the management of hazardous waste in accordance with the procedures owned by the company. The resource person explained regarding the management of domestic waste by transporting it once a week and sending it to the Landfill where it is then stockpiled (without burning). The results of interviews with workers who live in the company area also stated that the waste management carried out by the company was very good and organized. Trash bins are properly provided, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins which will be replaced if damaged, hazardous waste warehouses and landfills. The resource person also really understands how to separate the types of waste they produce and what types of waste cannot be reused.

Based on field visits to the residential areas of Kencana Estate and Pondok I Cendana Estate, it also shows that the housing conditions are quite clean and there is not much trash scattered around.

7.3.3

The company does not carry out open burning for waste destruction, this can be proven from field observations in the residential area of Pondok I Cendana estate and the Kencana Estate and Cendana Estate Landfills (block E47) where no traces of burnt waste were found. The results of interviews with employees also stated that they had never burned garbage, because they knew the prohibition of burning and the sanctions they would receive if they did. Organic waste from housing and inorganic waste are disposed of in the bins provided, then transported once a week and disposed of in landfills and then buried when they are full. Based on the results of field visits in employee housing areas, there were also

many warnings to prohibit burning waste and the dangers that could arise from burning. The interview with management also explained that all workers understood the regulations regarding the prohibition of burning.

Status: Comply

7.4

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

7.4.1

The company has procedures for practicing oil palm cultivation to manage soil fertility in the document SOP/SMART/MCAR/IX/TA-PPK No. Rev 1.0 with a published date of July 15 2020. Procedure's are related to the following matters:

- LSU collection, contained in document IK/SMART/MCAR/IX/TA-PPK/06
- Taking SSU, contained in document IK/SMART/MCAR/IX/TA-PPK/07
- Fertilizer sampling, contained in document IK/SMART/MCAR/IX/TA-PPK/08
- Inorganic manual fertilization in TM, contained in document IK/SMART/MCAR/IX/TA-PPK/09
- Fertilization with FS, contained in the document IK/SMART/MCAR/IX/TA-PPK/10
- Fertilization by plane, contained in the document IK/SMART/MCAR/IX/TA-PPK/11
- Fertilization of empty shoots in TM, contained in document IK/SMART/MCAR/IX/TA-PPK/12
- Compost fertilization in TM, contained in document IK/SMART/MCAR/IX/TA-PPK/13
- Fertilization of empty long ash in TM, contained in document IK/SMART/MCAR/IX/TA-PPK/14
- Sampling of air and soil in the waste application area for PKS, contained in the document IK/SMART/MCAR/IX/TA-PPK/15.

The company implements soil analysis and leaf analysis for each estate unit which are then used as basic fertilization recommendations described in 7.4.2.

Utilization of empty fruit bunches as a form of implementing soil fertility management is described in 7.4.3

Records of fertilization activities carried out by the company are described in 7.4.4

7.4.2

The company routinely analyzes leaf samples, for example, that was carried out by Cendana Estate on 18 April 2023 with a total of 12 samples and 05 May 2023 on 14 samples from Kencana Estate with the types analyzed being N, P, K, Mg, Ca, B, Cu, Zn, Mn, Fe, and Cl. Analysis of the soil samples was carried out as was done for the 78 Cendana Estate samples on January 2, 2023 and the 54 Kencana Estate samples on February 27, 2023 regarding texture, pH, N, C-organic, P2O5, CEC, exchangeable bases, Al, and H.

7.4.3

The company's nutrient recycling strategy includes using empty fruit bunch (EFB) as part of crop maintenance to increase plant nutrition. This is stated in company procedures in IK/SMART/MCAR/IX/TA-PPK/12 for fertilizing EFB in mature plantations and IK/SMART/MCAR/IX/TA-PPK/04 for fertilizing EFB in immature plantations.

The unit of certification shows the utilization of EFB as a provider of nutrients for oil palm plants. For example, the application of EFB at Kencana Estate in 2022. The planned application of EFB in 2022 is 8,330.7 tons, with realization in 2022 of 8,330.7 tons. In 2023 the planned application of EFB is 7,347 tons with realization up to June 2023 of 5,926.2 tons.

In addition to using EFB, the company's nutrient recycling strategy is to utilize palm oil mill effluent and apply it to land applications. Realization of LA application at Kencana Estate in 2022 is 67,018.80 m3 for a land area of 541.95 ha, while in 2023 the realization of LA application until June is 26,564.69 m3 for a land area of 215.65 ha

7.4.4

The company shows documents containing records of fertilizer use as follows :

Fertilizer	Cendana Estate		Kencana Estate	
	Recommendation	Realization	Recommendation	Realization
Kieserite	3.000 kg	3.000 kg	4.800 kg	4.800 kg
Diamonium Phosphate	211.650 kg	211.650 kg	134.300 kg	130.250 kg
MOP/KCL	866.750 kg	866.750 kg	595.400 kg	579.800 kg
RP	874.950 kg	874.950 kg	400.050 kg	388.000 kg
TSP	5.000 kg	5.000 kg	6.200 kg	6.200 kg
Urea non subsidi	349.900 kg	349.900 kg	383.200 kg	358.900 kg
NPK Compound 12.12.17.2	-	-	609.800 kg	609.800 kg
CUSO4	-	-	4.457,45 kg	4.457,50 kg
Kieserite granular	361.300 kg	361.300 kg	301.250 kg	297.000 kg
HGFB	21.799,70 kg	21.799,70 kg	23.878,70 kg	23.879,2 kg
Super dolomite	30.250 kg	30.250 kg		
CRF	3,5 kg	3,5 kg		

High rainfall in 2022 has caused several fertilization activities to not be realized 100% in the 2022 period, so the plan is to continue in the following year with plans and realization of fertilization for the period January - May 2023, as follows:

Fertilizer	Cendana Estate		Kencana Estate	
	Recommendation	Realization	Recommendation	Realization
Kieserite	-	-	-	-
Diamonium Phosphate	7.950 kg	7.350 kg	3.000 kg	7.050 kg
MOP/KCL	281.650 kg	194.400 kg	352.150 kg	219.384,10 kg
RP	15.300 kg	-	7.400 kg	12.050 kg
TSP	-	-	-	-
Urea non subsidi	4.450 kg	-	-	22.202,10 kg
NPK Compound 12.12.17.2	-	-	6.150 kg	-
CUSO4	-	-	3.079,22 kg	-
Kieserite granular	191.900 kg	85.000 kg	205.300 kg	86.900 kg
HGFB	18.629,9 kg	-	19.224,74 kg	3.319,40 kg
Super dolomite	174.200 kg	-	81.850 kg	-
Urea granular	282.950 kg	131.500 kg	294.850 kg	156.800 kg
SP36	155.900 kg	35.450 kg	178.700 kg	74.050 kg

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

The soil type map of PT KGP has not changed from the previous year. A soil suitability map at a scale of 1:50,000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. The company's strategy to optimize the land potential with these limiting factors is to provide additional organic fertilizer (empty fruit bunches) at a dose of 40 tons/ha.

7.5.2

Further replanting activities can be noticed because based on the SOP/SMART/MCAR/IV/TA-PLB published on 15 July 2020 it is explained that terraces are made based on the slope of the land so that they can provide good planting sites, facilitate access to harvesting, and plant maintenance. Making contour terraces is done mechanically so that a skilled

bulldozer/excavator operator is needed because the construction of terraces requires special skills. For the classification and slope of the terrace needs can be seen in the following table:

Topography		Note
< 15 %	< 9°	Planted at standard spacing, no need for terraces and hoofs
15 – 27 %	9 – 15°	Double terrace 5,5 ± 0,5m (wide terrace 2,4 ± 0,25m for planting lines and 3,1 ± 0,25m for mechanical path with the difference in height between the terraces about 0,3 – 0,7m
28 – 40 %	16 – 22°	Minimum terrace's wide is 3,5 – 5,0m, depending on soil conditions and soil depth
> 40 %	> 22°	Not recommended for planting

Further information regarding the construction of contour terraces is regulated by the company in document IK/SMART/MCAR/IV/TA-PLB/07.

Based on the details of the company's long-term plans in the Corporate Responsibility Strategic Plan (TJSP) document for 2023 – 2027, PT KGP has no land clearing plans until 2027. The results of interviews with management representatives found that the company did not undertake any new land clearing or replanting activities. The last land clearing activities were carried out in 2012 (Cendana Estate) and 2010 (Kencana Estate).

7.5.3

The company has procedures in SOP/SMART/MCAR/IV/TA-PLB published on 15 July 2020 which indicates that it is not recommended to plant oil palm on steep slopes as described in 7.5.2. Based on the details of the company's long-term plans in the Corporate Responsibility Strategic Plan (TJSP) document for 2023 – 2027, PT KGP has no land clearing plans until 2027. The results of interviews with management representatives found that the company did not undertake any new land clearing or replanting activities. The last land clearing activities were carried out in 2012 (Cendana Estate) and 2010 (Kencana Estate).

Status: Comply

7.6

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

7.6.1

The soil type map of PT KGP has not changed from the previous year. A soil suitability map at a scale of 1:50,000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone.

Based on the results of a semi-detailed soil survey conducted by the Plantation Monitoring and Planning Division (PMNP) at PT Kencana Graha Permai in 2011, it is known that there are areas with slope levels of 21-40% covering 7.50 hectares and 40-58% covering 5.51 hectares in CDNE. Whereas in the KNCE, there was no area with a slope above 40%. In the sloping area, the company implements the construction of stakes and contour terraces, builds horse treads (individual terraces), conservation plants, and so on.

7.6.2

The company has procedures in SOP/SMART/MCAR/IV/TA-PLB published on 15 July 2020 which indicates that it is extensive planting on marginal and fragile soils is avoided, and when necessary carried out according to best practice soil management plans. Based on the details of the company's long-term plans in the Corporate Responsibility Strategic Plan (TJSP) document for 2023 – 2027, PT KGP has no land clearing plans or any development activities until 2027. The results of interviews with management representatives found that the company did not undertake any new land clearing

or replanting activities. The last land clearing activities were carried out in 2012 (Cendana Estate) and 2010 (Kencana Estate).

7.6.3

Based on the details of the company's long-term plans in the Corporate Responsibility Strategic Plan (TJSP) document for 2023 – 2027, PT KGP has no land clearing plans or any development activities until 2027. The results of interviews with management representatives found that the company did not undertake any new land clearing or replanting activities. The last land clearing activities were carried out in 2012 (Cendana Estate) and 2010 (Kencana Estate).

Status: Comply

7.7

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

7.7.1

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

7.7.2

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

7.7.3

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

7.7.4

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

7.7.5

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

7.7.6

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

7.7.7

The soil suitability map at scale of 1:50.000 was issued by the Plantation Monitoring and Planning Division in 2011 which contains descriptions of soil type, topography, soil texture, drainage conditions, land suitability level, and limiting factors. The identified soil types are typical endoaquept, typical dystrodept, typical hapludul, typical haplorthod, and typical udiccamment. This type has a sandy and sandy clay texture with land suitability values in class S2 and S3. The limiting factors are soil texture, drainage, topography, and rock in the root zone. Based on the semi-detailed document review above, it was found that there were no peat areas in the PT Kencana Graha Permai management unit.

Status: Comply

7.8
Practices maintain the quality and availability of surface and ground water
7.8.1

Based on the 2017 AMDAL Addendum document, the 2011 HCV identification results, as well as the map of river flows and water sources, it can be seen that there are several water sources in the company's operational areas. Based on this document, it is known that the water source management plan is to test the quality of surface water in the upstream and downstream of the river every 6 months and drilled wells every 1 year. All tests are carried out by a KAN accredited laboratory (LP-516-IDN). In this regard, the company shows the results of surface water quality testing for the first semester of 2022 to be carried out on December 7, 2021. The company conducted surface water tests at 10 sample points for all PT KGP with rivers that are included in the scope of certification, including:

- Scope of Kencana Mill: Upstream and Downstream of the Puayan river (2 points)
- Scope of Kencana Estate: Upstream and Downstream of the Langsat river, and Downstream of the Kendawangan river (3 points)
- Scope of Cendana Estate: Upper Kendawangan river (1 point).

The company shows documents of surface water quality test results conducted by the KAN accredited testing laboratory LP-195-IDN. On March 15, 2023, with reference to quality standards, PP RI No 22 of 2021 Appendix VI, 36 test parameters. Based on the test results it can be seen that there are no parameters with test result values exceeding the quality standard stipulated in Republic of Indonesia Government Regulation No. 22 of 2021 Appendix VI,

The results of interviews with workers from Cendana Estate and Kencana Estate stated that there were never complaints about river water, they only used the water for transportation (Kendawangan River) and not for consumption or daily needs, while other rivers were not used specifically.

The company also has a river bank management plan which is explained in the SOP procedure for Water Resources Management and Monitoring number SOP/SMART/BCOS-EHSD/SADV/004. Based on the results of document verification and field observations at several sampling locations, it is shown that the company has carried out activities to improve water quality, including:

- Conduct outreach to all employees and the surrounding community to maintain water quality, with examples of evidence:
 - a. Minutes of HCV outreach, January 16-17 2023, employees of Pondok 1 and 2 Cendana Estate, in the morning circle with materials on protection of HCV areas and types of protected flora and fauna, prohibition of spraying activities on river banks, presentation of HCV locations.
 - b. Minutes of Dissemination of Business Ethics Policy and KSLG to the Garden Community, January 18, 2023, in Belaban Village, Marau District, with materials on HCV, Plants and Animals, social and environmental policies, environmental management, participation and role of companies and communities in social relations, RSPO certification and trade and supply chain, attended by 42 participants.

- Creating a program to gradually improve water quality in accordance with the provisions of the applicable laws and regulations.
- Reporting the results of testing the quality of river water and drilled wells in the RKL/RPL report.
- Management of surface water erosion and runoff, management of water in the lowlands and monitoring of surface water quality as contained in the implementation of the RKL-RPL each semester.
- Waste water management using WWTP and Land Application.
- Monitoring the use of water for palm oil processing and evaluation of its use.

Regarding fertilization activities using airplanes, the company can show evidence that there is no fertilization activity in river riparian areas and/or water sources through maps of fertilizer applications by planes and data on the realization of fertilization. The results of field visits to the Pikan River Block H 46 and the Kendawangan River Block L37/L38 found no traces of fertilization or herbicide application. Revegetation efforts in the riparian area carried out by the company have also seen results, with evidence that the vegetation along the river has been overgrown with forestry plants which are quite dense.

7.8.2

The company has procedures related to identification, management and maintenance of water sources and quality listed in the SOP for Management and Monitoring of Water Resources number SOP/SMART//BCOS-EHSD/SADV//004. The SOP explains several matters related to the management of river banks and other water sources, such as for example in the context of protecting water resources, determining the width of river borders following Presidential Decree no. 32 of 1990, protects the boundaries, conducts outreach to all parties involved in plantation operations to participate in water protection activities, making boundary markings, and monitoring water resources.

The company also has topographical data in the form of a map with a scale of 1:50,000 which includes the scope of certification sourced from the Data Area Statement as of May 2014. Sources are based on Image Spot 5 of the Ketapang Regency and Surrounding Areas dated April 30 2010, Landsat Citra 7 ETM 543 of the Ketapang Regency and its surroundings, as well as the Field Survey of PNMP Division 1-13 November 2011. Based on the map it shows that there are flowing rivers, lakes/reservoirs and springs water in the company area. The results of document reviews and interviews as well as verification of company areas through satellite imagery also show that there are water sources within the company area. In addition, the company showed PT KGP's Semi-Detailed Area Survey Land Map with a scale of 1:50,000. Based on the map, the slopes in Kencana Estate and Cendana Estate are dominated between 2° – 5°. There are several locations that have a slope of more than 40°, namely with a slope of 58° which are in Block J46 for Cendana Estate and Blocks H47, I47 and I48 for Kencana Estate.

The company periodically carries out efforts to protect water sources, with the following specific types of activities:

- Planting activities in riparian areas in 2022, with 50 stems of head, 20 stems of nyatoh, 30 meranti stems, and 70 stems of nyatoh,
- Information on planting in 2023: 2,844 gaharu, ironwood, calamondin, meranti and ubar in HCV areas including river banks,
- Maintenance of Warning Boards in HCV, April 2023 period, covering the Pikan, Keluang, and Asan Sambas Rivers,
- Maintenance of KBKT boundary markers, April 2023 period.

7.8.3

The unit of certification already has facilities for managing POME produced from palm oil processing with a capacity of 80 tons of FFB/hour using WWTP. POME which has been managed in WWTP is then used as a substitute for fertilizer in Land Application. Before being distributed to the land, all POME is put into WWTP which consists of 6 Anaerobic ponds with the size of each pool with a length of 100m x 50m x 5m and a volume of 15,000 m³ with a total volume of 90,000 m³. Before being used, the waste is treated until it reaches the quality standards for wastewater utilization in oil palm plantations, namely pH 5-9 and a maximum BOD of 5000 mg/l. Fulfillment of these quality standards is obtained from taking test samples in the mixing pond located in the pump house.

The company also has a license to utilize liquid waste for Land Application in accordance with the applicable quality standard provisions based on the Decree of the Ketapang Regent Number 758/KLH-B/2016 dated 23 December 2016

concerning Permit to Utilize Wastewater for Application to Land for Oil Palm Plantations PT Kencana Graha Permai which is spread over 37 blocks (blocks I, J, K and L). The permit for the utilization of liquid waste has expired in 2021, then a Circular Letter from the Ministry of Environment and Forestry Number SE.2/MENLHK/SETJEN/KUM.1/3/2021 concerning the transitional arrangements for the implementation of PP No. 5 of 2021, PP No. 22 of 2021, and PP No. 23 of 2021 which in outline states that all permits related to the environment that expire on February 2, 2021, these permits are still valid as long as there is no change in scope. This was also reinforced based on the results of an interview with the Ketapang Regency Environmental Service which stated the same thing.

The company has conducted testing of liquid waste for disposal of wastewater into water bodies/land applications conducted by the KAN Accredited Environmental Testing Laboratory LP-024 – IDN, Testing Period January to March 2023, with Quality Standard Reference, Permen LH Number 28 of 2003, based on evidence from the test results it can be seen that there are no parameter test results that exceed the quality standards stipulated in Permen LH Number 28 of 2003 (Utilization of LA).

In accordance with the results of interviews with company representatives, it was explained that the use of liquid waste for land applications was carried out at Kenanga Estate PT Cahayanusa Gemilang, outside the scope of certification so that verification was not carried out on the application land area.

7.8.4

The company shows the water use/utilization permit document owned by the company, which is based on the Decree of the Minister of Public Works and Public Housing, Number 878/KPTS/M/2017 dated 2 November 2017 concerning the Granting of Water Resources Concession Permits to PT KGP for Industrial Businesses in Sungai Puayan which valid for 5 (five) years. The permitted discharge quota is 44.32 liters/second or 31,907 m³/month.

The permit mentioned above expired in November 2022, in connection with this, the company has made efforts to extend it in a detailed chronology in 2.1.1

The company shows a recapitulation of the use of river water for the PKS process, namely:

A. 2022 (January – December period)

1. Processed FFB: 365,110.50 tons
2. The total use of water is 294,324.00 M³

B. 2023 (January – May Period)

1. Processed FFB: 116,701.87 tons
2. The total use of water is 146,794.50 M³

The company also shows proof of payment of surface water usage fees, namely: Local Tax Assessment Letter Number 973/1025/UPTPPD-WIL.KTP-C/2023, June 13, 2023, proof of payment via transfer to UPT PPD account for Ketapang Region, date 26 June 2023, through bank transfer.

Status: Comply

7.9

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

7.9.1

The Unit of Certification has made efforts to improve the efficiency of using fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of the Convert Biofuel to Solar document at Kenanga POM for the period 2022 - 2023. The biofuel in question is solid waste in the form of shells and fibers which are used to substitute fossil fuels (diesel) to produce electricity using boilers.

A. January – June 2022 period: (data on Production of Shells, Fiber and Empty Hearts of Kenanga Mill for 2022, date

1. Processed FFB: 366,110,500 tons
2. Fiber: Production = 45,638,813 tons, utilization = 45,638,813 tons
3. Shell: Production = 16,910,031 tons, utilization = boiler fuel 10,450,446 tons, excess/sold 6,517,141 tons

B. January – June 2023 period: (data on Production of Shells, Fiber and Empty Hearts of Kenanga Mill for 2023, July 3, 2023)

1. Processed FFB: 116,293.03 tons

2. Fiber: Production = 4,536,264 tons, utilization = 4,536,264 tons

3. Shell: Production = 5,600,575 tons, utilization = boiler fuel 4,239,428 tons, excess/sold 2,375,492 tons

Renewable energy efficiency up to May 2023, use of shells and fiber = 21,298.09 tonnes (equivalent to 986,493 liters of diesel, 2,136,230 kWh of electricity generated, ratio of 100.30 kWh/ton fuel (biomass), ratio of biomass vs diesel: 0.02 tonnes/L.

Status: Comply

7.10

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

7.10.1

The Certification Unit has carried out a GHG inventory contained in the 2023 Greenhouse Gas Emission Mitigation Program document, based on document analysis it can be concluded that the company has identified the source of GHG produced by the Kenanga POM unit and its suppliers. Identification of significant sources of GHG emissions identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include changes in land use, processing of POME, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plan includes, among other things, the correct dosage of fertilizer use and application as recommended, reducing reuse and recycling actions, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of GHG calculations to the public which are submitted to the RSPO GHG website.

The reduction of fossil fuels at Kenanga POM has been carried out by using fiber and shells for fuel substitution. The company also uses POME to be applied to land with POME quality monitored every month by the KAN Accredited Environmental Testing Laboratory LP-024-IDN, with reference to quality standards being Minister of Environment Regulation Number 28 of 2003, dated May 5, 2023.

Based on document review for example: pesticide use monitoring, diesel fuel monitoring, HCV identification and others it was found that accurate data has been entered into RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January – December 2022 is as follows :

General Information

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	2	135,603.9	5,628.15
Group Plantation	4	119,566.81	4,806.65
3rd Party	7	110,594.95	0.00
Total	13	365,756.66	10,434.80

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	1.07	tCOe2/tProduct	Oil palm planted on mineral soil	14,294.76	Ha
PK	1.07	tCOe2/tProduct	Oil palm planted area on peat	0.00	Ha
PKO	0	tCOe2/tProduct	Total oil palm planted area	14,294.76	Ha
PKE	0	tCOe2/tProduct	Conservation area (Forested)	131.27	Ha
OER	20.67	%	Conservation area (non-Forested)	2,995.14	Ha
KER	5.34	%	FFB Production per hectare	35.05	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO ₂ e	tCO ₂ e/t FFB	Emission Source	tCO ₂ e
POME	71696.26	0.20	PK from own mill	0.00
Fuel Consumption	1108.15	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	0.00
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
Total	72804.41	0.20		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	66022.76	32,940.08	0.00	95,397.44
CO2 Emissions from Fertilizer	43763.50	8,725.04	0.00	13,636.06
N2O Emissions from Peat	0.00	0.00	0.00	0.00
N2O Emissions from Fertilizer	3085.03	7,957.65	0.00	12,372.60
Fuel Consumption	1,343.54	2,138.95	0.00	3,489.22
Peat Oxidation	0.00	0.00	0.00	0.00
Sinks				
Crop Sequestration	-52689.23	-81,064.82	0.00	-133,823.71
Sequestration in Conservation Area	-1,050.24	-153.60	0.00	-1,203.75
Total	20475.36	-29,456.69	13309.03	3,176.89

Palm Oli Mill Effluent Treatment

Description	Unit	Value
POME Produced	t/yr	245977,41
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0
COD value before anaerobic digestion	mg/l	0
COD value after anaerobic digestion	mg/l	0
COD removed during digestion	tCOD/tPOME	0
POME Produce	t/yr	245977,41
CH ₄ (Total)	t/yr	3222,30
Applied N in POME	t/yr	110.69
Total N ₂ O emission from POME	tCO ₂ e/yr	0.74

**POME is only processed in WWTP*

7.10.2

The Certification Unit did not carry out new developments after 2014, but the company continued to manage GHG by conducting an inventory of emission sources. They can show identification documents of activities that generate emissions for the 2022 period for Mills and Plantations. This is done to estimate the carbon stock in the management area along with the potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is developed and implemented.

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel, carrying out maintenance on operational equipment on a regular basis, and utilizing POME in Land Applications. Companies can show records of GHG mitigation for Estate and Mill units, for example the use of fertilizer according to the dosage, routine maintenance of operational vehicles, socialization on the prohibition of burning waste, application of efficient use of electricity and integrated pest control to minimize the use of pesticides.

7.10.3

The unit of certification has identified pollution sources and mitigation plans contained in the environmental aspect identification and evaluation form document number F/LEMS-EHSD/SADV/001/001. The company has also carried out management and monitoring related to the results of the identification and mitigation plans as evidenced through the Environmental Management Plan Report - Environmental Monitoring Plan of PT Kencana Graha Permai which includes the Monitoring Report on Immovable Emission Sources for Semester 2, 2022 which is reported to Government Agencies with evidence:

1. Receipt No 005/EL/KGP-PERKIMLH/III/2023, to the PERKIMLH Service of Ketapang Regency, RKL-RPL report for semester II of 2022, dated March 17, 2023, accompanied by signature and stamp.
2. Electronic receipt ID TTE 1686062826-3227, period 01 July 2022 to 31 December 2022, receipt printing time 06 June 2023, PT Kencana Graha Permai, Environmental Management Plan Report - Environmental Monitoring Plan, Water Pollution Control Report, Air Pollution Control Report, Hazardous Toxic Waste Management Report with reported status.
3. Letter Number 008/KGP-DL7/PNKO/VI.2023, Report on the Results of the Implementation of the Environmental Management Plan - Environmental Monitoring Plan Semester I and II of 2022, to the West Kalimantan Province Environment and Forestry Service, received on June 27, 2023.

Based on document verification, the company has conducted air emission quality tests and disturbances from immovable sources, including ambient air, boiler and generator air emissions, as well as odor, vibration and noise. Testing activities were carried out by an environmental test laboratory accredited by the National Accreditation Committee (LP-105-IDN), carried out on March 15, 2023. The reference for testing quality standards is as follows:

- a. Regulation of the Minister of Environment Number 07 of 2007 for Boilers,
- b. Regulation of the Minister of Environment Number 13 of 2009 for Generators,
- c. Government Regulation Number 22 of 2021 for ambient air.
- d. Decree of the Minister of Environment No. 48 of 1996 for noise,
- e. Decree of the Minister of Environment number 49 of 1996 for vibration, as well
- f. Decree of the Minister of Environment No. 50 of 1996 for odor.

Based on the verification of evidence from the test results, there are no parameter values that exceed the quality standards according to the regulatory reference above.

To reduce the potential harm to hearing, the company has developed several control action plans to reduce the impact on the health factors of operators working in the workplace. Efforts that have been made by the company include:

- Periodic tool/machine maintenance program to keep it up.
- Setting working time by means of job rotation so that the amount of noise exposure to workers can be controlled (no more than 8 hours/day for a noise level of 85 dBA).
- Preparation of HIRARC (Hazard Identification Risk Assessment & Risk Control) documents for all activities at the Factory and disseminating them to all relevant employees
- Conduct socialization and SOP training on a regular basis to related operators.
- Installation of "Noise Zone" warning signs and mandatory use of PPE.
- Examination and evaluation of the health of workers and the work environment routinely at stations with a level of potential noise hazard.
- Examination of the use of PPE by safety officers related to discipline in the use of PPE.
- Providing PPE in the form of earplugs and earmuffs and conducting audiometric health checks for factory employees.

The results of interviews with boiler and generator staff stated that there had never been any hearing-related problems experienced by the interviewees or other factory workers, the company had also carried out routine related health checks. The resource person also explained that the obligation to use PPE in the form of earplugs and earmuffs in the work area

is an obligation that cannot be violated, warnings about the use of PPE and checking the completeness of PPE are also implemented in the company

Status: Comply

7.11

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

7.11.1

The Kenanga POM certification unit can show the SOP for prevention and control of land fires in the SOP document for Emergency Response No. SOP/SMART/UMUM/SADV/II/005 ratified by the Head of Upstream on 01 July 2014. The scope of the SOP includes planning, prevention, management, post-fire management and reporting and coordination of fire suppression and land preparation, where the procedure explains that land clearing is carried out by mechanical means and Zero Burning. The land clearing procedure is carried out by not burning but by doing it mechanically.

The company also has SOP for new land clearing No. SOP/SMART/MCAR/IV/TA-PLB dated 26 March 2012 at point 2.2.4 which shows the work process regarding land preparation by not burning in land clearing activities. In addition, Golder Agri Recourses (GAR) as the parent company of the Sinarmas Indonesia Group also has a social and environmental policy which was ratified on September 8 2015 by the Head of Upstream where point 1.4 explains that the company will implement Zero Burning in all plantation development activities including preparation for new planting, replanting or other development activities.

Based on the results of field observations, no replanting areas were found, the planting year ranged from 2007 – 2014. Based on interviews with management, it was stated that all land clearing activities were carried out mechanically.

7.11.2

The company already has procedures related to fire prevention and control. Based on the document review, it is known that the company's fire control technique refers to the laws and regulations in force in Indonesia, including Law Number 18 of 2004, Law Number 32 of 2009, Minister of Environment and Forestry Regulation Number 32 of 2016 and Minister of Agriculture Number 5 of 2018 The fire control and prevention program has been included in the Fire Fighting Facilities and Infrastructure Monitoring program for the 2021 period, for example, monitoring APAR, monitoring firefighting equipment and fire simulation. The company has also managed, monitored, prevented and controlled land and forest fires, including the following:

- Formation of a fire fighting team equipped with the necessary equipment.
- Training on Land Fire Extinguishing Simulation and APAR Simulation for the TPKD team and Kenanga POM, Cendana Estate and Kencana Estate employees.
- Providing fire fighting equipment referring to the Regulation of the Minister of Agriculture Number 05 of 2018.
- Routinely inspect firefighting equipment.
- Monthly monitoring of APARs with the results of inspections at installation locations for powder, foam and CO2 APARs in plantations and factories in a ready-to-use condition.
- Minutes of HCV outreach, January 16-17 2023, employees of Pondok 1 and 2 Cendana Estate, in the morning circle with materials on protection of HCV areas and types of protected flora and fauna, prohibition of spraying on river banks, presentation of HCV locations and fire control
- Minutes of Dissemination of Business Ethics Policy and KSLG to the Garden Community, January 18, 2023, in Belaban Village, Marau District, with materials on HCV, Plants and Animals, social and environmental policies including the dangers of land fires, prohibition of burning garbage and in land clearing, environmental management, participation and role of companies and communities in social relations, RSPO certification and trade and supply chain, followed by 42 participants

7.11.3

The POM Kenanga Unit already has an Emergency Response Preparedness Team Structure consisting of a coach, daily chairman, secretary, general helper, assisted by fire, security, removal, evacuation and health teams of 34 administrators for each management unit. Apart from that, in involving the surrounding community to respond in the event of a fire, the company also conducts outreach to all villages around the company (3 villages) and involves several stakeholders and the surrounding community in fire prevention simulation and training activities.

Based on document review, interviews with management units and workers accompanied by fire extinguisher simulations, it can be seen that the company has human resources capable of preventing and dealing with fires. This is also supported by adequate equipment and routine activities in carrying out emergency response team simulations. Members of the Emergency Response Team are employees selected by the company and trained to participate in a simulation that is expected to be able to handle emergency conditions, and master the roles and actions of security. For the period 2022 – 2023, the company can show a fire management budget, part of which is allocated to form a Fire Care Society, and will cooperate with the surrounding oil palm plantation companies so that they can be synergistic and responsive in fire management activities.

In managing fires, the company monitors hotspots from the company area using fire towers and drones so that they can cover the villages in the vicinity. The company also regularly provides assistance and socialization regarding the prohibition of land burning activities to minimize the risk of larger fires which are carried out concurrently with the management of SIA and HCV. Several approaches taken by the company in anticipating fire incidents include:

- Technological approach, which is carried out by mechanically clearing land, building fire towers, training and procuring drones, creating reservoirs as water reserves, implementing Fire Danger Ratings (a mechanism to determine the level of fire risk) and monitoring hotspots via satellite.
- Socio-economic approach, which is carried out using a persuasive approach to the surrounding community through counselling and outreach in tackling and anticipating fires.
- Institutional approach, namely by completing corporate institutions by forming a fire department emergency response team.

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

There is no change in information from previous audit activities. Based on management information and a review of the area statement, it was found that all land clearing for plantations was carried out after November 2005. The results of interviews with management indicate that land clearing began in 2007 to 2012. The results of the document review also show that the HCV assessment was only carried out in 2010 with documents final in 2011. Based on this information, it can be concluded that the RaCP procedure was applied, due to land clearing after November 2005 without prior HCV assessment. Related to this, PT. SMART Tbk (the parent company of PT KGP) has conducted a LUCA study conducted by the Association on behalf of Kasturi Devi Kanniah and has submitted the LUCA Report to the RSPO on 11 April 2016 and received PASS status on 5 June 2018. The LUCA document explains that the scope of the study carried out is for all PT KGP (Cendana, Delima and Kencana Estate) covering an area of **9,332.80 Ha** (2013 data), which for Delima Estate is not included in the scope of certification. The total area of non-compliant land clearance is **6,873.20 Ha** and the total Final Conservation Liability is **183.54 Ha** for Compensation and **445.26 Ha** for Remediation area.

7.12.2

There is no change in information from previous audit activities. Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company has no obligation to conduct a High Carbon Stock (HCS) study. The Company already has a Report on Identification and Analysis of the Presence of High Conservation Value (HCV) in the Permitted Area of PT. Kencana Graha Permai, Ketapang District, Kalimantan Barat Province in collaboration with the Faculty of Forestry IPB in 2011 and has been peer reviewed by Resit Sozer. In the document, a Map of the High Conservation Value Area of PT. Kencana Graha Permai with a scale of 1:40,000. This activity is carried out for the scope of PT KGP where there are 3 Estates in it, namely Cendana Estate, Delima Estate and Kencana Estate. Based on this study, it is known that in the PT KGP HGU area of **11,295.48 ha**, 9 (nine) HCVs have been identified, namely HCV1 (HCV1.1, HCV1.2, HCV 1.3, and HCV 1.4), HCV2 (HCV2.3), HCV4 (HCV4.1 and HCV4.2), HCV5 and HCV6, with a total HCV area of **639.91 Ha** in the form of river borders, springs, hilly areas, endangered species, graves, and tembawang.

In the development of its management, it turns out that there are some differences between the results of the HCV delineation

conducted by previous assessors and the actual conditions in the field. The differences found included the position of river flows, peat depth, delineation of hilly areas, the presence of graves or inappropriate cultural areas and so on. These differences will affect the HCV management and monitoring activities that will be carried out by the Company, including in terms of cost planning, surveys and evaluation activities. To reduce discrepancies and improve HCV identification documents including maps, PT KGP took the initiative to carry out further verification to ensure that the HCV delineation results determined by the previous assessor were in accordance with the actual conditions in the field. The verification activity was carried out on all HCV areas identified by internal assessors at PT KGP plantations in December 2014 with the final document in February 2015. The results of the identification of the conservation areas have also been reported to the BKSDA of Kalimantan Barat Province on December 2, 2016. Verification This is also carried out within the scope of PT KGP which consists of 3 Estates with a total new HCV area of **725.41 Ha**. This shows an increase in the HCV area of **85.5 hectares** from the results of the previous study. The following is a conservation area at PT. KGP for the scope of certification include:

Estate	HCV Location	Area (ha)
Cendana Estate (CDNE)	Hill area (Pudu hill, and Ibul Hill)	5.84
	River Borders (Pikan River, Keluang River, Melanjau River)	169.82
	Tembawang (Tugu Traditional Monument and Asahan Sambas)	3.46
TOTAL HCV CDNE		179.12
Kencana Estate (KNCE)	Hill Area (Tabun Sandar Hill, Mengkabang Hill, Enrichment Hill)	23.91
	River Borders (Langsat River, Melaras River, Blue River, Batu Beguruh River, and Pengkayasan River)	164.75
	Tembawang (Single Durian Tembawang, Enrichment Tembawang)	10.30
TOTAL HCV KNCE		198.96
TOTAL HCV PT KGP (Scope of Certification)		378.08

Based on the results of management interviews, the conservation areas within the company are already included in planted areas, rivers and reserve areas, therefore, the area statement in the basic info does not state the size of the HCV area. The total area of the HCV which is an embedded area in the entire scope of PT KGP certification is 259.63 Ha. Data on the distribution of the HCV area in each Estate is as follows:

Land Cover Type	KNCE (Ha)	CDNE (Ha)	TOTAL
Planted area	117.24	142.39	259.63
Reserve area	67.86	29.27	97.13
River/Moat/Swamp	8.1	2.22	10.32
Sacred tomb	0.08	0.15	0.23
Road	5.68	5.09	10.77
TOTAL	198.95	179.12	378.08

Based on the data above, it can be concluded that the company already has the results of Identification of protected areas and high conservation value areas with a total of **725.41 Ha** and for the HCV that are included in the scope of certification (Cendana and Kencana Estate) with a total of **378.08 Ha**. The differences in the data from the 2011 study and the 2014 verification are as follows:

- There are differences in the position of rivers and streams that are not identified in the 2011 HCV assessment document.
- The springs identified in the 2011 HCV assessment are not natural springs but upstream rivers sourced from natural ditches.
- There is some evidence that has not been identified, such as the hills of Tabun Sandar, Mengkabang and Pudu.
- HCV 6 area is not suitable, based on the new permit there is no HCV 6 found in the field. (This needs to be verified directly in the field, because there are differences in the data with the map from the 2011 HCV assessment which shows there are 19 points of HCV 6 in the form of graves.

7.12.3

Indicator 7.12.3. currently irrelevant to Indonesia, until further decisions from the RSPO.

7.12.4

Based on the HCV identification results it is known that there are HCV areas within the scope of the certification unit

covering an area of 55.96 Ha which constitutes HCV 6 and several types of RTE species consisting of mammals, aves and herpetofauna which are identified as HCV 1.2. The company has developed and determined an HCV management plan in the PT KGP HCV Management and Monitoring Integrated Management Plan document for the 2019-2024 period with management scope and targets every year. The integrated management plan is developed in consultation with relevant stakeholders and covers areas that are directly managed and takes into account the relevant wider landscape level which is done concurrently with the preparation of the SIA management plan. The company manages the HCV area by providing boundary markers, signboards and markers marking the boundaries of the HCV area.

The company shows records of HCV management, including:

1. Annual Work Plan for HCV Management and Monitoring, contains activity description information, targets, locations, and implementation schedule, with activity details:
 - a. Maintenance of HCV boundaries and attributes
 - b. Socialization of HCV and protected flora and fauna to the public and employees
 - c. Maintenance of rehabilitation plants
 - d. Patrol
 - e. Maintenance of protected plant species warning boards
 - f. Monitoring the condition of HCV areas
2. HCV Warning Board Maintenance Form, April 2023 period, includes the Rim of the Pikan River, Keluang River, Asan Sambas River, and Bukit Ibul, Bukit Pudu and Tugu Adat
3. HCV area Boundary Mark Maintenance Form, April 2023 period
4. Outreach activities:
 - a. Minutes of HCV outreach, January 16-17 2023, employees of Pondok 1 and 2 Cendana Estate, in the morning circle with materials on protection of HCV areas and types of protected flora and fauna, prohibition of spraying activities on river banks, presentation of HCV locations
 - b. Minutes of Dissemination of Business Ethics Policy, To the Garden Community, January 18, 2023, in Belaban Village, Marau District, with material on HCV, Plants and Animals, social and environmental policies, environmental management, participation and role of companies and communities in social relations, RSPO certification and trade and supply chain, attended by 42 participants

The company also has an HCV and topographic area map with a scale of 1:50,000, the map is also equipped with information about: map title, cardinal directions, map legend, map renewal date, and map source. The company also conducts reviews related to management and monitoring activities in 2022 as evidenced in the 2022 HCV Management Plan Review Report which contains management and monitoring evaluations and recommendations as an effort to improve HCV management activities in 2023.

7.12.5

There is no change information from previous audit. The company has identified the needs of the community as well as the areas needed by the affected community to meet their basic needs, taking into account the potential positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the existence of an HCV 6 area in the form of ancient tombs, cultural sites and the Tembawang forest with a total area of 55.96 hectares. The company has identified and carried out activities to minimize risks and impacts both for the community and for the environment, for example by providing regular socialization to the community not to apply chemicals in the canal area to avoid pollution, not to clear land by burning, and so on.

The unit of certification has also considered various land tenure and management options to protect the HCV area in a way that also protects the rights and livelihoods of local communities. Since the area managed by the company is entirely already planted with oil palm which is not directly adjacent to the settlement, the level of potential conflict between the HCV area and the community is quite low.

The results of field observations in the HCV 6 area of ancient tombs and cultural sites where cultural rights and important places for the surrounding community have been identified in the company area. The company's environmental conditions both within the scope and in the community, area is almost entirely planted areas of plantation plants. Currently, the company also has an agreement with the community who are members of the Fire Alert Community, for example for monitoring and patrol activities, the company has also made an agreement with the community who are active in the company's area not to hunt and trade wildlife.

In addition, the GAR Group as the parent of PT KGP has collaborated with stakeholder NGOs such as OFI (Orangutan

Foundation International), PT Ekologika Consultant, TFT (The Forest Trust), ZSL (Zoo Society of London) and BICONS (Biodiversity and Conservation). Migrant Birds). For academics, GAR has collaborated with IPB Bogor, UGM Yogyakarta, Tanjung Pura University, Pontianak and Padjajaran University. The company has also approached relevant stakeholders, including:

- Submit a list of protected species found in the BKSDA area.
- Provide executive summary to relevant parties such as local government and local communities.
- Socialization regarding HCV is carried out periodically to find out the extent of community understanding of the existence of HCVs in the PT KGP area.
- Make an agreement with the surrounding village to maintain the HCV area in the plantation area.

Regarding local culture, the company has tried to apply conservation principles without contradicting the hunting culture of the Dayak people, especially those in Kalimantan Barat Province. Hunting is a daily activity of the local community; it cannot be eliminated by various forms of socialization that have been carried out by the company. Based on the results of interviews with the company, it is stated that currently the company is making efforts to protect animals by buying game that is still alive and can be saved, then releases it again when it is safe enough, and captive it if its condition is threatened.

7.12.6

The Certification Unit already has a policy set forth in the procedure related to the protection of endangered species which was approved by the Head of Upstream on June 25, 2015. The protection measures regulated 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 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 provide strict disciplinary sanctions (up to layoffs) to company employees who hunt, maintain, injure, harm and kill rare and endangered wildlife.

For the management of rare and endangered wildlife both inside and around its concession area, the company will cooperate with government agencies or other competent related 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.

Disciplinary measures for workers who catch, harm or collect RTE species are regulated in the Internal Office Memo from MD Services & Project Number 1231/M-Int/MDSP-VIC/XI/11 dated November 25, 2011 regarding the Zero Tolerance Policy towards Endangered Animals. This memo explains that all workers are not allowed to touch, care for, injure, kill protected animals if they are found in the plantation and factory locations. The provisional list of the most important species is the Orangutan, Proboscis Monkey, Elephant, Tiger, Rhinoceros, Peacock, Bird of Paradise, and Bali Starling. If the case is found, it will be reported to the local leadership to be reported to the BKSDA. Violation of this will be subject to maximum disciplinary sanctions by the company until it is reported to the authorities.

In addition, there is a Circular from SMD Operations Number 002/SE-SMDOPS/IX/2010 dated 20 September 2010 concerning protected animals. This letter explains that all staff and non-staff employees are prohibited from capturing, injuring, maintaining, transporting and trading protected animals alive and dead. In the event of a violation of the prohibition, the company will provide strict sanctions and criminal provisions as stated in Chapter XII Article 40 of the Republic of Indonesia Law Number 5 of 1990 and become the personal responsibility of the perpetrator.

Information related to the application of sanctions for employees in the form of disciplinary action in accordance with the provisions of national law is also listed on the HCV signboard which explains that "anyone who violates will be reported to the authorities with the threat of punishment and fines". The sanction is imposed by the company by giving the first warning letter to employees who violate work rules. Based on the results of interviews with company employees regarding animal protection, the company has committed to protecting animals that are within the scope of the company's management area, such as implementing a ban on hunting, killing and keeping wild animals within the company's

environment. The procedure for animal protection also regulates the existence of sanctions or fines for those who violate these provisions.

In addition, the company has also carried out socialization about the existence of endangered plants and animals to employees and the surrounding community which is shown in the socialization report document which is proven based on the official report which is accompanied by photos and attendance list. HCV socialization for employees and communities is carried out as described in indicator 7.12.4. Indirect socialization is also carried out by installing information boards and brochures warning signs related to conservation areas and the presence of protected rare plants and animals in places that are easily visible, such as area entrances, regional roads that are often crossed by the community, and other places other strategic areas such as offices, and other public facilities. The results of field observations via video in several conservation areas show that the company has managed protected areas such as replanting local plant species, not logging, not using chemicals, and installing HCV signboards as well as prohibiting hunting and burning to avoid and prevent poaching and/or illegal hunting, or encroachment on HCV areas. Routine monitoring of HCV areas is carried out by several personnel appointed by the company.

Regarding local culture as described in indicator 7.12.5, the company has tried to apply conservation principles without contradicting the hunting culture of the Dayak people, especially those in Kalimantan Barat Province. Hunting is a daily activity of the local community; it cannot be eliminated by various forms of socialization that have been carried out by the company. Based on the results of interviews with the company, it is stated that currently the company is making efforts to protect animals by buying game that is still alive and can be saved, then releases it again when it is safe enough, and captive it if its condition is threatened. For example, there is a protected type of tortoise, namely *Manouria Emys*, which is bred in the company area. This is done because if released back into nature it will threaten his life. The auditor's consideration of this, as well as the animal welfare that can be fulfilled by the company, does not constitute a non-conformity, but rather a protective measure that is considered quite effective and the best option that can be done at this time.

7.12.7

As a result of the document review, it is known that the company has an HCV Management and Monitoring Report that was prepared in November 2022. In which the results of monitoring of animal and plant species in the company's HCV area are included. The results of this monitoring are:

- The results of animal monitoring found 31 species of birds, 3 species of mammals, 4 species of herpetofauna and 7 species of fish.
- Plant monitoring results found 22 types of plants.

From the monitoring results mentioned above, the company has not yet identified the status of plant and animal protection in accordance with national and international regulations, and the renewal of plant and animal species found since previous monitoring.

Based on this, companies have the opportunity to identify the protected status of plants and animals and make a list of plants and animals according to the actual results of monitoring activities in the current period, and are encouraged to make plant observation plots on Mengkabang Hill for representation of the Krangas Forest Ecosystem and hills of other HCV areas (OFI).

7.12.8

Based on management information and a review of the area statement, it was found that all plantation land clearing was carried out after November 2005. The results of interviews with management indicated that land clearing began in 2007 to 2012. The results of the document review also showed that an HCV study was only carried out in 2010 with documents final in 2011. Based on this information it can be concluded that the RaCP procedure was implemented, due to land clearing after November 2005 without prior HCV assessment. Related to this, PT. SMART Tbk (the parent company of PT KGP) has conducted a LUCA study conducted by the Associate on behalf of Kasturi Devi Kanniah and has submitted a LUCA Report to the RSPO on 11 April 2016 and received PASS status on 5 June 2018. The LUCA document explains that the scope of the study conducted was for the entire PT KGP (Cendana, Delima and Kencana Estate) covering an area of 9,332.80 Ha (data for 2013), whereas Delima Estate was not included in the scope of certification. The total area of non-compliant land clearance is 6,873.20 Ha and the total area of Final Conservation Liability is 183.54 Ha for

Compensation and 445.26 Ha for Remediation.

Regarding the location of Kenanga POM which is outside the scope of PT KGP, the company showed documents for the stages of land conversion (LUCA) specifically for the Kenanga POM area which is within the PT CNG area, from the results of image analysis on January 23 2010 (before the factory was built) it was known that the area Kenanga POM consists of open land and shrubs. The same thing can be seen from the imagery in October 2011, namely with the condition of the area being open land, based on these data, the Kenanga POM area has a coefficient of 0 or Zero Liability. Based on these considerations, Kenanga POM which has not yet received an approved LUCA or Concept Note is still allowed to continue the certification process due to special conditions with several agreements, including:

- The continuation of the previous ASA (other CB) which did not discuss the factory area outside PT KGP's HGU.
- Mutuagung conveyed to GAR that Kenanga POM could continue with the certification without looking at the actual conditions any further.
- The POM area is not in a liability area (Coefficient 0) and its small area is not more than 20 Ha.
- The majority of PT KGP's LUCA areas have been received and Concept Notes have been approved.
- Because ylang POM is outside PT KGP's HGU and is inside PT CNG's area, the RaCP completion activities coincide with PT CNG's. The RaCP process for PT CNG itself is currently in the stage of completing the LUCA review.

After the LUCA report is received, the following is a summary of the process for obtaining the RaCP, including:

- The management unit is preparing a Concept Note (Annex 7) to be sent to RSPO on 27 July 2020.
- The management unit submitted an application for an advisory note or conditional approval to the RSPO on 25 January 2022.
- RSPO gave a Conditional Approval decision on 18 February 2022 so that the audit process can proceed.
- RSPO has endorsed the Concept Note Document Batch 1 on 3 June 2022, and is declared able to proceed to the next stage, namely the preparation of the Remediation and Compensation Plan document.
- The company sent the Compensation Plan document to RSPO On 28 June 2022.
- RSPO responds to the Compensation Plan document submitted, and will respond within 10 working days of the submission on 1 July 2022.

Based on the foregoing, the company has the opportunity to continue the process of obtaining Remediation and Compensation Plan documents and ensure that the entire process is documented. OFI.

Verification results on ASA-1.1:

The company shows an email from RSPO dated 31 March 2023, subject to GAR & RSPO-RaCP Quaterly Meeting, there is a note in the Next Course Action section:

- PT Kencana Graha Permai (Cendana Estate, Delima Estate, Kencana Estate): "The scope of certification must match the total hectares submitted. Once this is done, the audit can continue with the NC remaining open until the next surveillance/audit"
- In accordance with the email dated 07 July 2023 from the Sustainable Certification Department of PT SMART Tbk. To PT Mutuagung Lestari regarding the Clarification Document on the difference between Scope of Certification and Disclosure RaCP of PT Kencana Graha Permai - Supply Base Kenangan Mill, there is a difference between the scope of certification (based on HGU/HGB) covering an area of 6,852.27 Ha and Disclosure/LUCA (total management unit) area of 9,332.80 ha where there is a discrepancy (disclosure certificate) of 2480.53 Ha (Delima Estate). Can be explained:
 - a. PT KGP's Scope of Certification refers to the area of the SK HGU for the Kencana Estate (KNCE) and Cendana Estate (CDNE) estates.
 - b. PT TN's Disclosure/LUCA area refers to the area of SK HGU for the Kencana Estate (KNCE), Cendana Estate (CDNE) and Delima Estate estate.
 - c. PT KGP does not there is an additional area of Scope of Certification

In accordance with the RSPO email on March 31, 2023 regarding the RaCP process of PT Kencana Graha Permai that the difference in total hectares of statement (legality area area with Digital Map/Shapefile file) at PT Kencana Graha Permai has been verified and explained above so that the audit process can be carried out and discrepancies in this indicator will be Opened until the next assessment.

Status: Comply

3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or √
ASA 1.1	The company does not use RSPO trademark.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or √
ASA 1.1	The company does not use RSPO trademark.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
ASA 1.1	The company does not use RSPO trademark.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA 1.1	The company does not use RSPO trademark.	√
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Then there will be additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 estate plasma/KKPA). Internal audit activities have not yet been carried out, but prior to the acquisition of these units, GAR has carried out a due diligence or internal assessment so that it can be decided to be acquired by GAR and the internal audit plan to be carried out on these units can be shown, with details as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit plan on 17 May 2022. 2. PT Harapan Rimba Raya: Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit plan on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit plan on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit plan on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit plan on 28 March 2022. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari Persada) that has been certified with an internal audit plan on 8 August 2022. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit plan on 7 November 2022. <p><i>Notes:</i> <i>Verification of the realization of the internal audit carried out on the newly acquired units will be carried out at the nearest RSPO surveillance audit activity with the internal audit schedule that has been set.</i></p> <p>The company has carried out a Compliance Audit / Internal Compliance Verification (ICV) to see compliance with RSPO standards and also the Set up System in the Company's units to be certified.</p> <p>There are Compliance Audit (ICV) reports for each company including:</p> <ol style="list-style-type: none"> 1. PT. Agrolestari Mandiri – Pekawai Mill: Compliance Audit 07 February 2022 2. PT. Kresna Duta Agrindo – Gunung Kombeng Mill: Compliance Audit 21 February 2022

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ol style="list-style-type: none"> PT. Harapan Rimba Raya – Sungai Kedang Mill: Compliance Audit 17 May 2022 PT. Kruing Lestari Jaya – Sungai Perak Mill: Compliance Audit 23 May 2022 PT. Kresna Duta Agrindo – Rantau Panjang Mill: Compliance Audit 06 June 2022 PT. Sawitakarya Manunggal – Sawita Mill: Compliance Audit 13 June 2022 PT. Binasawit Abadi Pratama – Perdana Mill: Compliance Audit 20 June 2022 PT. Paramitra Internusa Pratama – Belian Mill: Compliance Audit 26 June 2022 PT. Bahana Karya Semesta – Sungai Air Jernih Mill: Compliance Audit 03 October 2022 PT. Sawit Mas Sejahtera – Sungai Kikim Mill: Compliance Audit 03 October 2022 PT. Sinar Kencana Inti Perkasa – Kasuari Mill: Compliance Audit 03 October 2022 PT. Sinar Kencana Inti Perkasa – Demta Bulking: Compliance Audit 06 October 2022 PT. Aditunggal Mahajaya - Sako Mill: Compliance Audit 14 November 2022 PT. Agrolestari Sentosa – Jalemo Mill: Compliance Audit 21 November 2022 PT. Mitrakarya Agroindo – Tangar Mill: Compliance Audit 05 December 2022 PT. Agrokarya Prima Lestari – Kuayan Mill: Compliance Audit 05 December 2022 PT. Sinar Kencana Inti Perkasa – Sungai Magalau Mill: Compliance Audit 12 December 2022 PT. SMART - Bukit Kapur Mill: Compliance Audit 12 December 2022 <p>3.0 <i>Auditor Verification:</i></p> <p>4.0 Internal Audit report available for uncertified management unit:</p> <ol style="list-style-type: none"> PT. SMART - Bukit Kapur Mill: Compliance Audit 12 December 2022 PT. Agrolestari Sentosa – Jalemo Mill: Compliance Audit 21 November 2022 PT. Binasawit Abadi Pratama – Perdana Mill: Compliance Audit 20 June 2022 PT. Aditunggal Mahajaya - Sako Mill: Compliance Audit 14 November 2022 PT. Mitrakarya Agroindo – Tangar Mill: Compliance Audit 05 December 2022 PT. Kruing Lestari Jaya – Sungai Perak Mill: Compliance Audit 23 May 2022 PT. Bangun Nusa Persada – Kenari Mill: Compliance Audit 19 September 2022

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>In 2022, GAR has made additional units by acquiring 4 factories namely Sungai Perak Mill, Sungai Kedang Mill, Bukit Perak Mill, Bumi Palma Mill and 15 plantations (11 own plantations namely Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Pahu Estate, Bukit Permai Estate, Bukit Lestari Estate, Kharisma Estate and 4 plasma plantations/KKPA namely Sungai Pikan Plasma, Sungai Tohan Plasma, Sungai Pahu Plasma, Kharisma Plasma).</p> <p>Internal audit activities have been carried out, as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit on 17 May 2022. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari Persada) that has been certified with an internal audit on 8 August 2022. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit on 7 November 2022.
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.12	<p>Company Group/Holding Statement: Several companies under GAR were planted above November 2005, while the HCV assessment process was conducted in the period 2010 – 2013.</p> <p>GAR and its subsidiaries carried out a Remediation and Compensation (RaCP) procedure beginning with Disclosure and Zero Liability reporting to the RSPO via email on 29 August 2014.</p> <p>From 25 companies, 7 of them are certified units, the remaining 18 companies are uncertified units. The following is an update on the RaCP progress as of 11 January 2022 for uncertified units:</p> <ol style="list-style-type: none"> a) 4 companies have received Concept Note approval from RSPO dated 27 July 2020, namely:

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

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>approval from RSPO on 27 July 2020. However, the company submitted the Concept Note Project Batu Menangis on 14 January 2022 and is currently still being reviewed by the RSPO Compensation Panel.</p> <p>3. PT Sumber Indah Perkasa – Papua (Mambruk Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel.</p> <p>4. PT Kresna Duta Agroindo – Kalimantan Timur (Gunung Kombeng Mill, Rantau Panjang Estate) concept note get approval from RSPO on 27 July 2020. However, the company submitted a new Concept Note in collaboration with PT Lestari Capital on 14 January 2022, and is currently still being reviewed by the RSPO Compensation Panel</p> <p>5. PT Kartika Prima Cipta – Kalimantan Barat (Muara Tawang Estate), the LUCA report which is still in the RSPO review process.</p> <p>6. PT Agrolestari Mandiri – Kalimantan Barat (Pekawai Mill and supply bases), the LUCA report which is still in the RSPO review process.</p> <p>7. PT Cahaya Nusa Gemilang – Kalimantan Barat (Kenanga Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>8. PT Paramitra Internusa Pratama – Kalimantan Barat (Belian Mill, Belian Estate and Tengawang Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>9. PT Bangun Nusa Mandiri – Kalimantan Barat (Kenari Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>10. PT Persada Graha Mandiri – Kalimantan Barat (Kapuas Hulu Estate and Sungai Beran Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>11. PT Satya Kisma Usaha – Kalimantan Tengah (Medan Sari Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>12. PT Binasawit Abadi Pratama – Kalimantan Tengah (Perdana Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>13. PT Aditunggal Mahajaya – Kalimantan Tengah (Sungai Ayawan Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>14. PT Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>15. PT Agrokarya Primalestari – Kalimantan Tengah (Kuayan Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>16. PT Buana Adhitama – Kalimantan Tengah (Sajiri Estate and Bukit Dua Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>17. PT Sinar Kencana Inti Perkasa – Kalimantan Selatan (Sungai Magalau Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>18. PT Sawita Karya Manunggul – Kalimantan Selatan (Sawita Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO</p> <p>19. PT Satya Kisma Usaha – Jambi (Batang Gading Estate), the LUCA report has been approved in 12 November 2021.</p> <p>20. PT Sawit Mas Sejahtera – Sumatera Selatan, the LUCA report proposed to be hold/postponed until the Integrated HCV HCS Report obtains Satisfactory status from the HCVRN.</p> <p>21. The companies were acquired by GAR on 2021 are PT Kruing Lestari Jaya (Sungai Perak Mill and supply bases), PT Harapan Rimba Raya (Sungai Kedang Mill and supply bases), PT Rimbaraya Tamajaya (Sungai Pahu Estate), PT Agrolestari Subur Sejahtera (Bukit Permai Estate), PT Agrolestari Hijau Sentosa (Bukit Lestari Estate), PT Kharisma Riau Sentosa Prima (Kharisma Estate), PT Mitranusa Permata (Sungai Manunggul Estate). The company is still collecting information and documentation regarding the fulfillment of RaCP obligations.</p> <p>22. PT. Agrolestari Sentosa – Kalimantan Tengah (Jalemo Mill and supply bases). The concept note was submitted on 22 September 2022 and is currently being reviewed by the RSPO</p> <p>23. PT. Binasawit Abadi Pratama – Kalimantan Tengah (Perdana Mill and Supply Bases). LUCA was submitted to the RSPO on 18 April 2018, feedback from RSPO on October 14 2021 and is currently still in the process of land cover verification by the company.</p> <p>24. PT. Aditunggal Mahajaya – Kalimantan Tengah (Sako Mill and supply bases). LUCA report PT. Agrokarya Prima Lestari and PT. Aditunggal Mahajaya is still in the review process and is currently preparing its clarification for resubmission (2nd resubmission). As for the status of the LUCA report of PT. Mitrakarya Agroindo with Pass status on 10 June 2022.</p> <p>25. PT. Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill dan supply bases), stages in the RaCP process have not been fully completed</p> <p>26. PT. Kruing Lestari Jaya – Kalimantan Timur (Sungai Perak Mill dan supply bases), RaCP disclosure has not been made to the RSPO.</p> <p>27. PT Sumber Indah Perkasa – Lampung (Sungai Buaya Estate, Sungai Merah Estate), HGU has been issued and HCV study has been carried out but is still in the process of HCVRN review.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement:</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>

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014.</p> <p>13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): NPP on 8 July 2014.</p> <p>14. PT Sawitakarya Manunggul (Sawita Mill and supply base): there is new land clearing after January 2010 in Sawita KKPA and company not conduct NPP. This is become subject of sanction.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p>Company Group/Holding Statement:</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 dates April 11, 2017. This procedure regulates mutually agreed upon social conflict resolution. Conflict resolution can be done in a participatory manner and can also be done with a third party (mediator).</p> <p>The company also has a procedure for handling complaints before they develop into conflict. The process in question is SOP/SMART/GIMS-SCMD/USDV/I/001 revision 2 dated 11 April 2017, handling complaints appropriately and quickly. GAR has initiated to become a member of the RSPO DSF as a "Grower" category.</p> <p>Here recap of complaint progress related to GAR which publish in RSPO Website:</p> <ol style="list-style-type: none"> 1. Complaint dated July 11, 2021 to PT SMART Tbk (West Kalimantan Region) regarding the alleged purchase/supply of fresh fruit bunches (FFB) and crude palm oil (CPO) from PT Kapuasindo Palm Industri (PT KPI), a subsidiary of the Kencana Group (not members of the RSPO), who have committed a series of violations against workers and indigenous peoples in the district. Last Status RSPO Complaints Panel has issued a decision letter regarding the complaint on 17 January 2022 in which it was decided to terminate the entire complaint. The decision letter has been submitted to both parties, and time is given if anyone wishes to appeal until April 11, 2022. (RSPO Complaint Panel Decision is attached). 2. Complaint on 2 March 2020 to GAR (Central Kalimantan Region) from Forest Peoples Program & Elk Hills Research regarding alleged land legality and bribery cases. On the part of GAR itself, GIS-2 analysis for land clearance alerts after November 2014 from discussions with RSPO GIS manager on 21 May 2021 has agreed on the sampling method. GAR's clarification report was sent on September 8, 2021. As for the

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>legal review on anti-bribery policies & practices, the company rejected the ToR for Legal Review on March 26, 2021. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 15, 2021, the RSPO is waiting for the results of a review from the consultant.</p> <p>3. Complaint on 19 October 2018 to GAR (Kapuas Hulu Region, West Kalimantan) from the Forest Peoples Program (FPP) & Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding legality. On 26 August 2021, the RSPO Complaint Panel decided to proceed with further investigations. The investigation carried out will be fully funded by the RSPO, and carried out by PROFUNDO Parties. Until now the company is still waiting for a further decision from the RSPO. The latest status is as of December 6, 2021, the RSPO is waiting for the results of a review from the consultant.</p> <p>4. Complaint on 13 October 2014 to PT Kartika Prima Cipta (West Kalimantan) from Forest Peoples Program (FPP) & Transformasi Untuk Keadilan – Indonesia (TUK-I) regarding the FPIC process and 6 other issues. RSPO with the approval of GAR and FPP divides the conflict resolution verification process into 5 phases (phase 1 related to NPP, maximum land holding and new land development, phase 2 related to legality, phase 3 related to smallholders, phase 4 related to FPIC and phase 5 related to HCV), where GAR has responded to phase 5 on 26 August 2021. The information submitted has responded to all stages and GAR is currently waiting for a decision from the RSPO Complaint Panel. The latest status as of 15 December 2021, the RSPO Complaint Panel has reached a decision for phase 2 and is awaiting discussion of phases 3 and 4.</p> <p>5. The results of the Compliance Audit conducted for the 2021 period in the uncertified unit that there was no land conflict and the unit had disseminated the SOP for Handling Complaints and Dissatisfaction, Human Rights Policy and SOP for Handling Social Conflicts both internally and externally, in general the FPIC process has been carried out according to procedures, so that there are no land or social conflicts.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is no land conflicts in the following uncertified management unit:</p> <ol style="list-style-type: none"> 1. PT Sawitakarya Manunggul (Sawita Mill and supply base) 2. PT SMART (Bukit Kapur Mill and supply base) 3. PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) 4. PT Agrolestari Mandiri (Pekawai Mill and supply base) 5. PT Binawit Abadi Pratama (Perdana Mill and supply base) 6. PT Agrokarya Prima Lestari (Kuayan Mill and supply base) 7. PT Mitra Karya Agroindo (Tangar Mill and supply base).

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

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>terminated. The realization of CSR is carried out in stages and this demand is the program of the previous Village Head.</p> <p>In addition, there was an issue in the electronic news on September 30 2022 that there was an employee who had died who had been abandoned by PT. Kruing Lestari Jaya and their rights are not fulfilled. However, there is information from the management of the Ikentim organization that there was no abandonment of the corpse. This is in accordance with confirmation from the management representative of PT. Kruing Lestari Jaya that the company has facilitated the corpse to be delivered and buried in Resak according to the wishes of the family.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/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"> 1. PT Djuandasawit Lestari (Muara Kandis Estate & Muara Tawas Estate) 2. PT Sawit Mas Sejahtera (Sawit Mas Estate) 3. PT Bumi Sawit Permai (Bumi Sawit Estate) 4. PT Forestralestari Dwikarya (Tanjung Rusa Estate) 5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate) 6. PT Ivo Mas Tunggal (Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate, Nenggala Estate) 7. PT Buana Wiralestari Mas (Kijang Estate, Nagamas Estate, Nagasakti Estate) 8. PT Ramajaya Pramukti (Ramarama Estate) 9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate) 10. PT Agrokarya Prima Lestari (Muara Tawang Estate, Kuayan Estate, Bukit Sentuhai Estate, Tajur Beras Estate, Seranau Estate) 11. PT Buana Adhitama (Sapiri Estate) 12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate) 13. PT Mitra Karya Agroindo (Sungai Nusa Estate) 14. PT Aditunggal Mahajaya (Sungai Ayawan Estate) 15. PT Satya Kisma Usaha (Medang Sari Estate) 16. PT Buana Adhitama (Bukit Dua Estate) 17. PT Agrolestari Sentosa (Jalemo Estate) 18. PT Binasawit Abadipratama (Perdana Mill) 19. PT Agrokarya Prima Lestari (Kuayan Mill) 20. PT Mitrakarya Agroindo (Tangar Mill) 21. PT Agrolestari Sentosa (Jalemo Mill)

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

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

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Lestari) that has been certified with an internal audit on 28 March 2022.</p> <p>6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma LestariPersada) that has been certified with an internal audit on 8 August 2022.</p> <p>7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit on 7 November 2022.</p> <p>Then there will be additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 estate plasma/KKPA). Internal audit activities have not yet been carried out, but prior to the acquisition of these units, GAR has carried out a due diligence or internal assessment so that it can be decided to be acquired by GAR, with details as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA which will be supply base for Sungai Kedang Mill (PT Harapan Rimba Raya). 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be supply base for Bukit Perak Mill (PT Bumi Permai Lestari) which has been certified. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma LestariPersada) which has been certified. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa). <p>The acquisition company already has legality in the form of HGU, but other legalities such as environmental documents and other permits are being collected and will be completed when an internal audit of the acquisition units is carried out.</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 1. PT Sinar Kencana Inti Perkasa (Kasuari Mill, Cendrawasih Estate, Nuri Estate, Rajawali Estate) 2. PT Sumber Indah Perkasa (Mambruk Estate)

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

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA 1.1

NCR No.	:	2023.01	Issued by	:	Fauzi Prima Sanusi
Date Issued	:	07 Juli 2023	Time Limit	:	Next Surveillance
NC Grade	:	Major	Date of Closing	:	
Standard Ref. & Requirement	:	7.12.8 If there is land clearing which was not preceded by an HCV assessment since November 2005, or which was not preceded by an HCV-HCS assessment since November 15 2018, then the Remediation and Compensation Procedure (RaCP) shall apply.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">Results of interviews with management indicate that land clearing began in 2007 to 2012.The results of the document review also show that the HCV assessment was only carried out in 2010 with the final document in 2011.Based on this information, it can be concluded that the RaCP procedure was implemented, due to land clearing after November 2005 without prioritizing the HCV assessment.PT. SMART Tbk (the holding company of PT KGP) has conducted a LUCA study conducted by the Associate on behalf of Kasturi Devi Kanniah and has submitted a LUCA Report to the RSPO on 11 April 2016 and received PASS status on 5 June 2018. In the LUCA document it is explained that the scope of the study carried out is for the entire PT KGP (Cendana, Delima and Kencana Estate) covering an area of 9,332.80 Ha (2013 data), where for Delima Estate is not included in the scope of certification. The total area of non-compliant land clearance is 6,873.20 Ha and the total area of Final Conservation Liability is 183.54 Ha for Compensation and 445.26 Ha for Remediation.Regarding the location of Kenanga POM which is outside the scope of PT KGP, the company showed documents for the stages of land conversion (LUCA) specifically for the Kenanga POM area which is inside the PT CNG area, from the results of image analysis on January 23 2010 (before the construction of the factory) it was known that the Kenanga POM area consisted of open land and shrubs. The same thing can be seen from the imagery in October 2011, namely with the condition of the area being open land, based on these data, the Kenanga POM area has a coefficient of 0 or Zero Liability. Based on these considerations, Kenanga POM which has not yet received an approved LUCA or Concept Note is still allowed to continue the certification process due to special conditions with several agreements, including:<ul style="list-style-type: none">❖ The continuation of the previous ASA (other CB) which did not discuss the factory area was outside PT KGP's HGU.❖ Mutuagung conveyed to GAR that Kenanga POM could continue the certification without looking at the actual conditions any further.❖ The POM area is not in a liability area (coefficient 0) and its small area is not more than 20 Ha.❖ The majority of PT KGP's LUCA area has been received and the Concept Note has been approved.❖ Because ylang POM is outside PT KGP's HGU and is inside PT CNG's area, so the RaCP completion activities coincide with PT CNG's. The RaCP process for PT CNG itself is currently in the stage of completing the LUCA review.After the LUCA report is received, the following is a summary of the process for obtaining RaCP, including:<ul style="list-style-type: none">❖ Management unit prepares Concept Note (Annex 7) to be sent to RSPO on 27 July 2020.❖ The management unit submits a request for an advisory note or conditional approval to the RSPO on 25 January 2022.❖ RSPO gave a Conditional Approval decision on 18 February 2022 so that the audit process can proceed.❖ RSPO has endorsed the Concept Note Document Batch 1 on 3 June 2022, and is declared able to proceed to the next stage, namely the preparation of the Remediation and Compensation Plan document❖ Company sends Compensation Plan document to RSPO On 28 June 2022.					

- ❖ The RSPO responds to the Compensation Plan document submitted, and will respond within 10 working days of the submission on 1 July 2022.

Verification results on ASA-1.1:

- The company shows an email from RSPO dated 31 March 2023, subject to GAR & RSPO-RaCP Quaterly Meeting, there is a note in the Next Course Action section:
 - ❖ PT Kencana Graha Permai (Cendana Estate, Delima Estate, Kencana Estate): "The scope of certification must match the total hectares submitted. Once this is done, the audit can continue with the NC remaining open until the next surveillance/audit"
- In accordance with the email dated 07 July 2023 from the Sustainable Certification Department of PT SMART Tbk. To PT Mutuagung Lestari regarding the Clarification Document on the difference between the Scope of Certification and the Disclosure RaCP of PT Kencana Graha Permai - Supply Base Kenangan Mill, there is a difference between the scope of certification (based on HGU/HGB) with an area of 6,852.27 Ha and a Disclosure/LUCA (total management unit) with an area of 9,332.80 ha, where there is a difference (disclosure certification) of 2480.53 Ha (Delima Estate). Can be explained:
 - ❖ PT KGP's Scope of Certification refers to the area of the SK HGU for the Kencana Estate (KNCE) and Cendana Estate (CDNE) estates.
 - ❖ PT TN's Disclosure/LUCA area refers to the area of SK HGU for the Kencana Estate (KNCE), Cendana Estate (CDNE) and Delima Estate estate.
 - ❖ PT KGP has not added the Scope of Certification area

Non-Conformance Description (filled by auditor):

In accordance with the RSPO email on March 31, 2023 regarding the RaCP process of PT Kencana Graha Permai that the difference in total hectares of statement (legality area area with Digital Map/Shapefile file) at PT Kencana Graha Permai has been verified and explained above so that the audit process can be carried out and discrepancies in this indicator will be Opened until the next assessment.

Root Cause Analysis (filled by organization audited):
Correction (filled by organization audited):
Corrective Action (filled by organization audited):
Assessor Evaluation and Conclusion (filled by auditor):

Verified by	:	
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3.4.2. Identification of Findings, Corrective Actions and Observations at IC/ASA-1/ASA-2/ASA-3/ASA-4/Re-Certification Assessment

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

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.1	<p>The unit of certification complies with all relevant laws and regulations</p> <p>PT Kencana Graha Permai has a water use/utilization permit based on the Decree of the Minister of PUPR No. 878/KPTS/M/2017 dated 02 November 2017 concerning Granting of Water Resources Exploitation Permit to PT Kencana Graha Permai for Industrial Business in Puayan River which is valid for 5 (five) years and the permitted water discharge quota is 44.32 liters/second or 31,907 m3/month. The permit mentioned above has expired on November 2, 2022, in connection with this, the company has made efforts to extend it chronologically as follows:</p> <ul style="list-style-type: none"> On October 3, 2022, D&L (Document & Legal) staff of PT Kencana Graha Permai coordinated with the Kalimantan River Basin Office 1 of West Kalimantan Province for a plan to extend the surface water utilization permit, then was informed by the Kalimantan River Basin Office 1 to check the coordinates of PT Intake location Kencana Graha Permai, after the Intake location was conveyed, the Kalimantan River Basin Office 1 for West Kalimantan Province provided information that the Intake was included in the Kalimantan River Basin Office for Palangkaraya 2 On October 5, 2022, PT Kencana Graha Permai sent an application for Technical Recommendations for the Utilization of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, with proof of receipt No. 002/KGP-DL7/PNKO/X/2022 on October 6, 2022 in 1 copy by the Rekomtek Technical Representative. On December 6, 2022, the Company submitted another request for Technical Recommendations for the Utilization of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, directly On January 25, 2023 The Company submitted a letter confirming the status of the request for Technical Recommendations for the Use of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, with proof of receipt No. 006/KGP-DL7/PNKO/I/2023 on January 27, 2023 in 1 copy by the Rekomtek Technical Representative. On March 6, 2023 The company sent back a letter confirming the status of the request for Technical Recommendations for the Use of Surface Water to the Kalimantan River Basin Office 2 Palangkaraya, with proof of receipt No. 006/KGP-DL7/PNKO/I/2023 on March 8, 2023 in 1 copy by the Rekomtek Technical Representative. <p>According to the results of interviews with the D&L (Document & Legal) company, it was explained that until the last letter on March 6, 2023, there had been no response from the Kalimantan River Basin Office 2, Palangkaraya.</p> <p>Companies are encouraged to open alternative communications to the Kalimantan River Basin Office 2 Palangkaraya to obtain information related to the surface water license extension process and the stages of the fulfillment process for the issuance of Surface Water Concession Permits.</p>
2	7.12.7	<p>Status of HCV and HCS forest after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species monitored. The monitoring results are used to follow up on improvements to the management plan.</p> <p>As a result of the document review, it is known that the company has an HCV Management and Monitoring Report that was prepared in November 2022. In which the results of monitoring of animal and plant species in the company's HCV area are included. The results of this monitoring are:</p> <ul style="list-style-type: none"> The results of animal monitoring found 31 species of birds, 3 species of mammals, 4 species of herpetofauna and 7 species of fish.

	<ul style="list-style-type: none"> Plant monitoring results found 22 types of plants. <p>From the monitoring results mentioned above, the company has not yet identified the status of plant and animal protection in accordance with national and international regulations, and the renewal of plant and animal species found since previous monitoring.</p> <p>Based on this, companies have the opportunity to identify the protected status of plants and animals and make a list of plants and animals according to the actual results of monitoring activities in the current period, and are encouraged to make plant observation plots on Mengkabang Hill for representation of the Krangas Forest Ecosystem and hills of other HCV areas.</p>
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3.4.4. Noteworthy Positive Components

No	Description
1	Commitment to implementing the principles of sustainable palm oil plantation management.
2	Teamwork and human resources who are competent in their respective fields.
3	Digitalization of audit document presentation through the implementation of the GSIS System (GAR Sustainability Information System).
4	Has received Blue Proper by the Ministry of Environment and Forestry of the Republic of Indonesia in 2022
5	No longer use limited pesticides with the active ingredient Paraquat
6	The company already has school facilities in the form of elementary and middle schools.
7	Has obtained ISPO certificate.

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Randai Village Representative</p> <ul style="list-style-type: none"> - The existence of a company basically has a positive impact because it has concern for the community - The company has responded positively and quickly to the letter of request sent by the village - So far there have been no issues or problems related to land, environmental pollution, including fire incidents <p>Suggestion:</p> <ul style="list-style-type: none"> - Continue to contribute to development in Randai Village - Continue to prioritize the recruitment of local people by considering community education in accordance with the needs of the company's human resources - Companies are encouraged to report administrative data for migrant workers from outside the area to the Village Office because this is related to the need for population information by the Village Office 	<p>There are no issues that require further verification</p>
<p>Agriculture, Animal Husbandry & Plantation of Ketapang Regency.</p> <p>Communication relations between agencies and companies have gone quite well over the past year. The company has also routinely sent mandatory reports to agencies according to their respective timetables. None of the company's management areas are currently in forest areas and there have never been any reports or issues related to land disputes/claims that have occurred.</p> <p>There have been no changes to the Business License that the company has had over the past year. The company has also completed the construction of a community garden in accordance with the agreement made. The majority of the people around the company are Dayak and Malay. There has never been a fire incident in the last 2 years.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p>Public Housing, Settlements and Environment Agency of Ketapang Regency.</p> <p>Communication relations between agencies and companies have gone quite well over the past year. The company has also routinely sent mandatory reports to agencies according to their respective timetables. None of the company's management areas are currently in forest areas and there have never been any reports or issues related to land disputes/claims that have occurred.</p> <p>The company has an Environmental Permit and Waste Management Permit starting from Land Application, Hazardous</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
Waste Temporary Storage and others. There have been no fire incidents in the last 2 years or encounters with protected animals/plants in the last year.	
Gender Committee of Kenanga Mill Since the previous assessment until now, the gender committee is still active in organizing in the company. The gender committee management 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. Currently it is certain that none of the workers who work with chemicals are pregnant or breastfeeding women, this is because the company has its own policy regarding the prohibition of female workers who are pregnant or breastfeeding from working in work related to chemicals.	There are no issues/incidents that require further verification from the results of the public consultations carried out.
Gender Committee of Kencana Estate Since the previous assessment until now, the gender committee is still active in organizing in the company. The gender committee management 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. Currently it is certain that none of the workers who work with chemicals are pregnant or breastfeeding women, this is because the company has its own policy regarding the prohibition of female workers who are pregnant or breastfeeding from working in work related to chemicals.	There are no issues/incidents that require further verification from the results of the public consultations carried out.
Gender Committee of Cendana Estate Since the previous assessment until now, the gender committee is still active in organizing in the company. The gender committee management 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. Currently it is certain that none of the workers who work with chemicals are pregnant or breastfeeding women, this is because the company has its own policy regarding the prohibition of female workers who are pregnant or breastfeeding from working in work related to chemicals.	There are no issues/incidents that require further verification from the results of the public consultations carried out.

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><i>Federasi Serikat Pekerja Metal Indonesia, Pengurus Unit Kerja – Serikat Pekerja Mandiri (FSPMI, PUK-SPM) Unit Kenanga Mill.</i></p> <p>The workers' party has been formed since the previous assessment and is currently still actively organizing in the Kenanga Mill Unit. When members who have joined are company employees and all join voluntarily. There is no coercion or prohibition on joining a labor union. The company has shown support for the labor union by giving administrators time off when attending trade union events in the District/Province.</p> <p>Regarding workers' rights in general, the company has fully fulfilled them, starting from wages, overtime and other rights. The company also provides decent housing facilities such as a house with 2 bedrooms, kitchen and bathroom, as well as free electricity and water facilities. Regarding the provision of PPE, it has been routinely given to workers in proper condition and if it is damaged, the PPE will be immediately replaced by the company.</p> <p>There was no child labor, immoral acts of violence that occurred during the last year at the company. The company and the labor union have agreed on a Collective Labor Agreement which has been ratified by the relevant agencies in Ketapang Regency.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p><i>Federasi Serikat Pekerja Metal Indonesia, Pengurus Unit Kerja – Serikat Pekerja Mandiri (FSPMI, PUK-SPM) Unit Cendana Estate.</i></p> <p>The workers' party has been formed since the previous assessment and is currently still actively organizing in the Cendana Estate Unit. When members who have joined are company employees and all join voluntarily. There is no coercion or prohibition on joining a labor union. The company has shown support for the labor union by giving administrators time off when attending trade union events in the District/Province.</p> <p>Regarding workers' rights in general, the company has fully fulfilled them, starting from wages, overtime and other rights. The company also provides decent housing facilities such as a house with 2 bedrooms, kitchen and bathroom, as well as free electricity and water facilities. Regarding the provision of PPE, it has been routinely given to workers in proper condition and if it is damaged, the PPE will be immediately replaced by the company.</p> <p>There was no child labor, immoral acts of violence that occurred during the last year at the company. The company and the labor</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>union have agreed on a Collective Labor Agreement which has been ratified by the relevant agencies in Ketapang Regency.</p>	
<p><i>Federasi Serikat Pekerja Metal Indonesia, Pengurus Unit Kerja – Serikat Pekerja Mandiri (FSPMI, PUK-SPM) Unit Kencana Estate.</i></p> <p>The workers' party has been formed since the previous assessment and is currently still actively organizing in the Kencana Estate Unit. When members who have joined are company employees and all join voluntarily. There is no coercion or prohibition on joining a labor union. The company has shown support for the labor union by giving administrators time off when attending trade union events in the District/Province.</p> <p>Regarding workers' rights in general, the company has fully fulfilled them, starting from wages, overtime and other rights. The company also provides decent housing facilities such as a house with 2 bedrooms, kitchen and bathroom, as well as free electricity and water facilities. Regarding the provision of PPE, it has been routinely given to workers in proper condition and if it is damaged, the PPE will be immediately replaced by the company.</p> <p>There was no child labor, immoral acts of violence that occurred during the last year at the company. The company and the labor union have agreed on a Collective Labor Agreement which has been ratified by the relevant agencies in Ketapang Regency.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p>Kencana Mandiri Worker Cooperative</p> <p>The employee cooperative had been formed since the previous assessment and at the time the audit activity was carried out it was still actively carrying out its operational activities. The company also supports the formation of employee cooperatives and there is no coercion on workers to join or not. The cooperative has also held an Annual Member Meeting (RAT) for the 2022 financial year in 2023. This activity was carried out to find out the financial accountability, activities and distribution of SHU (Remaining Business Results) of the cooperative for the financial year as well as planning activities for the next financial year.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p>Rangkong Village (Village Head, Village Figure, & Tuah Kencana Kencana Permai Cooperative Member).</p> <p>The communication relationship between the certification unit and the village in the last year has been quite good. The certification unit has collaborated in the Company's operational activities, namely empowering local contractors. During the last</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>year there have never been any issues/incidents of land claims/disputes between the surrounding community and the certification unit. The certification unit has also collaborated with the company for the company's operational activities and information disclosure regarding workforce recruitment is also quite good.</p> <p>Apart from that, land fires, environmental pollution, immoral acts or discrimination have never occurred or become issues during the last year. The certification unit has also provided assistance to villages and their communities in CSR programs which are realized every year.</p> <p>The village and cooperative that manage the plasma have stated that they have received an agreement regarding mutually agreed grant funds as a replacement for the plasma plantation area that has not been realized due to the lack of land.</p>	<p>In the previous assessment there were notes in the form of opportunities for improvement, so the auditor again carried out in-depth verification of this. When the audit activity was carried out, the auditors again confirmed that there was a follow-up to complaints from the Tuah Kencana Permai Cooperative regarding grant funds which had previously been unresolved. At the time of the audit, the audit party again conducted interviews with management regarding this matter and the result is that currently there has been an agreement with the cooperative regarding the grant funds which were not provided but were replaced with monthly compensation to cooperative members each month with the provision of an increase every year. This has been confirmed again by the auditor team with the cooperative by conducting interviews and the result is that the cooperative has agreed to this at the last meeting in 2022. In the final agreement, they and the company agreed that this matter would not be discussed again if the value of the compensation received by each member of the cooperative would increase every year in accordance with the agreement between both parties.</p>
<p>Konsumen Benuak Harapan Baru Cooperative</p> <p>The cooperative has been sending FFB to Kenanga Mill since 2022 and is currently still sending FFB every month. However, the cooperative does not have a TBS sales and purchase agreement with PT Kencana Graha Permai, but rather with PT Kreasi Agro Serasi and the company has an entrustment agreement with PT Kencana Graha Permai.</p> <p>Payments for FFB purchases are made by PT Kreasi Agro Serasi regularly every month and there are never any delays or differences in payment calculations. Communication relations have also been quite good over the past year.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p>PT Satriando Jaya Agropalma (CPO/PK Transporter)</p> <p>The contractor has collaborated in FFB, CPO and PK transportation activities. Cooperation agreements for each activity carried out for contractors are available and well documented. The contractor's obligations to comply with relevant regulations are also stated therein. The contractor has also fulfilled several relevant regulations such as wages, BPJS, K3 and others. Currently, all contractor workers who work have been properly recorded and have complied with the relevant</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
regulations.	
<p>Manpower & Transmigration Agency of Ketapang Regency.</p> <p>Communication relations between the company and the agency have been quite good over the past year. The agency also stated that the company had carried out its obligations as an employer by providing workers' rights in accordance with statutory regulations and the PKB that had been jointly agreed upon. There were also no industrial disputes that occurred or were reported during the last year on the part of the agency.</p> <p>Implementation of a good employment system starting from implementing minimum wages, wage scale systems, calculating/paying overtime and recruiting workers. Currently, the company has also carried out regular employment reporting online (Mandatory Labor Report). The company has also supported the formation of a labor union which will be a forum for workers' aspirations without any prohibition or coercion.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p>National Land Agency of Ketapang Agency.</p> <p>Communication relations between the company and the agency have been quite good over the past year. There is no information that the company will apply for a new HGU (because it already has an HGU) and has routinely carried out mandatory reporting regarding the use of HGU land. During the last year there were also no incidents of land disputes/land claims that occurred in its management area. Currently the company's HGU permit is still valid until 2048.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p>Previous Land Owner (THR) & People of Belaban Village</p> <p>Communication relations with the company after the land compensation activities were carried out were still going quite well. The company has openly and without coercion when managing land compensation activities for local communities. There have never been any complaints from people who were previously compensated for land related to injustice because all compensation activities were based on mutual agreement.</p> <p>The company also provides opportunities to collaborate in operational activities and provide employment opportunities to the local community. The CSR program has been well realized since 2022 and there have been no incidents/issues related to land disputes or claims that have occurred since the previous year.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p>Formal Sign-off of Assessment Findings</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-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Kencana Graha Permai Management Representative</p>  <p><u>Yahya Mustakim</u> Wednesday, 11 October 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Tbk Lead Auditor</p>  <p><u>Leonada</u> Wednesday, 11 October 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environmental Services	Ketapang Regency	-	Interview by phone	04 July 2023	✓	
2	Plantation Agency	Ketapang Regency	-	Interview by phone	04 July 2023	✓	
3	Manpower and Transmigration Agency	Ketapang Regency	-	Interview by phone	04 July 2023	✓	
4	National Land Agency	Ketapang Regency	-	Interview by phone	04 July 2023	✓	
5	Randai Village Representative	Ketapang Regency	-	Interview	04 July 2023	✓	
6	Previous Land Owner (THR)	Ketapang Agency	-	Interview	04 July 2023		
7	Agriculture, Animal Husbandry & Plantation Agency	Ketapang Regency	-	Interview	04 July 2023	✓	
8	Public Housing, Settlements and Environment Agency	Ketapang Regency	-	Interview	04 July 2023	✓	
9	Manpower & Transmigration Agency	Ketapang Regency	-	Interview	04 July 2023	✓	
10	National Land Agency	Ketapang Regency	-	Interview	04 July 2023	✓	
11	Konsumen Benuak Harapan Baru Cooperative	Ketapang Regency	-	Interview	04 July 2023	✓	
12	Tuah Kencana Permai Cooperative	Ketapang Regency	-	Interview	04 July 2023	✓	
13	Rangkong Village	Ketapang Regency	-	Interview	04 July 2023	✓	
14	Rangkong Village Public Figure	Ketapang Regency	-	Interview	04 July 2023	✓	
15	Gender Committee – Kenanga Mill	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	
16	Gender Committee – Kencana Estate	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	
17	Gender Committee – Cendana Estate	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	
18	<i>Federasi Serikat Pekerja Metal Indonesia, Pengurus Unit Kerja – Serikat Pekerja Mandiri (FSPMI, PUK-SPM) Unit Kenanga Mill</i>	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	

19	<i>Federasi Serikat Pekerja Metal Indonesia, Pengurus Unit Kerja – Serikat Pekerja Mandiri (FSPMI, PUK-SPM) Unit Cendana Estate</i>	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	
20	<i>Federasi Serikat Pekerja Metal Indonesia, Pengurus Unit Kerja – Serikat Pekerja Mandiri (FSPMI, PUK-SPM) Unit Kencana Estate</i>	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	
21	Kencana Mandiri Worker Cooperative	PT Kencana Graha Permai	-	Interview	04 July 2023	✓	
22	PT Satrindo Jaya Agropalma (CPO/PK Transporter)	Ketapang Regency		Interview	04 July 2023	✓	
23	Kenanga Mill <ul style="list-style-type: none"> • 1 warehouse clerk • 1 WTP officer • 6 sortation workers • 1 loading ramp worker • 3 sterilizer workers • 1 maintenance and repair worker • 1 tripler operator • 1 press operator • 1 engine room operator • 2 boiler operators • 1 kernel worker • 8 personels at hydrant simulation 	PT Kencana Graha Permai		Direct Interview	04 July 2023	✓	
24	Kencana Estate: <ul style="list-style-type: none"> • 1 warehouse clerk • 1 doctor • 7 harvest workers • 8 spray workers • 1 Tyto alba's cencus workers 	PT Kencana Graha Permai		Direct Interview	04 July 2023	✓	
25	Cendana Estate: <ul style="list-style-type: none"> • 1 Nurse • 1 warehouse clerk • 5 harvest worker • 2 manual road maintenance workers • 2 beneficial plant maintenance 	PT Kencana Graha Permai		Direct Interview	05 July 2023	✓	

	workers						
26	WWF	Indonesia		Questionnaire			
27	Sawit Watch	Indonesia		Questionnaire			
28	WALHI	Indonesia		Questionnaire			

Appendix 2. Assessment Program

DATE	03 – 08 July 2023	
PROGRAM (WIB)	CLAUSES TO BE AUDITED	AUDITOR
Monday, 03 July 2023		
07.25 – 09.00	Jakarta → Pontianak	All Auditor
10.25 – 11.10	Pontianak → Ketapang	All Auditor
11.10 – 17.00	Ketapang → PT Kencana Graha Permai (Site)	All Auditor
17.00 – 17.30	Opening Meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	All Auditor
Tuesday, 04 July 2023		
08.00 – 12.00	Public Consultation in Rokan Hulu Regency (Environment; Manpower & Transmigration; Plantation; and National Land Agency).	RIU
	Public Consultation with Internal Stakeholder (Worker Union, Gender Committee, Worker Cooperative), Surrounding Community, and Contractor.	RIU
08.00 – 12.00	Field Observation to Kencana Estate: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application); Implementation of Occupational Health & Safety Aspect; Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) 	FPS/RPI BEN FPS/RPI
12.00 – 14.00	Break/ISHOMA	All Auditor
14.00 – 16.30	Field Observation to Kenanga Mill: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO); Implementation of Employment Procedure and Mechanism Aspect Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) Public Consultation, Verification of Stakeholders Consultation, Document Review and Completing Audit Checklist.	BEN FPS/RPI RIU
16.30 – 17.00	Presentation of Audit Daily Progress	All Auditor
Wednesday, 05 July 2023		

DATE	03 – 08 July 2023	
PROGRAM (WIB)	CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	Field Observation to Cendana Estate: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application); Implementation of Occupational Health & Safety Aspect; Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) 	BEN RIU/RPI FPS
12.00 – 14.00	Break/ISHOMA	All Auditor
14.00 – 16.30	Public Consultation, Verification of Stakeholders Consultation, Document Review and Completing Audit Checklist.	All Auditor
16.30 – 17.00	Presentation of Audit Daily Progress	All Auditor
Thursday, 06 July 2023		
08.00 – 12.00	Public Consultation, Verification of Stakeholders Consultation, Document Review and Completing Audit Checklist.	All Auditor
12.00 – 14.00	Break/ISHOMA	All Auditor
14.00 – 16.30	Public Consultation, Verification of Stakeholders Consultation, Document Review and Completing Audit Checklist.	All Auditor
16.30 – 17.00	Presentation of Audit Daily Progress	All Auditor
Friday, 07 July 2023		
08.00 – 09.00	Interim Meeting Auditor Team (Closing Meeting Preparation).	All Auditor
10.00 – 11.00	Closing Meeting: <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion). Comments, Responses and Questions. 	All Auditor
11.00 – 17.00	PT Kencana Graha Permai → Ketapang	All Auditor
Saturday, 08 July 2023		
07.00 – 07.45	Ketapang → Pontianak	All Auditor
09.40 – 11.05	Pontianak → Jakarta	