

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

[✓] Surveillance

Name of Management Organization : Tanah Laut Palm Oil Mill, PT Smart Tbk, a subsidiary of Golden Agri Resources, Ltd.
 Plantation Name : PT Smart Tbk; Tanah Laut Estate, Kintapura Estate
 Location : Bukit Mulia Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia
 Certificate Code : **MUTU-RSPO/174**
 Date of Initial Registration : 11 September 2017
 Date of Certificate Issue : 02 September 2022 Date of License Issue : 11 December 2023
 Date of Certificate Expiry : 10 September 2027 Date of License Expiry : 10 September 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Tbk Auditor	Reviewed by	Approved by
ASA 2.1	31 July – 5 August 2023	Octo HPN Nainggolan (Lead Auditor Witnessing), Radityo Puspanjana (Lead Auditor Witnessed), Erika Lucintawati, Rizki Tanaya and Sabiah Dhiningtyas Utami	Rahmat Abdiasyah	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 2.1	16 November 2023

TABLE OF CONTENT
FIGURE

Figure 1. Location Map of PT Smart, Tbk	1
Figure 2. Operational Map of PT Smart, Tbk – Tanah Laut Estate	2
Figure 3 Operational Map of PT Smart, Tbk – Kintapura Estate	3
Abbreviations Used	4

1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1	Assessment Standard Used	6
1.2	Organization Information	6
1.3	Type of Assessment	6
1.4	Location of Mill and Plantations	6
1.5	Description of Area Statement	7
1.6	Planting Year and Cycle	7
1.7	Description of Mill and Supply Base	7
1.8	Estimate Tonnage of Certified Product	8
1.9	Other Certifications	9
1.10	Time-Bound Plan	9

2.0 ASSESSMENT PROCESS

2.1	Assessment Team	19
2.2	Assessment Methodology, Assessment Process and Locations of Assessment	19
2.3	Stakeholder Consultation and Stakeholders Contacted	23
2.4	Determining Next Assessment	23

3.0 ASSESSMENT FINDINGS

3.1	Summary of Assessment Report of the RSPO Certification	24
3.2	Conformity Checklist of Certificate and Logo Use	77
3.3	Summary of RSPO Partial Certification	78
3.4	Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	99
3.5	Summary of Arising Issues from Public, and Auditor Verification	108

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1	Formal Signing of Assessment Findings	112
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APPENDICES

1.	List of Stakeholders Contacted in the RSPO Certification Process	113
2.	Assessment Program	115

Figure 1. Location Map of PT Smart, Tbk

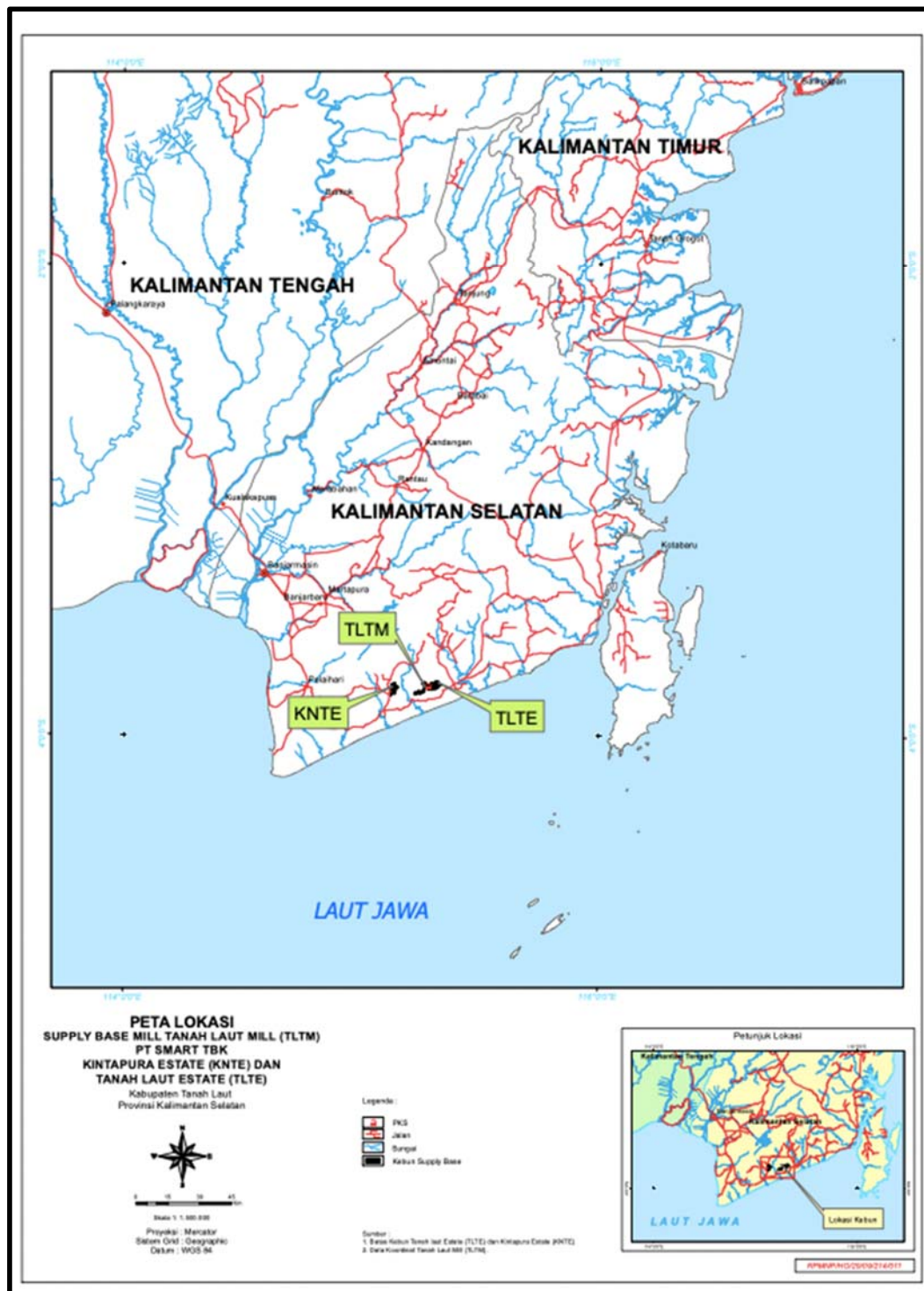


Figure 2. Operational Map of PT Smart, Tbk – Tanah Laut Estate

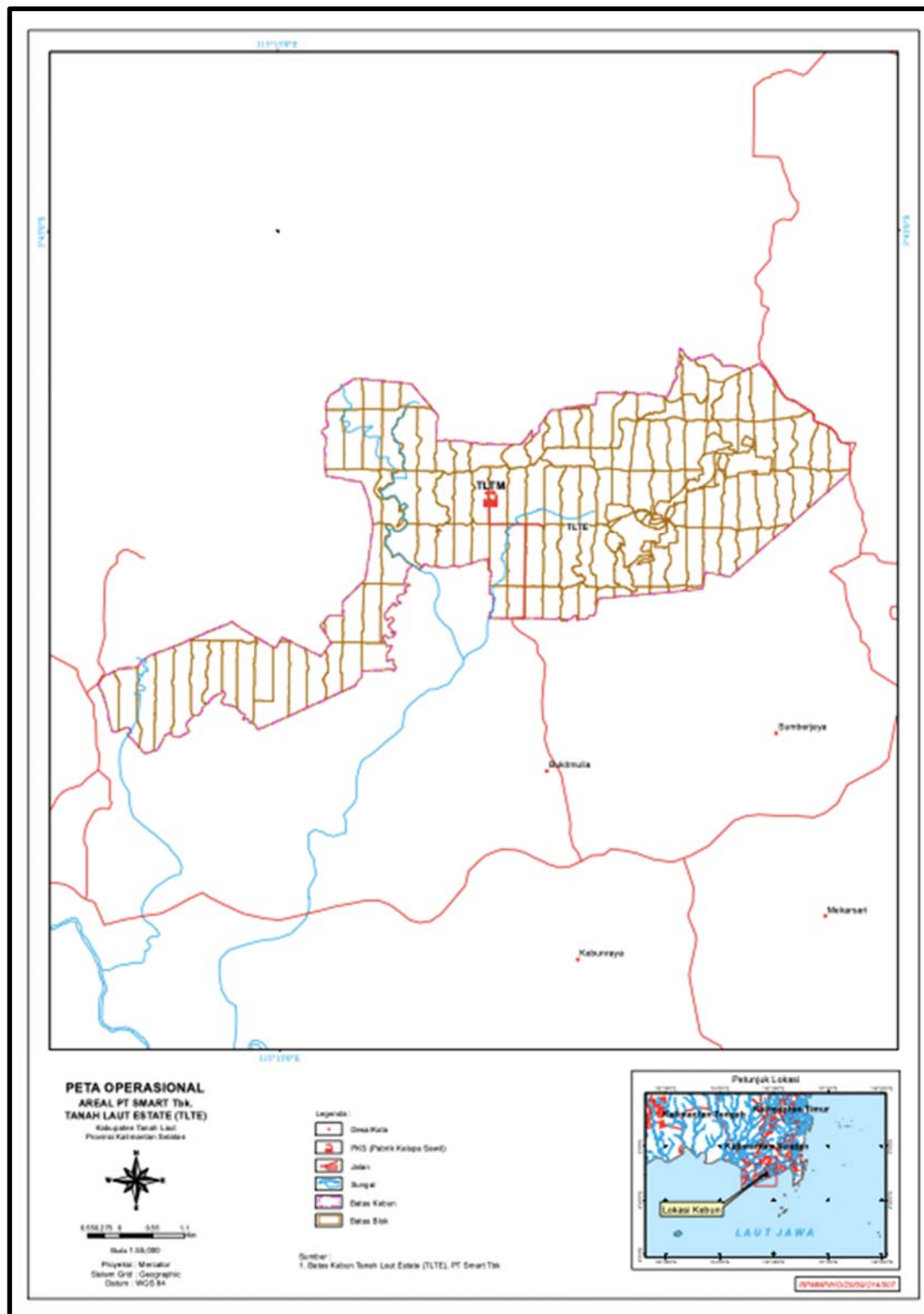
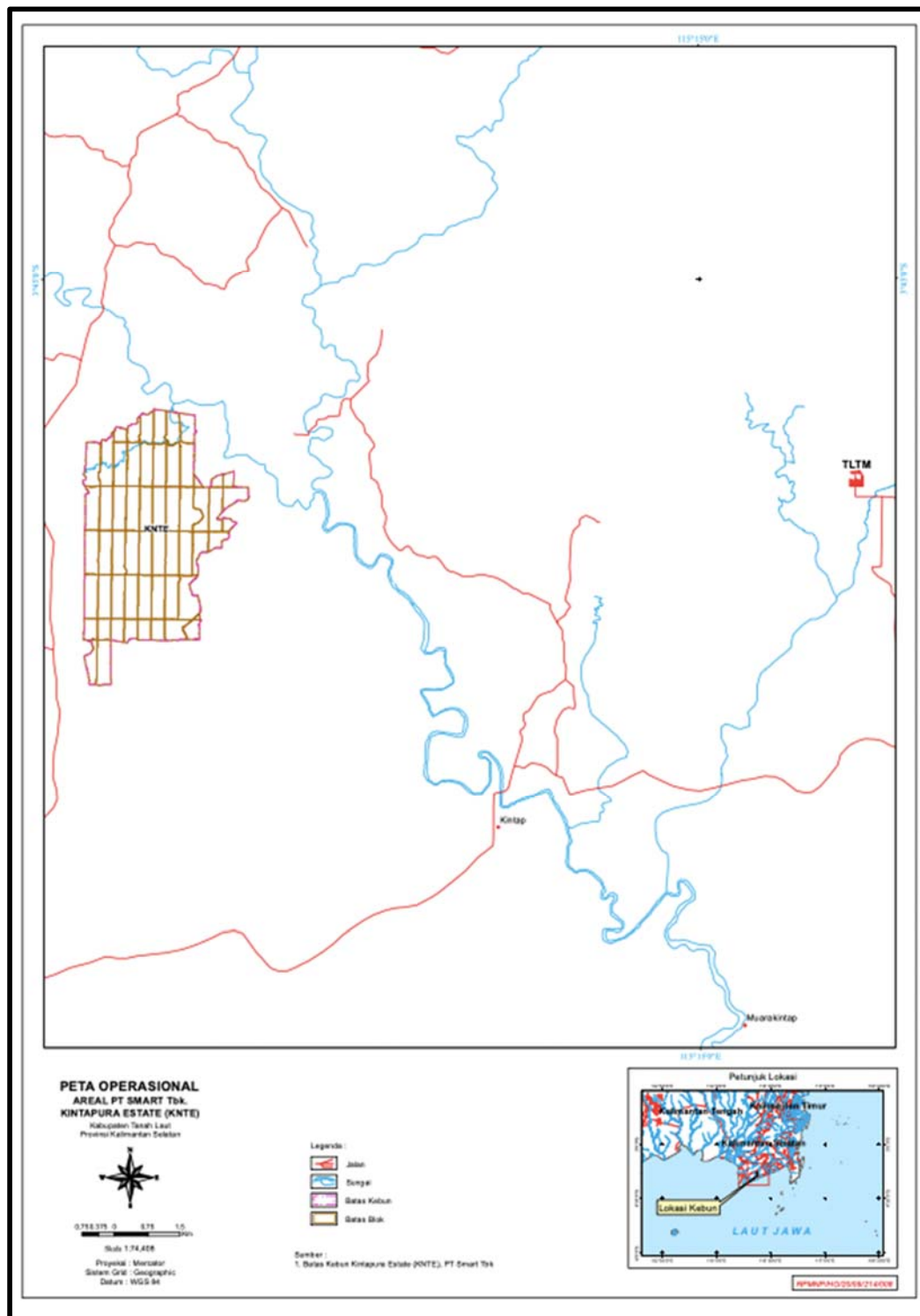


Figure 3. Operational Map of PT Smart, Tbk – Kintapura Estate



Abbreviations Used

ALS	:	Assessor Licensing Scheme
ASA	:	Annual Surveillance Assessment
AMDAL	:	<i>Analisis Manajemen Dampak Lingkungan</i>
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> Social Security Agency
BPN	:	<i>Badan Pertanahan Nasional</i>
CD	:	Community Development
CH	:	Certificate Holder
CITES	:	Convention on International Trade in Endangered Species
CKP	:	Central Kalimantan Project
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i>
DLH	:	<i>Dinas Lingkungan Hidup</i>
DPMPTSP	:	<i>Dinas Penanaman Modal dan Permodalan Terpadu Satu Pintu</i>
EBA	:	Empty Fruits Bunch
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Assessment
EMU	:	Ecological Management Unit
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FGD	:	Forum Group Discussion
FPIC	:	Free, Prior, Informed and Consent
GHG	:	Green House Gas
GIS	:	Geographic Information System
HCS	:	High Carbon Stock
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Rights)
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Permit)
KER	:	Kernel Extraction Rate
LSU	:	Leaf Sampling Unit
LTA	:	Lost Time Accident
LUCA	:	Land Use Change Analysis
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
PIC	:	Person in Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PR	:	Public Relation
PT SJA	:	<i>Perseroan Terbatas Satrindo Jaya Agropalma</i>

PT SLB	:	<i>Peseroan Terbatas Sarana Lintas Bersama</i>
RC	:	Regional Controller
RKL-RPL	:	<i>Rencana Kelola Lingkungan dan Rencana Pemantauan Lingkungan</i>
SCCS	:	Supply Chain Certification Standard
SDN	:	<i>Sekolah Dasar Negeri</i>
SIA	:	Social Impact Assessment
SIMPEL	:	Sistem Pelaporan Elektronik
SOP	:	Standard Operating Procedure
SPM	:	<i>Serikat Pekerja Mandiri</i>
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i>
SSU	:	Soil Sampling Unit
TTE	:	<i>Tanda Terima Elektronik</i>
UKL-UPL	:	<i>Upaya Kelola Lingkungan dan Upaya Pemantauan Lingkungan</i>
VPA	:	Vice President Agronomi
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used		
		<ul style="list-style-type: none">Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	Tanah Laut Palm Oil Mill, PT Smart Tbk, a subsidiary of Golden Agri Resources, Ltd.	
1.2.2	Contact person	Yahya Mustakim	
1.2.3	Organization address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535. Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor. Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia.	
1.2.4	Telephone	(+62-21) 50338899	
1.2.5	Fax	(+62-21) 50389999	
1.2.6	E-mail	yahya.mustakim@sinarmas-agri.com	
1.2.7	Web page address	www.goldenagri.com.sg	
1.2.8	Management Representative who completed the application for certification	Yahya Mustakim (Head of Sustainability Management System and Certification Operations Sustainability)	
1.2.9	Registered as RSPO member	1-0096-11-000-00 – 30 January 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Tanah Laut Mill, Tanah Laut Estate and Kintapura Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Tanah Laut Mill	Bukit Mulia Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia	03° 47' 28.80" S115° 16' 56.90" E
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Tanah Laut Estate (TLTE)	Sungai Cuka Village, Sumber Jaya Village, Bukit Mulia Village, Pasir Putih Village, Kintap Kecil Village, Kintap Sub District, Tanah Laut District, Kalimantan Selatan Province, Indonesia	3° 47' 52.508" S115° 16' 17.691" E
	Kintapura Estate (KNTE)	Kintapura Village & Salaman Village, Kintap Sub District, Tanah Laut District,	3° 48' 23.449" S115° 8' 23.977" E

		Kalimantan Selatan Province, Indonesia		
1.5	Description of Area Statement			
1.5.1	<div>Tenure</div> <div> <ul style="list-style-type: none"> State 4,952.18 Ha Community - Ha </div> <div>Total 4,952.18 Ha</div> <div>*from the total land title 4,952.18 ha, scope of certifications area 4,556.30 Ha</div>			
1.5.2	Area Statement			
	<ul style="list-style-type: none"> Total area 4,556.30 Ha Mature area 3,131.60 Ha Immature area 46.32 Ha Nursery 8.03 Ha Mill, building and Housing 46.23 Ha Road 140.64 Ha Trench, swamps and river 150.80 Ha Air strip 7.32 Ha Others Area (mining area, national electric enterprise line and etc) 1,025.36 Ha <div>*HCV area covering 250.52 ha located in the planting area</div>			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Tanah Laut Estate	Kintapura Estate	Total (Ha)
	MATURE AREA			
	1995	19.34	-	19.34
	1996	631.89	-	631.89
	1997	145.78	-	145.78
	1998	572.45	698.90	1,271.35
	1999	68.00	571.93	639.93
	2004	208.03	47.71	255.74
	2005	-	12.35	12.35
	2016	8.08	-	8.08
	2017	24.44	-	24.44
	2018	41.39	-	41.39
	2019	66.43	-	66.43
	2020	14.88	-	14.88
	IN MATURE AREA			
	2021	46.32	-	46.32
	2022	-	-	-
	TOTAL	1,847.03	1,330.89	3,177.92
	*Notes: the total planting year of 2022 hasn't been stated yet because still calculating on the replanting area by the unit certification			
1.6.2	Ha			- Ha
1.6.3	Planting Cycle			2 nd Cycle
1.7	Description of Mill and Supply Base			
1.7.1	Description of Mill			
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	<div>CPO</div> <div> Out put (tonnes) Extraction (%) </div> <div>Palm Kernel</div> <div> Out put (tonnes) Extraction (%) </div>

	Tanah Laut Mill	30	73,574.46	14,370.38	19.54	3,659.85	4.97
	*Production data source from 12 months before assessment (July 2022 to June 2023)						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (ton/yr)	Yield (ton/ha/yr)	Supplied to Mill	
						FFB (ton/year)	%
	Tanah Laut Estate (TLTE)	3,112.77	1,800.71	18,385.95	10.21	18,385.95	100
	Kintapura Estate (KNTE)	1,443.53	1,330.89	24,648.95	18.52	24,648.95	100
	TOTAL	4,556.30	3,131.60	43,034.90	13.74	43,034.90	100
	*Production data source from 12 months before assessment (July 2022 to June 2023)						
1.7.3	FFB description from other source						
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tonnes/year)		
	Tanah Laut Estate (Uncertified)	PT Smart Tbk	-	121.07	496.78		
	Kintapura Estate (Uncertified)	PT Smart Tbk	-	636.33	11,374.92		
	FFBX (1052 TR)	Outgrower	-	-	18,599.13		
	TOTAL				30,470.83		
	*Production data source from 12 months before assessment (July 2022 to June 2023)						
1.7.4	Product categories		FFB, CPO, PK				
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Estimate Production period of 11 October 2022 – 10 September 2023		Actual Production (MT) of previous audit (July 2022 to June 2023)		
	FFB Processed		53,000		43,103.63		
	CPO Production		11,395		8,882.20		
	Palm Kernel (PK) Production		2,756		2,281.09		
1.8.2	Product selling						
	Type of selling product		Actual selling product for last year (July 2022 to June 2023) (MT)				
	CSPO sold as RSPO certified product		8,460.16				
	CSPK sold as RSPO certified product		2,103.13				
	CSPO sold under another scheme		-				
	CSPK sold under another scheme		-				
	CSPO sold as conventional		-				
	CSPK sold as conventional		-				
1.8.3	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Tanah Laut Estate	3,112.77	1,800.71	20,000.00	11.11		
	Kintapura Estate	1,443.53	1,330.89	26,000.00	19.54		
	TOTAL	4,556.30	3,131.60	46,000.00	14.69		
	*Projected FFB production for 12 months of certificate						
1.8.4	Estimate of Certified Palm Product Claim						

	Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tones)	Extraction (%)	Out put (tones)	Extraction (%)	
		Tanah Laut Mill	30	46,000	9,503.60	20.66	2,723.20	5.92
	<i>*Projected FFB production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2008				-			
	ISO 14001: 2004				-			
	OHSAS 18001:2007				-			
	ISCC				-			
	ISPO				MUTU-ISPO/252, Valid until 03 February 2026			
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 Forestaletari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Bangka Belitung Province	Certified
		Tanjung Rusa Estate	2013		Certified
		Tanjung Rusa Estate (HGU on process 48.81 Ha)	2024		-
		Tanjung Sawit Estate (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Sawit Plasma (PT Palmindo Biliton Berjaya)	2024		-
		Tanjung Rusa KKPA	2024		-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung Province	Certified
		Sungai Buaya Estate (HGU on process – 155.46 Ha)	2024		-
		Smallholder (KKPA Gedung Aji Lama)	2014		Certified
		Smallholder (KKPA Mesuji)	2014		Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung Province	Certified
		Sungai Merah Estate (HGU on process – 241.54 Ha)	2024		-
		Smallholder (KKPA Gedung Aji Baru)	2014		Certified
Kasuari Mill (PT Sinar Kencana Inti Perkasa)	2023	Cendrawasih Estate	2023	Papua Province	ST-1
		Nuri Estate	2023		ST-1
		Rajawali Estate	2023		ST-1
		Mambruk Estate (PT Sumber Indah Perkasa)	2023		ST-1
Pekawai Mill (PT Agrolestari Mandiri)	2023	Kayung Estate	2023	Kalimantan Barat Province	ST-1
		Pekawai Estate	2023		ST-1
		Sungai Kelik Estate	2023		ST-1
		Nanga Tayap Estate	2023		ST-1
		Smallholder (Kayung Plasma)	2024		ST-1
Kenanga Mill (PT Kencana Graha Permai)	2014	Kencana Estate	2015	Kalimantan Barat Province	Certified
		Cendana Estate	2015		Certified

		Kenanga Estate (PT Cahaya Nusa Gemilang)	2023		-
		Delima Estate (PT Kencana Graha Permai)	2023		-
		Smallholder (Kencana Plasma)	2024		-
		Smallholder (Kenanga Plasma)	2024		-
Perdana Mill (PT Binasawit Abadi Pratama)	2025	Perdana Estate	2025	Kalimantan Tengah Province	ST-1
		Langgana Estate	2025		ST-1
		Semandau Estate	2025		ST-1
		Muara Dua Estate	2025		ST-1
Kuayan Mill (PT Agrokarya Prima Lestari)	2025	Bukit Santuhai Estate	2025	Kalimantan Tengah Province	ST-1
		Tajur Beras Estate	2025		ST-1
		Serantau Estate	2025		ST-1
		Sungai Sambon Plasma	2025		-
		Sapiri Estate (PT Buana Adhitama)	2025		ST-1
		Sapiri Plasma	2025		-
		Bukit Dua Estate (PT Buana Adhitama)	2025		-
Belian Mill (PT Paramitra Internusa Pratama) * Main Audit Desember 2022	2022*	Belian Estate * Main Audit Desember 2022	2022	Kalimantan Barat Province	ST-1
		Tengkawang Estate * Main Audit Desember 2022	2022		ST-1
		Muara Tawang Estate (PT Kartika Prima Cipta)	2023		ST-1
		Kapuas Hulu Estate (PT Persada Graha Mandiri)	2023		ST-1
		Sungai Beran Estate (PT Persada Graha Mandiri)	2023		ST-1
		Smallholder (Belian KKPA)	2024		-
		Smallholder (Muara Tawang KKPA)	2024		-
		Smallholders (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 Pangli 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		-
		Tanah Laut Estate (HGU on process - 758 Ha)			
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
	2024	Gunung Kombeng KKPA	2024		-

Gunung Kombeng Mill (PT Kresna Duta Agroindo)				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		-
	TBP revised on 19 May 2022 and approved by RSPO on 14 June 2022 There is revision of timebound plan on 19 May 2022 made by Head of Operations Sustainability. There are justification for mills and estates that postpone, with explanation: <ul style="list-style-type: none">• 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 Tapian Nadenggan (Long Buluh Estate and Bukit Subur Estate);
- PT Ivomas Tunggal (Samsam Estate, Kandista Estate, Nenggala Estate, Sei Rokan Estate, Ujung Tanjung Estate);
- PT Buana Wiralestari Mas (Nagasakti Estate; Nagamas Estate and Kijang Estate);
- PT Rama Jaya Pramukti (Ramarama Estate);
- PT Satya Kisma Usaha (Sungai Bengkal Estate, Kilis Estate and Sungai Bengkal KKPA);
- PT Bumipalma Lestari Persada (Bumi Palma Estate);
- PT Tapian Nadenggan (Sei Rindu Estate).

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

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 2.1	<p>1. Octo HPN Nainggolan (Lead Auditor Witnessing). Indonesian citizen, Bachelor of Agriculture, majoring in Agricultural Socio-Economic (Agribusiness). Seven years of experience working since 2004 in oil palm plantation companies in Indonesia and participated in several trainings, namely: Nature Conservation Training and Biological Resources in HCV support, Basic Plantation Management Program, Integrated Pest Management training, Management System Certification (ISO 9001-2008 / SNI 19011 -9001:2008), Environmental Management System (ISO 14001:2004), OHSAS based SMK3, RSPO Lead Auditor Course supported by Proforest and Wild Asia, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, supply chain certification system training and Lead training RSPO Renewable Energy Directive auditors. He currently works as an auditor at the Certification Body. During the audit he witnesses the team.</p> <p>2. Radityo Puspanjana (Lead Auditor Witnessed). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training, which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. Currently working for an independent certification body. During this audit, he verifies Legal, Land disputes, TBP, Partial and SCCS, as well as environment, waste management, GHG and conservation aspect.</p> <p>3. Erika Lucintawati (Auditor). Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include ISPO Lead Auditor Training, RSPO ISH Training, RSPO Lead Auditor Training, Awareness SA8000, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. During this assessment, she verified environmental, GHG, Social and conservation aspects.</p> <p>4. Rizki Tanaya (Auditor). Indonesian citizen, Bachelor of Agriculture, Padjadjaran University. Trainings that have been attended include ISPO Auditor Training and Refreshment New ISPO Ministry of Agriculture 38 of 2020, RSPO SCCS Auditor Training, ISO 9001:2015 Lead Auditor Training, General OHS Expert Candidate Training, ISO 19011:2018 Internal Training, ISO 17021:2015, ISO 17065:2012, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, FSC CoC, BAP, SEDEX/Smeta, and Global GAP. Has carried out several audit activities on environmental, conservation, Best Management Practice, OHS, Labor and Social aspects. In this audit activity, verification is carried out on aspects of the OHS and BMP.</p> <p>5. Sabiah Dhiningtyas Utami (Auditor Trainee). Indonesian citizen. Bachelor of Agriculture, Department of Agrotechnology, Padjadjaran University. She has attended ISPO Auditor Training by LPP, ISO IRCA LAC 9001, Awareness ISO 19011:2018, ISO 14001:2015, ISO 45001:2018, ISO 17021:2015, ISO 17065:2012, RSPO Awareness and participated in several IHT in the fields of employment, environment, BMP, and other aspects. Has participated in several simulations of audit activities related to the certification system for sustainable palm oil plantations with labor and social aspects. In this assessment, she verified the Worker Welfare aspect 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 2.1	<p>Number of auditors: 3 auditor and 1 Trainee Auditor</p> <p>Number of days at site: 5 days</p> <p>Number of working days for at site: 15 Working days</p>
2.2.2	Assessment Process
ASA 2.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Smart, Tbk – Tanah Laut Mill and its supply base to 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 System for Principles and Criteria and RSPO Independent Smallholder Standards, Endorsed</p>

by the RSPO Board of Governors on 12 November 2020.

The scope of certification of PT Smart Tbk consist of one mill (Tanah Laut Mill) and two (2) estate, namely Tanah Laut Estate and Kintapura Estate.

The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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

Team of auditor started their trip from Jakarta to Banjarmasin and continued to site on 31 July 2023. Once arrived, team auditor conducted Opening Meetings in the Meeting Room of Region office of PT Smart Tbk. Opening meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

There are several activities that are not possible to do face to face, such as public consultations with government agencies, communities, or previous landowners so that these activities are carried out by telephone. Furthermore, during field observation auditor only verification the activity and interview process carried separately by telephone. Document verification conducted separately through the electronic files.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix I.

Closing Meeting conducted in the region office of PT Smart Tbk on 5 August 2023. Closing meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

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

Some opportunities for improvement of the results ASA 2.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2.2). All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of this assessment.

2.2.3
Locations of Assessment

ASA 2.1

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:

Tanah Laut Mill

- **WWTP.** Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies
- **Empty bunch area.** Field observations related to empty bunch management.
- **Reservoir.** Field observations and interview related water source management, OHS, and environmental aspect.
- **Employee Housing Complex.** Observation and interview about domestic waste management, hazardous waste management, emergency facilities, and facilities provided for workers.
- **Workshop.** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **Water Treatment Plant (WTP).** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **Chemical Storage.** Observations and interviews related to work procedures, work procedures, worker welfare, OHS, and environmental aspects.
- **Material Storage.** Observations and interviews related to work procedures, worker welfare, OHS, PPE stock, and environmental aspects.
- **Oil Storage.** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **Hazardous Waste Temporary Storage.** Observations and interviews related to work procedures, worker welfare, OHS, hazardous toxic and waste stock as well as environmental aspects.
- **Hydrant Simulation No. 3.** Observation and simulation related to fire emergency respond.
- **Grading Station.** Observations related to the quality of FFB, handling of FFB that does not meet the criteria, OHS and employment.
- **Engine Room Station.** Observations related to Best Practice, OHS and Employment.
- **Weigh bridges station.** Observation and interview related FFB acceptance, SCC, and others.
- **Laboratory.** Observation related work procedure, OHS and worker welfare.
- **Grading station.** Observations related to FFB quality, handling of FFB that did not pass the criteria, OHS and employment.
- **Security.** Observation and interview with worker related to incoming FFB activity, OHS, environmental and worker welfare aspect.
- **Weighbridge.** Field observations and interview related to working procedure, worker aspect, ethical aspect, and social aspect.

Tanah Laut Estate

- **Agrochemical storage.** Observation and interview about worker welfare, hazardous waste management, OHS implementation, and understanding of work procedure.
- **Fertilizer storage.** Observation and interview about worker welfare, OHS implementation, and understanding of work procedure.
- **Hazardous Waste Temporary Storage.** Observation and Interview about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Workshop.** Observation and Interview related to work procedure, OHS and workers welfare aspect.
- **Oil storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **Fuel Storage.** Observation related to storage condition, OHS and emergency response facility.
- **Rice Storage.** Observations related to rice storage conditions for workers.
- **Workshop.** Observation and interview about worker welfare, OHS implementation, and waste management.
- **Firefighting storage.** Observation about condition about the firefighting facilities and equipment.
- **Firefighting Simulation.** Observation related to condition the firefighting facilities and equipment and preparedness.

- **Material storage.** Observation and interview about worker welfare, OHS implementation, and understanding of work procedure.
- **First Aid Post.** Observation and interview related to implementation of procedure, OHS, worker welfare, and waste management aspects.
- **Harvest, Block F05 Division 3.** Observations and interviews related to work procedures, OHS and worker welfare aspects.
- **Spray, I23 Division 2.** Observations and interviews related to work procedures, OHS and worker welfare aspects.
- **Land Application, Block K25 Division 2.** Observations and Interviews related to work procedures, OHS and worker welfare aspects.
- **EFB Application, Block R18 Division 1.** Observations and interviews related to work procedures, OHS and aspects of worker welfare.
- **Replanting Area, Block C17 DiviFire Tower, Block D25 Division 2.** Observation regarding land and forest fire facilities and infrastructure.
- **Pheromone trap, Block C24 Division 2.** Observations related to integrated pest management.
- **Employee Housing Complex Division 3.** Observing the availability of infrastructure such as housing, water and electricity facilities, fire extinguishers, educational facilities, religious facilities, health facilities, domestic waste management, child care, child care and sports facilities.
- **First Aid Post Division 3.** Observations and Interviews related to work procedures, OHS and worker welfare aspects.
- **Rinse House Division 3.** Observe the provision of facilities for spray workers. 1. Observations and Interviews related to work procedures, OHS and worker welfare aspects.
- **HGU stone and land demarcation No. 021 block F08, No 20 block F028, No 07 block J7 and No 06 block O6.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **Riparian Kintap River block D20.** Observations marking of HCV areas and RTE information signboard, prohibition of burning, hunting and illegal logging of natural trees.
- **Fire tower block D25.** Observation and interview related to fire monitoring training and potential fire hazards, emergency response mechanism and conducting firefighting simulations.
- **Lose fruit picker block D26 division II.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.

Kintapura Estate

- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attribute's health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Water pump room.** Observation related to management of water management, waste and OHS.
- **Diesel Tank.** Observation of OHS, environment aspect, emergency response and fire facilities.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Central Warehouse.** Observation minimum stock of PPE's.
- **Pesticide Chemical Material Warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Oil and grease.** Observation related to management of oil and agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used.
- **Fire Fighting Equipment Warehouse.** Simulation the function of fire extinguishers and team readiness.
- **Harvesting, Block H7, Division 2.** Observations and interviews related to technical work according to procedures, OHS, worker welfare, and environmental aspects.
- **Spraying, Block 64, Division 1.** Observations and interviews related to technical work according to procedures, OHS, worker welfare, and environmental aspects.
- **Maintenance of Beneficial Plant, Block G10 and G11, Division 1.** Observations related to the maintenance of beneficial plants (*Antigonon leptopus*).
- **Barn Owl Box.** Observations regarding the use of *Tyto alba* for integrated pest control by the company.

	<ul style="list-style-type: none"> • Employee Housing Complex Division 1. Observation and interview related to house condition, public facility, OHS aspect, and waste management. • Day-care. Observation and interview related to day-care condition, public facility, worker welfare, OHS aspect, and waste management. • Landfill, Block H4. Observation and interview related to landfill condition, OHS aspect, and waste management. • Fire Tower. Observation and simulation related to fire emergency respond. • HGU stone and land demarcation No. 010 block F29, No 12 block F26 and No 13 block E23. Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency. • Riparian Salaman River block J07, block F08 and block G07/G06. Observations marking of HCV areas and RTE information signboard, prohibition of burning and agrochemical, hunting and illegal logging of natural trees. • Mixing and agrochemical / fertilizer container washing store. Observation related OHS, and agrochemical waste management. • Rinse house for spraying team. Observation for OHS and spraying team facilities.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 2.1	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Smart, Tbk was held by:</p> <ul style="list-style-type: none"> • Public Notification on PT Mutuagung Lestari website on 17 July 2023 • Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 24 July 2023 • Public consultation meeting with government institution (National Land Agency, Environmental Agency, Plantation Agency, Manpower and Transmigration Agency) on 01 August 2023. • Public consultation meeting with community (Sumber Jaya Village, Pasir Putih Village, Sungai Cuka Village) 1 August 2023. • Public consultation meeting with internal stakeholders and contractor 01 – 03 August 2023 <p>Numbers of input from stakeholders were clarified by PT Smart Tbk as part of this report</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit ASA 2.2 will be conducted eight (8) months to twelve (12) months after date of annual license

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has assessed Tanah Laut Mill- PT Smart Tbk, subsidiary of Golden Agri Resources Ltd, operation consisting of one (1) Mill and two (2) oil palm estates.

During the assessment, there were one (1) Nonconformities minor raised to major (recurring Nonconformities from the previous assessment and four (4) opportunities for improvement were identified. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Tanah Laut Mill - PT Smart Tbk, 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 System for Principles and Criteria, 14 June 2017.**

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>Unit of certification has procedure and has appointed person in charge in the requests for information from stakeholders (SOP/SMART/UMUM/SADVI/004). Unit of certification also responded to information requests with maximum time of 3 weeks since mail received. Based on document verification and interviews with external stakeholders, information was obtained that management always responds to requests for information no later than 3 working weeks. they also know what documents are available and accessible to the public.</p> <p>Documents can be accessed publicly through website www.smart-tbk.com, including sustainability policy, human rights policy, ethical code, conservation management and monitoring, etc. The types of documents that can be accessed and given to stakeholders are included in the information list for stakeholders, such as public documents, legal document, environmental documents (environmental policy, environmental management, and monitoring report, etc.), social document, OHS policy and program, and manpower documents. These documents are available in Estate and Mill office. The company has provided information that can be accessed by the public according to relevant stakeholders such as land use rights, EHS documents, environmental documents, HCV documents, waste management documents, environmental management, employment etc. For example; periodically, unit certification sends monitoring and management documents to the related institutions such as; Environment Agency, <i>BKSDA</i>, and Manpower Office.</p>
1.1.2	<p>The unit of certification can show evidence that information has been received in an appropriate form and language (Bahasa) related to stakeholder involvement, company rights and obligations that are conveyed to all relevant stakeholders, including:</p> <p>Compliance with Social and Environmental Regulation</p> <ul style="list-style-type: none"> Report on liquid waste management on land (land application) for quarter 1 of 2023 which was reported to Ministry of Environment and Forestry on April 14, 2023 with electronic receipt number 1681442763-1169. Report on liquid waste management on land (land application) for the second quarter of 2023 which was reported to Ministry of Environment and Forestry on July 19, 2023 with electronic receipt number 1689783976-1169. Report on B3 waste management report for quarter 1 of 2023 which was reported to the Ministry of Environment and Forestry via SIMPEL on May 6, 2023 with electronic receipt number 1683335606-3551. Report on hazardous waste management for second quarter of 2023 which was reported to Ministry of Environment and Forestry on July 4, 2023 with electronic receipt number 1688455697-3551.

- Report on environmental management and monitoring for semester 2 of 2022 which was reported to Public Housing for Settlement Areas and Environment Agency of Tanah Laut Regency and Environmental Agency of Kalimantan Selatan Province on January 16, 2023.
- Report on environmental management and monitoring for semester 2 of 2022 which was reported to the Ministry of Environment and Forestry on February 24, 2023 with electronic receipt number 1677229767-1169.
- Report on environmental management and monitoring for semester 1 of 2023 which was reported to Ministry of Environment and Forestry on April 14, 2023 with electronic receipt number 1689642626-1169.

Compliance with Best OHS Regulation:

Tanah Laut Mill

- First Quarter 2023 OHS Committee Report to the Kalimantan Selatan Province Manpower and Transmigration Service on June 15 2023.
- Quarter II 2023 Committee Report to the Kalimantan Selatan Province Manpower and Transmigration Service on July 27 2023.

Tanah Laut Estate

- First Quarter 2023 Committee Report to the Kalimantan Selatan Province Manpower and Transmigration Service on April 17 2023.
- Quarter II 2023 Committee Report to the Kalimantan Selatan Province Manpower and Transmigration Service on July 27 2023.

Kintapura Estate

- First Quarter 2023 Committee Report to the Kalimantan Selatan Province Manpower and Transmigration Service on April 11 2023.
- Quarter II 2023 Committee Report to the Kalimantan Selatan Province Manpower and Transmigration Service on July 11 2023.

Compliance with Legal Regulation:

- The plantation progress document reporting for semester 1 of 2023 which was reported to the South Kalimantan Plantation and Livestock Service on July 25 2023.
- Reporting of *LKPM* documents for quarter 2 of 2023 to be reported to *BKPM* on July 10 2023.
- The 2022 Land Utilization Report (land title) is submitted to the Tanah Laut District Land Office on January 27 2023.

Compliance with Manpower Regulation:

- Employment report (*WLTK*) of TLTM unit with reporting number 70883.20221014.0001, reporting date on 14 October 2022 and obligation to report again on 14 October 2023.
- Employment report (*WLTK*) of TLTE unit with reporting number 70883.20220812.0003, reporting date on 12 August 2022 and obligation to report again on 12 August 2023.
- Employment report (*WLTK*) of KNTE unit with reporting number 70883.20230204.0001, reporting date on 4 February 2023 and obligation to report again on 4 February 2024.
- Reporting of 17 *PKWT* workers for pick-up loose fruit and up-keep/plant maintenance in KNTE unit on July 10th, 2023 to the Manpower and Transmigration Office of Tanah Laut Regency.
- Reporting of 7 *PKWT* workers for upkeep/plant maintenance in TLTE unit on July 13th, 2023 to the Manpower and Transmigration Office of Tanah Laut Regency.

1.1.3

Unit of certification has a SOP for communication and consultation to stakeholders in document no. SOP/SMART/UMUM/SADV/I004 which was conveyed on July 1st, 2014, by the Sustainability Division Head. This document explains the mechanism regarding requests for information and responses provided by the company to all stakeholders, where it is known that information responses will be provided by the certification unit within a maximum of 3 weeks from the time the letter is received.

Unit of certification shows Form No. F/SMART/UMUM/SADV/004/002 (Rev 0.0) in the Information Request and Response Logbook, it is known that there were no requests for information from stakeholders addressed to the company for 2022-2023. However, there are records of letters received regarding requests for financial assistance or borrowing heavy equipment for road repair from villages around the company. For example, a letter from Sungai Cuka Village for road repairs was submitted on April 10th, 2023. This was responded to by the certification unit on April 15th, 2023, as stated in the procedure it was found that the response time was in

accordance with the specified time period, namely less than 3 weeks from the date of receipt.

1.1.4

Records of requests for information from internal and external stakeholders along with their responses are presented in Book of Communication and Request for Information of 2022-2023, which informs, among other things, the record Number, date of entry of requests for information, address information requester, recipient, description of communication, type of communication, description of response/response, date of response, as well as information regarding other records. The consultation procedure has been explained to all relevant stakeholders by the appointed management representative. This has been in accordance with interview result with village representatives of Sungai Cuka Village, Sumber Jaya Village dan Pasir Putih Village, as well as local government of Tanah Laut Regency, labor union and gender committee which shown that they had a good understanding of communication and consultation procedures.

1.1.5

Unit of certification shows list of stakeholders consisting of legal entities, indigenous peoples, local communities, workers' organizations, smallholders, FFB suppliers, and independent services, and NGOs. The documents contain a list of names, types of relevant stakeholders, and stakeholder contacts. The following is a summary of the contents of list stakeholder in PT SMART Tbk. for TLTM, TLTE and KNTE units, namely:

- Legal Entities: 15, consisting of government agencies (Provincial/District government offices, Police, *BPJS Ketenagakerjaan*, *BPJS Kesehatan*, etc).
- Local Communities: 5, consisting of village government and youth organizations.
- Workers' Organizations: 9, consisting of representative of labor union, gender committee and employee cooperative.
- Independent FFB Suppliers and Service Contractors: 11, consisting of FFB suppliers, FFB transporter, CPO transporter and service contractors.
- Local NGOs.

The address and contact number of each stakeholder representative is available. Based on sampling for interviews with stakeholders referring to the stakeholder list document, it can be concluded that all contacts listed in the document are still active and in accordance with the data provided. Referring to OFI in the previous assessment, the list of stakeholders shown by the certification unit is the updated stakeholder list in July 2023 where all stakeholders are included in the list.

Status: Comply

1.2

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

1.2.1

The certification unit's commitment to ethical behavior is contained in the Sinarmas Agribusiness and Food Business and Human Rights Policy which was ratified on December 12th, 2019, by the Head of Policy and Compliance Division. The policy consists of 11 commitments which include elements of respect for the rights and dignity of workers in accordance with applicable laws and regulations, preventing forced labor and human trafficking, not using child labor, respecting local communities or customary rights, respecting and protecting whistleblowers and defenders. human rights, comply with laws related to the prevention of bribery and corruption.

In addition, the unit of certification also has a GAR Social and Environmental Policy (GSEP). The policy was ratified on September 8th, 2015, by the Head of Upstream, CEO – Downstream & Commercial, Executive Director & CFO and Managing Director of Sustainability & Strategic Stakeholder Engagement. The document outlines the basic commitments of GAR's upstream and downstream palm oil operations which include environmental management, social and community engagement, work environment and supply chain industrial relations and trade.

Socialization related to this policy has been carried out in each factory and plantation unit. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the plantation and factory units, they already understood the code of conduct policies that apply in the company. This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts.

Based on interviews with employees, representatives of internal and external stakeholders, it is known that the policy has been

understood and implemented in all business operations and transactions, including recruitment and contracts.

1.2.2

The unit of certification has a mechanism to monitor compliance and the implementation of ethical business policies and practices through inspection and evaluation of compliance. For example, conducting regular internal audits to ensure operational units comply with policies and SOPs. The scope of the internal audit is the compliance of each unit in the plantation and factory with all aspects contained in the RSPO P&C such as aspects of employment, environment, BMP and other aspects. The RSPO Internal Audit was carried out on 19 – 23 June 2023 with the conclusion that there were no non-conformity with the RSPO standard principles and criteria.

In addition, the unit of certification ensures that contractors and their suppliers know and comply with Contractor Control SOP Number SOP/Smart/UMUM/SADV/I/006 as well as Sinarmas Agribusiness and Food Business and Human Rights Policies. In its implementation, the certification unit has an assessment of the contractor as stated in the Contractor Inspection Form Number F/SMART/UMUM/SADV/006/001 and the Contractor Evaluation and Recommendation Form Number F/SMART/UMUM/SADV/006/002. The two forms are used to assess the implementation of compliance with contractors including work environment, emergency response, work equipment, work in hazardous areas (height, confined space and heat), business ethics, contractor quality and performance criteria, timely completion of work, compliance with labor regulations, compliance with OHS implementation, housekeeping (5R) and compliance with environmental regulations.

Based on the results of interviews with workers in factories and plantations, information was obtained that they knew about the company's policies to respect human rights and commitment to ethical behavior in all work operations. In addition, interviews with representatives of local contractors revealed that the policy had been socialized at the time the contract was drawn up.

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 certification unit is under the company PT Smart Tbk, in fulfilling compliance, the company has complied with several relevant regulations, namely by having the following documents:

Compliance with Environment Regulation:

- Environment Impact Assessment has been endorsed based on Decree of *Badan Agribisnis Kementerian Pertanian* No. 14/ANDAL/RKL- RPL/BA/IV/1998 date 30 April 1998. The scope of assessment estate, mill, and social aspect covering 12.005 ha area and 60 MT FFB/hours of Mill capacity.
- Permit for Temporary Storage of Hazardous and Toxic Wastes based on Decree of Head of Investment Service and One Stop Services of Tanah Laut Regency No. 140/16-PLB3/DPM-PTSP/2019 dated 6 August 2019 and valid for 5 years.
- Technical Approval for Monitoring Wastewater to Land (Land Application) based on Decree No.660/014-PERTEK/TL/DPRKP&LH/2021 dated 18 August 2021 issued by Public Housing and Settlement Areas Agency of Tanah Laut Regency.
- Surface Water Utilization Permit No. 503/2.5-12/DPMPSTP/VI/2023 issued by Head of Investment Service and One Stop Services of Kalimantan Selatan Province and valid from 17 June 2023 to 16 June 2028.

Compliance with Best Management Practices Regulation:

In terms of best management practices, it is known that plantation and mill management has implemented several compliances with Indonesian laws and regulations, for example not using the burning method in the land clearing process, trees planted are from seed producers (DxP) which are recognized by the Indonesian government. Each unit of the Unit of Certification has implemented integrated pest management, biological control and only uses pesticides that are listed on the pesticide government website.

Compliance with OHS Aspect:

- Has provided PPE for all employees in accordance with the risk analysis and is provided for Free
- Involve employees in health insurance and employment insurance programs (*BPJS TK and BPJS Kesehatan*)
- Equipping operators with required competencies, for example license for lift operators and power plant operators

Compliance with Legal Regulation:

In term of legal and permit regulation compliance, company are able to shown several documents, such as Location Permit, Plantation Business Permit and Land Tenure or Land Use Right (HGU). Compliance with the regulation on the licensing for plantation business, based on Ministry of Agriculture Regulation No. 98 year 2013 the company can presented Plantation Business Permit (IUP) of PT Smart Tbk is shows through Decree of Tanah Laut Regency 13 Tahun 2003 dated 30 January 2003 for area covering 11,700 Ha and No. 324 Tahun 2006 dated 4 September 2006 with mill capacity 30 Ton Tonnes FFB/hours.

Compliance with Manpower Regulation:

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

- The company has complied with the implementation of minimum wages for all employees in accordance with applicable regional regulations (Decree of the Governor of South Kalimantan concerning Province Minimum Wages for year 2022 and 2023).
- Overtime pay for workers in accordance with Government Regulation Number 35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Government Regulation Number 36 of 2021.
- All employees have been registered in *BPJS Ketenagakerjaan* and *BPJS Kesehatan* social security

2.1.2

Procedure of legal requirement which presented in document SOP/SMART/UMUM/SADV/II/002, dated 1 July 2014 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation. The procedure mentioned that in order to monitor and update laws and/or regulations, the sustainability officer is required to actively check and make coordination with Government Agencies or Institutions. Based on document review found that a documented system for ensuring legal compliance is in place. The certification unit shows a document listing updated laws and regulations for 2023 that must be complied with, for example the implementation of the provincial minimum wage in South Kalimantan in 2023.

2.1.3

The company has a map showing the location of boundary poles on each plantation. The Company has also monitored HGU boundary poles in 2022 by showing monitoring results, in accordance with maintenance procedures (SOP/SMART/MCAR/XVII/TA-PPH, 15 July 2020). The procedures include, among other things, that the PMNP team ensures and coordinates with the unit head that the position and number of stakes are in accordance with the Land Use/ and Building Rights map. Procedure mentioned that maintenance was carried out by foreman with supervision of Assistant Manager. Monitoring the boundaries of the HGU is done every 3 months.

The company shows the HGU stake monitoring document which is carried out every 3 months. The last HGU stake monitoring was carried out for example in April 2023 at Kintapura Estate. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report, it is known that all HGU stakes are available.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Tanah Laut Estate (Stakes No. 010 block F29, No 12 block F26 and No 13 block E23) and Kintapura Estate (Stakes No. 021 block F08, No 20 block F028, No 07 block J7 and No 06 block O6), it is concluded that all HGU stakes are in place according to their coordinates and are in good condition. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU.

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 unit of certification has shown a list of contractors for the 2023 period, for example as follows:

- PT Satrindo Jaya Agropalma, Cooperation in the transportation of FFB
- PT Sarana Lintas Bersama, Cooperation in the transportation of CPO and PK
- PT Primanru Jaya, Cooperation in the transportation of hazardous and toxic waste
- PT Lingkar Orbit Nusantara, Cooperation in replantin

The unit of certification has also shown a list of FFB suppliers for the 2023 period, namely:

- Samsudin
- Jumino
- Anctonius Saka Lamén
- Jonris Pakpahan
- Yanti Minduk
- H. Inggar
- Eddy Ahmad
- Aris Filiesta (CV Meranti).

2.2.2

The unit of certification shows the work agreement document with the contractor. In the cooperation contract it is explained that there is an article which stipulates that the contractor is obliged to follow the labor laws that apply in Indonesia. For example, work agreement letter number 001/SP/SMART/TLTM/11/2022-CPO dated 18 November 2022 between PT SMART Tbk and PT Sarana Lintas Bersama for CPO transportation work. The work agreement is valid from 21 November 2022 to 20 November 2024. The cooperation contract contains provisions regarding the fulfillment of legal obligations, including:

- The second party is responsible and obliged to provide Personal Protective Equipment (PPE) for the safety of workers employed by the Second Party.
- Social Security for workers employed by a second party is fully the responsibility of the second party.
- Wages for workers employed by second parties must meet the applicable province minimum wage standards.
- The minimum age for workers employed by the second party is at least 18 years old.

The certification unit shows a third-party evaluation for the period 25 May 2023 with assessment criteria such as contractor quality and performance, timeliness of completion, compliance with labor regulations, compliance with OHS implementation, housekeeping/5R, compliance with environmental regulations and compliance related to business ethics. For example, the evaluation of the CV Meranti contractor which received an evaluation result with a score of 19 (medium category) with a note of completeness of requirements related to compliance with labor regulations including *BPJS Kesehatan* and *BPJS Ketenagakerjaan* for workers, pay slips, work agreement letter for contractor workers, etc.

The company shows proof of implementation of compliance with labor regulations for third parties, for example:

- Work agreement letter for contractor workers, list of workers, proof of *BPJS* payment and salary slips for PT SJA workers.
- Salary slip and *BPJS Ketenagakerjaan* membership card for PT SLB workers.
- There are several other labor regulation compliance documents that have not been shown, for example for CV Meranti and PT Lingkar Orbit Nusantara.

The company has a commitment stated in the Contractor Selection Evaluation Statement Letter which has been signed by the Estate and Mill Manager of PT SMART Tbk, this document explains:

1. Contractors who work in company units have complied with labor regulations and will subsequently consistently comply with the employment clauses in the work agreement letter.
2. To evaluate the appointment of contractors, refer to clause point 1.

Based on the results of contractor work evaluations shown, several contractors have records related to relevant legal compliance. The certification unit routinely monitors and evaluates the performance of all contractors to ensure whether the cooperative relationship between the contractor and the certification unit needs to be continued or not. When the audit activity was carried out, the sample contractors (PT SJA, PT SLB, CV Meranti and PT Lingkar Orbit Nusantara) stated that they had complied with applicable regulations in Indonesia or in companies such as paying workers' wages in accordance with the minimum wage of South Kalimantan province, providing PPE to workers and so on. However, several legal compliance documents, for example related to workers' salary slips and proof of *BPJS* payments from CV Meranti and PT Lingkar Orbit Nusantara have not been shown. Thus, the certification unit has the opportunity to implement compliance with labor regulations contained in work agreements with contractors such as (but not limited to) *BPJS*, contractor worker wages, contractor worker SPK, PPE, etc. **OFI.**

2.2.3

In the work agreement document with the contractor, it has been explained regarding compliance with applicable labor laws. For example, the second party (contractor) must comply with applicable labor regulations, especially those relating to the payment of wages and the age of the worker, which must be over 18 years of age. Then, based on interviews with the contractor, it is known that the contractor's representative can explain some of the prohibitions in accordance with labor laws such as the prohibition on the use of underage labor, forced labor and human trafficking.

As a form of compliance with the implementation of the clause contained in the work agreement, the certification unit evaluates the performance of the contractor once a month as indicated in the Contractor Inspection Form Number F/SMART/UMUM/SADV/006/001 and the Contractor Evaluation and Recommendation Form Number F /SMART/GENERAL/SADV/006/002. The criteria assessed in the evaluation are work environment, emergency response, work equipment, work in hazardous areas (height, confined space and heat), business ethics, contractor quality and performance criteria, timely completion of work, compliance with labor regulations, compliance implementation of OHS, housekeeping (5R) and compliance with environmental regulations. For example, the PT SJA contractor evaluation form document with work agreement letter Number TLTM/MILL/06/22/001-Akt.TBS for the assessment period of 2022, received a good score so that the unit of certification recommended that it be included again in the next work.

From the explanation above, it can be concluded that all contracts have their own clauses that prohibit practices involving child labor, forced labor, and workers from human trafficking.

Status: Comply

2.3

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

2.3.1

The unit of certification can present list of FFB supplier that accepted by mill that divided with direct and indirect supplier, as follows:

- The direct supplier of FFB that accepted in Tanah Laut Mill originally from its own estate under the scope of certifications and other estates under the subsidiary of GAR which been obtained RSPO Certificate, namely non-certified Area Kintapura Estate and non-Certified Area Tanah Laut Estate.
- The indirect supplier of FFB that accepted in Tanah Laut Mill originally from one FFB agent.

2.3.2

Based on explanation above (2.3.1) it was known there is one FFB agent which delivered FFB to Tanah laut Mill. To identify the FFB legality, the company has been inventoried all FFB Supplier. During the audit process, evidence of legal compliance from each supplier can be shown. The company has shown sample of FFB agent member as shown below:

- Business Registration Number: 9120215282202 dated 24 December 2019
- Detail location, Legal Document, geolocation for farmer, ie:
 - Farmer name: H. Rahimullah
 - Farm Area: 48 Ha
 - Planting Year: 2016
 - Ownership Document: Land register certificate / SKT
 - Address, Village of Sungai Cuka, District of Kintap, Tanah Laut Regency,
 - Coordinate: S 3° 40' 20.4"; E 115° 21' 36.3"

Based on document verification the all indirect suppliers has been identified, and the total land identified is comply compare to average FFB amount supplied to Mill.

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

Based on the verification of basic info documents and interviews with management representatives in the onsite audit, it is known that the certification unit has a long-term plan for the period 2023 - 2027, for certification. The document contains crop estimates, CPO

production, cost projections, and infrastructure development with details are as follows

Descriptions		Projection				
		2023	2024	2025	2026	2027
FFB Production						
• Tanah Laut Estate	MT	19,046	15,257	38,841	29,006	12,338
• Kintapura Estate	MT	33,914	40,716	12,143	20,805	44,174
CPO Production	MT	11,195	10,197	9,962	10,558	11,302
PK Production	MT	2,967	2,702	2,640	2,798	2,995
OER	%	20.00	20.00	20.00	20.00	20.00
KER	%	5.30	5.30	5.30	5.30	5.30
Mill Capacity	MT/ Hours	30	30	30	30	30

3.1.2

The certification unit has a long-term plan for replanting activities signed by each Unit Head for the period 2022 – 2028 with the following explanation:

Years	Tanah Laut Estate (Ha)	Kintapura Estate (Ha)
2022	10	-
2023	852	-
2024	287	-
2025	-	444
2026	-	423
2027	-	315
2028	-	149
Total	1,149	1,331

The certification unit showed Replanting Recapitulation for the period 2022 – 2023 at Tanah Laut Estate, for example:

- Division 1 Block D-17 realized chipping of 20.13 Ha in 2022 planting year
- Division 2 Block D-25 realized chipping of 23.05 Ha in 2023 planting year
- Division 4 Block D-28 realized chipping of 25.5 Ha in 2023 planting year

The total area of actual replanting in 2022 – 2023 is 517.72 Ha. Based on field observations in the operational area of Tanah Laut Estate, it is known that the company is carrying out replanting activities with a mechanical system by chipping the plant stems.

3.1.3

Management Review

The company shows the minutes of the Management Review Meeting which was held on July 1, 2023 with an agenda:

- Internal & External Communication Evaluation (Customer Feedback)
- Evaluation of Requested Corrective & Preventive Actions
- Evaluation of Goals, Targets, Programs and System Performance
- Changes in System Planning Scope
- Changes in Process Activities, Products and Services
- Changes and Compliance with Legislation and Other Requirements
- Organizational Policy Changes
- Training Needs
- Follow up on the Previous Management Review
- Recommendations for improvement.

Internal Audit

The company has also conducted an internal RSPO audit on June 19 – 23, 2023 which was carried out by personnel who have

attended RSPO training. The company has shown the RSPO Internal Audit Report and from the results of the internal audit there are no nonconformities were found.

RC/VPA Visit Reports are available for the 2023 period at Tanah Laut Estate. There is an action plan for the visit, which has been followed up by each PIC according to the location made on March 10, 2023.

Evaluation of the current year's achievements has been carried out every year, as a material consideration in the preparation of the next year's budget.

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 certification unit already has a system to improve existing practices, in accordance with the latest information and techniques as well as a socialization mechanism for all workers following current technological developments. The unit of certification also develops guidelines for farmers by providing systematic training for continuous improvement. Some of the evidence that has been applied for continuous improvement include:

Environmental Aspect

- The use of renewable energy accordance to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Air quality management and monitoring through several action like road maintenance, air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.
- Green House Gas Management and using land clearing with mechanical and zero-burning policy.

Best Management Practices Aspect:

- Implementation of Harvest Inspection for aspects of harvest quality and FFB quality on a regular basis by the estate supervisory team.
- The use of drones as one of the fire monitoring tools by the fire management team.
- Implementation of the Internal Estate Audit on a regular basis to check the implementation of BMP procedures and compliance with company regulations.
- The company no longer uses pesticides with the active ingredient paraquat.

Manpower and OHS Aspect:

- Routine health checks conducted every 6 months.
- There is an application of finger print technology for attendance.

3.2.2

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

Based on document verification, for The RSPO metric template known annual data 12-month period use on year 2022 for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The certification unit already has operational procedures consisting of SOPs for Agronomy and Palm Oil processing (SOP/SMART/MCMD/II/TM-PMKS Rev 8 dated May 11, 2023). In the agronomy procedures, it is regulated including oil palm planting, fertilization, weed control, water management, harvesting, pest control, replanting, fire prevention on land, PPE standards, pesticide management, and soil and water conservation. In palm oil processing procedures, among others, regulate the acceptance of FFB, supply chain, boiling (sterilization), stripping, digestion, pressing, clarification, separation of seeds and fibers, core stations, stockpiling of oil and palm kernel, laboratory management, boilers, engine power, types of mill machinery, security, and work safety, shipping, PPE standards, management of spills and spills, Lock Out and Tag Out, investigation of work incidents and accidents, as well as granting work permits.

All SOP above were available in Bahasa. Master list of procedure for estate and mill were keeps by Head of Research and Development and Head of Engineering, respectively. Document control of SOP was conducted by General Manager of Administration and SOP Management Compliance. Based on SOP document review, it could be concluded that all SOP's were still relevant with current situation and covers all aspect of best management practices in the estates and mill.

This procedure is conveyed to workers in the form of training and installation of related procedures at certain stations/ locations, as well as installing processing work instructions at each Mill station and installing work instructions for hazardous waste management in chemical warehouses.

Based on field observations at the mill and estate during the audit, it is known if procedures have been implemented and workers can describe and demonstrate their work according to the procedures, referring to operational, safety and environmental best practices.

3.3.2 and 3.3.3

The certification unit has a system that ensures consistency in the implementation of its SOP's, such as a check or inspection of the quality of work (operational audit of estate and mill), RSPO internal audits that check whether procedures in the certification unit have been implemented by the certification unit and financial audits carried out by external parties to ensure the usage or fees used are in accordance with the rules set by the certification unit. Daily internal supervision is carried out by the supervisory level starting from the Foreman, Division Assistant, Assistant Head, to the Plantation Manager. Operational audits are conducted once a month. Operational audits evaluate the operational and administrative performance of plantations and mills. Meanwhile, the RSPO internal audit is conducted once a year to evaluate the implementation of sustainability procedures in plantations and mills. Public accountant financial audit is conducted once a year. Furthermore, management representatives (related Assistants and Managers) regularly make inspectorate visits to control the implementation of procedures.

The company has also conducted an internal RSPO audit on June 19 – 23, 2023 which was carried out by personnel who have attended RSPO training. The company has shown the RSPO Internal Audit Report and from the results of the internal audit there are no nonconformities were found.

RC/VPA Visit Reports are available for the 2023 period at Tanah Laut Estate. There is an action plan for the visit, which has been followed up by each PIC according to the location made on March 10, 2023. The company shows the minutes of the Management Review Meeting which was held on July 1, 2023 with an agenda.

All inspection activities and corrective actions carried out by the company are recorded in the form of a report in accordance with the audit carried out. The results of the audit are scored which show the performance of the estate and are used as a reference for improvement in the next assessment. Each Estate will make efforts to improve performance based on the score obtained. The contractor's performance assessment has been verified in indicator 2.2.2.

Status: Comply

3.4

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

3.4.1

The company already has environmental impact assessment documents in the form of AMDAL Documents approved by *Badan Agribisnis Kementerian Pertanian* through Letter of Approval No. 14/AMDAL/RKL- RPL/BA/IV/1988 dated 30 April 1998 concerning

Approval of *AMDAL* and *RKL-RPL* of PT SMART Corporation. Preparation of *AMDAL* documents based on Government Regulation No. 51 of 1993 concerning Environmental Impact Analysis (*AMDAL*) and Ministry of Environment Decree No. 39/MENKLH/8/1996 concerning types of businesses that must be accompanied by an Environmental Impact Analysis (*AMDAL*), in the regulation states that the type of plantation business that has an area of 11,700 Ha and above must be equipped with an *AMDAL* document. The scope of the study of *AMDAL* documents includes a Location Permit area of 11,700 Ha (Location Permit issued by the National Land Agency No. 460.3/12/KPT-OB dated 30 August 1994) and a plan for the construction of 1 mill with a capacity of 60 Tons of FFB/Hour. *AMDAL* assessment has included consultation with relevant stakeholders to identify impacts and to develop any mitigation measures.

The company has conducted a survey and Social Impact Assessment (SIA) in 2010 by SMART Research Institute and recorded in Report SIA – Study of Social Impact Assessment in Palm Oil Plantation (*Laporan Studi Identifikasi Dampak Sosial Perkebunan Kelapa Sawit*) by SMART Research Institute Jakarta. Its covered villages around estate refer to Decision letter of BAPEDAL No. 299/III/1996 about technical guide of social aspect within *AMDAL* document preparation. Assessment conducted with several method including FGD, interview and survey. The 2010 SIA assessment was carried out by involving affected parties through data screening using interviews and FGDs. Evidence of its implementation can be seen in the list of attendees at the SIA document. The SIA document illustrates that participatory assessment is carried out through interviews and FGD methods for the community and their representatives, namely the village government, customary and community leaders, who freely express their opinions.

High Conservation Value areas have been identified and assessed by Biodiversity and Conservation Section of Sustainability Division of SMART group on November 2011 (TLTE and KNTE). The assessors are the RSPO-approved HCV assessor (Norman Faried M, Kusuma Widya R, and Bambang Setiaji). When compiling the HCV document, the ALS scheme has not been issued by RSPO Secretariat and still uses Approved RSPO HCV Assessor scheme by using High Conservation Value Area Identification Guide in Indonesia, Consortium Revised HCV Toolkit Indonesia, July 2008. An explanation of the implementation of the management and monitoring plan related to HCV and GHG is explained in the SEIA management and monitoring report.

Based on interview with Sumber Jaya Village, Pasir Putih Village and Sungai Cuka Village known that SIA, as well as management and monitoring plan has been conducted in participatory manner with all affected village. All social impact has been identified and its management plan has been developed periodically with relevant stakeholders.

3.4.2

Based on the results of the verification of Report of Management and Monitoring Implementation Semester I of 2023 for scope of Tanah Laut Mill, Tanah Laut Estate and Kintapura Estate, it can be concluded that all management and monitoring parameters required in environmental document matrix has been implemented. The company has also evaluated every parameter of significant impact monitoring carried out as required in Decree of Environment Minister No. 45 of 2005, which includes evaluation of trends, evaluation of critical levels, and evaluation of compliance. Based on result of evaluation, it is known that all parameters have been in accordance with the applicable quality standards. Results of interviews and observations also show there are no indications of environmental pollution in the area around the company, this is explained in each related indicator. The effectiveness of environmental management and monitoring can be seen from results of analysis and compatibility between management and monitoring plans and their implementation in the field.

This can also be proven from the results of field visits to EFB storage areas, WWTP areas and Land Application areas as well as river border conservation areas. The result of interviews with community representatives Sumber Jaya Village, Pasir Putih Village and Sungai Cuka Village, the unit of certification also stated that they did not feel any environmental impacts related to the unit of certification's operational activities. Unit of certification has also carried out environmental management in accordance with Management and Monitoring Plan Matrix by installing signboards for conservation areas, markings in the form of stakes and red paint for spray boundary areas and other chemical applications. Based on result of interview with sprayer and fertilization workers, they also stated that they were aware of the prohibition on the use of chemicals in the buffer zone marked in red. In addition, they do not use chemicals when they are close to water bodies such as canals, reservoirs or artificial ponds connected to rivers.

Unit of certification has also made Report of Management and Monitoring Implementation every semester which refers to environmental management and monitoring plan matrix. Environmental management reports are carried out every 6 months and submitted to relevant agencies, for example Report of Management and Monitoring Implementation of Semester I of 2023 which is sent to the Environmental Agency of Kampar Regency with proof of receipt dated 19 August 2022. Based on the results of interviews with the Environmental Agency regarding reporting on Management and Monitoring Implementation, the certification unit routinely

does this and up to the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the unit of certification.

Unit of certification also evaluates Management Plan every year to monitor the progress of program management, for example, there are programs that need to be stopped, continued, or added. The evaluation of the management plan refers to results of social impact monitoring and management in 2022-2023 document which was carried out in 4-6 Juli 2023, evaluation activity is also a reference in the preparation of the program for the 2023-2024 period. Based on the verification results of the Social Impact Monitoring and Management document in 2021-2022, it can be concluded that all activities listed in the 2022-2023 Social Impact Management Plan have been implemented. The document also includes social programs to avoid/mitigate negative social impacts, human rights, CSR programs, gender equality, education, and public health. Social impact monitoring and management plan has also identified the emergence of positive and negative impacts from replanting activities.

Based on interview with Sumber Jaya Village, Pasir Putih Village and Sungai Cuka Village known that SIA, as well as management and monitoring plan has been conducted in participatory manner with all affected village with questionnaire method. This has been in accordance with result of SIA review documents showed by the company which has been held in 4-6 July 2023. Based on verification of OFI from previous assessment, the participant for SIA adequate compares their operational activities because this activity has been attended by representatives from affected parties such as village representatives as well as internal company employees, namely gender committee, labor union, residents in employee housing area, and villages around the plantations and mill.

3.4.3

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

Environmental Impact Assessment (EIA)

Unit of certification involves Environmental Agency and Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by unit of certification in the form of presenting Report of Management and Monitoring Implementation and other environmental management documents sent every certain period which can be proven in indicator 1.1.2. Unit of certification also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain advice and advice in carrying out environmental management in accordance with the vision, mission and government programs so that they can run synergistically. This can be proven based on the results of an interview with the Environmental Agency of Tanah Laut Regency. Monitoring and updating related to environmental impact management is also carried out in conjunction with an evaluation of HCV management which is described in more detail in indicator 7.12.4. However, in general, all recommendations from the participatory evaluation of HCV management will be carried out in line with environmental impact management and monitoring.

Based on document review result of Report of Management and Monitoring Implementation Semester I of 2023, environmental monitoring has been conducted based on environmental management and monitoring plan which had been made. Environmental parameters such as ambient air, emission air, and water consumption, have met quality standards set out in the applicable regulations.

Social Impact Assessment (SIA)

Based on analysis of Social Impact Management and Monitoring document in 2023-2024, social impacts in this assessment are divided into positive and negative impacts. The social impact assessment is carried out based on perceptions of community representatives at assessment location who represent community. Unit of certification has analyzed positive and negative impacts arising from each activity specifically, for example physical assets for production activities that have positive and negative impacts on both external and internal levels, and so on as described in indicator 3.4.2. Unit of certification conducts annual evaluations to harmonize data collection related to community perceptions regarding the SIA Management Plan and adjust it to the latest needs according to conditions in the field.

Social Impact Management and Monitoring Plan has also been evaluated and updated annually by involving affected stakeholders. Unit of certification can show evidence that has carried out by evaluation through Social Impact Study Review document on SIA Management Plan for 2022-2023 period which was carried out on 4-6 Juli 2023. Based on results of the verification of document, it shows that all social management and monitoring plans have been implemented and monitored and then updated periodically in a

participatory manner to accommodate the aspirations of stakeholders. The evaluation activity was also carried out to prepare the SIA program which will be carried out for the next years, namely the 2023-2024 period.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1

The unit of certification has procedures for recruitment, promotion, retirement and termination of workers as stipulated in the "Work Environment and Industrial Relations Policy" which was ratified on August 1st, 2017, by MD HR, MD Operations and MD Sustainability. The document contains 21 policies that apply to the company, for example:

- Manpower Recruitment No. KHI-smart/001-00
- Employment Agreement/Contract No. KHI-smart/002-00
- Work Performance Assessment No. KHI-smart/009.00
- Promotion and Transfer No. KHI-smart/010-00
- Industrial Relations Dispute Settlement No. KHI-smart/021-00.

In addition, the unit of certification has a Collective Labor Agreement (CLA) for the 2018 – 2020 period. This document explains all regulatory aspects related to employment, such as: requirements for recruitment, promotion, retirement, termination of employment, and other provisions. The CLA document above is available in Indonesian. Based on the results of interviews with the labor union, management representatives and the Manpower and Transmigration Office of Tanah Laut Regency, it is known that there is no new CLA because up to now the labor union and the company are still discussing several articles in the preparation of the draft CLA. The company shows several CLA negotiation documents as follows:

- Collective agreement on 24 December 2022 between the Management Team and the Labor union Team which informed that the CLA for the 2018 – 2020 period is still valid because up to now the Management Team and the Work Union Team are still negotiating several articles in making the CLA for the new period.
- Minutes of meeting the CLA Discussion of South Kalimantan on June 24th, 2023, regarding the CLA discussion which was attended by 8 company representatives and 8 labor union representatives.

The unit of certification also owns the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. In point 3 of the policy, it is explained regarding the work environment and industrial relations. In responsible employment practices, companies prohibit the practice of imposing recruitment fees and withholding identity documents, provide work contracts in languages that all workers can understand, and provide equal opportunities for all workers without discrimination at all stages of the employment relationship.

Based on the results of interviews with workers in mill and estate units, it is known that they understand all employment-related procedures that apply in the certification unit, such as but not limited to recruitment, performance appraisal, promotion, transfer, demotion, termination of employment, resignation, retirement, and so on.

3.5.2

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

- Recruitment of workers in the KNTE unit: The worker with the initials RH was accepted to work as a harvest worker at the KNTE unit of PT SMART Tbk on March 27th, 2023, with work agreement letter number 012/KNTE/SK-PKWT/III/2023. These workers have gone through the stages of recruitment according to the applicable procedures, namely administrative selection, medical examinations and interviews. At the worker recruitment stage, the certification unit also shows supporting evidence documents that have provided 1 (one) copy of the work agreement document to the worker. This is indicated in the receipt document for submission of a copy of the work agreement letter. Based on the results of interviews with sampling workers in the plantation and factory units, information was obtained that the certification unit had provided copies of the work agreement letter documents and did not withhold documents or collect fees during the worker recruitment process.
- Performance appraisal documents, for example, assessment of the performance of harvest workers in the TLTE unit in the 2022 assessment period which provides information regarding the assessment criteria (discipline, work quantity, work quality, cooperation, work attitude and responsibility), assessment results and follow-up to the assessment results. As a follow-up to the

results of the work performance assessment, the company presented the Decree number 001/TLTE-SK/PT/III/2023 concerning the Appointment of Permanent Harvester Workers with the initials DP who were appointed from contract/*PKWT* status to permanent/PT status on March 16th, 2023.

- Worker's resignation document with the initials TRMN. Based on the Collective Agreement Number 002/TLTM-EXT/12/2022 on December 19th, 2022 which explained that the worker has entered retirement age. The company shows proof of payment of workers' pension rights in the form of severance pay, long service awards money and compensation money. The payment of the resign funds has been in accordance with the applicable laws and regulations.

The explanation above proves that the unit of certification has implemented work procedures properly and documented for each employee.

Status: Comply

3.6

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

3.6.1

The certification unit shows SOP/SMART/HESS-EHSD/SADV/II/002: Identification of Hazard Sources, Risk Assessment, and Control. The SOP describes hazard identification, environmental impact analysis, and all activities/activities/work, work processes, work methods/methods, work places/locations, work equipment, and materials/materials using Hazard Identification Forms, Environmental Impact Analysis, and K3L Risk Assessment and considers things such as routine activities, normal conditions, abnormal conditions, and emergencies. The preparation of Hazard Identification, Environmental Impact analysis, and OHS Risk Assessment is made before work is carried out in all sections and departments and must be reviewed (evaluated and corrected) at least once a year.

The company shows the Hazard Identification Form, Environmental Impact Analysis, and OHS Risk Assessment updated on April 23, 2023, which were prepared by the General OHS Expert and approved by the Head of OHS Committee. During the audit activity, the company showed records of Hazard Identification, Environmental Impact Analysis, and OHS Risk Assessment in each work unit, including the Plantation, updated on April 23, 2023, with work activities and processes including land clearing, nursery, planting, land maintenance, harvesting and transportation, fertilizing, spraying, warehouse, fueling station, hazardous waste warehouse, polyclinic, electrical installation, generator house, lawn mower, infrastructure (heavy equipment, road maintenance), infrastructure (civil), Estate office, workshop, harvest mechanization, housing, fire patrols, and environmental monitoring.

However, there are still activities that have not been included in the document, such as (but not limited to) the examination of *HGU* Benchmarks, Monitoring of HCV areas, and Replanting Activities. Companies have the opportunity to complete risk identification in the HIRAC document for any changes or additions to existing operational activities in plantations and mills.

The results of the risk identification and implementation plan are disseminated to management and workers, among others, as shown in the following documents: Minutes of Socialization of K3 Policy, ISBPR, LOTO, and Safety Work Permit, April 15, 2023.

Based on the results of interviews with Engine Room operator workers at Mill, it is known that workers already know and understand the hazard identification documents, risks, and control plans and are able to implement them in the field. Based on the explanation above, it is known that the results of risk identification and implementation plans are disseminated to management and employees.

3.6.2

Monitoring the effectiveness of the OHS plan in dealing with health & safety risks is carried out on a regular basis through monthly OHS Committee meetings that discuss OHS issues in the certification unit. The following are some recordings of activities monitoring the effectiveness of the OHS plan through monthly OHS Committee meetings.

OHS Committee meetings have been held routinely every month with discussions of OHS issues and their follow-ups, for example, the OHS Committee Tanah Laut Estate meeting on June 7, 2023, with discussions including Monitoring of PPE Use and the 2023 Second Quarter Report, and the Kintapura Estate OHS Committee meeting on June 6, 2023, with discussions including, among others, Hut Cleaning and Maintenance of Knapsack Washing Facilities, Mixing Poisons, and Spraying Officer Showers.

Based on interview with the Manpower Agency of Tanah Laut Regency, it is known that occupational accidents have been reported

regularly in the OHS Guiding Committee quarterly report. There are no cases of fatality.

The company has a health examination plan for all employees which is contained in the 2023 Employee Health Examination Program document. This document informs the plan for implementing periodic and special health examinations for all employees.

The last health examination was in collaboration with the company clinic with the following results:

Tanah Laut Estate

- a. The company showed documents from the results of periodic general examinations carried out at the company clinic for 105 Tanah Laut Estate employees on 28 – 31 March 2023. The results of the examination showed that all employees were eligible to work.
- b. The company showed documents on the results of cholinesterase examinations carried out at the company clinic for 53 employees (spray, fertilizer and warehouse) at Tanah Laut Estate on March 16 2023. The results of the examination showed that all employees were eligible to work.

Kintapura Estate

- a. The company showed documents from the results of periodic general examinations carried out at the company clinic for 91 Kintapura Estate employees on March 15 - 16 2023. The results of the examination showed that all employees were eligible to work.
- b. The company showed documents on the results of cholinesterase examinations carried out at the company clinic for 51 employees (spray, fertilizer and warehouse) at Kintapura Estate on March 17 2023. The results of the examination showed that all employees met the requirements to work.

Tanah Laut Mill

- a. The company showed documents on the results of periodic general examinations carried out at the company clinic for 82 Tanah Laut Mill employees on March 16 2023. The results of the examination showed that all employees were eligible to work.
- b. The company showed documents on the results of audiometric examinations carried out at the company clinic for 15 Tanah Laut Mill employees on July 8 2022. The results of the examination showed that all employees were eligible to work. For 2023 it has not been carried out because based on the 2023 Health Examination Program for Spirometry and Audiometry examinations it is planned for October 2023.
- c. The company showed documents on the results of cholinesterase examinations carried out at the company clinic for 12 Mill employees (warehouse, lab and process) on March 17 2023. The results of the examination showed that all employees were eligible to work.

The unit certification also, conducted a training for worker such as:

- Kalimantan Selatan Dalkarhutla Training 2023 on 23 – 25 May 2023 with 45 participants.
- Fire Emergency Response Simulation on 02 February 2023 at Kintapura Estate.
- Spray Training on 22 June 2023 at Tanah Laut Estate with 10 participants.
- First aid training on 28 July 2023 at Tanah Laut Estate with 31 participants.

SIO/OHS Licence

- Class I Steam Aircraft Operator G.R Number 5/9055/AS.02.00/VIII/2021 date of issue 16 August 2021 valid for 5 years.
- G SBC Electrical OHS Technician No. Ser 00784/TK3-LIST/VI/2014 dated July 17 2020 valid for 3 years.
- WRS Power and Production Aircraft Operator License Number 8576/PMPTP/XII/2019 date issued 23 December 2019 valid for 5 years.
- J.P First Aid Officer No Ser.3617/PK3-P3K/VII/2017 date issued 15 July 2019 valid for 3 years.
- Certificate No. 322/SK/TPM/VII/2023 from PJK3 PT Trainindo Pratama Mulia on behalf of JP and SRJ dated 29 July 2023 which states that the license is in the process of being extended by the Ministry of Manpower of the Republic of Indonesia.
- DNS Lift and Transport Aircraft Operator Number 5/0048090523/AS.01.04/VI/2023 dated 09 May 2023 valid for 5 years.
- W.P OHS Expert Class A, B, C and D Fire Number 5379110423 issued date 28 November 2022 valid for 5 years.

Status: Comply

3.7

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

3.7.1

The unit of certification has identified and developed a training program related to aspects of the RSPO P&C for all staff, workers,

smallholders and local stakeholders in 2022/2023. The following is the result of identification and training program plans listed in the Personal Competency Identification Matrix document as well as the 2022/2023 Training Program and Realization Activities, including:

- Certification-related training includes understanding RSPO, ISPO, ISCC, GHG emissions and calculations, traceability, calibration of measuring instruments and understanding of company policies.
- Training related to the environment includes identifying environmental aspects, hazardous toxic and material and hazardous toxic waste management as well as environmental management and monitoring.
- Training related to work procedures including work technical training based on the type of work. For example, training on harvesting, spraying, fertilizer, pest control, etc.
- OHS-related training includes first aid training, SIO certification training, HIRAC, procedures and use of emergency response and fire training.
- Social-related training includes dissemination of complaints handling, social conflict, sexual harassment, prevention and control of HIV/AIDS and drugs.

Based on OFI's previous assessment, the unit of certification has demonstrated the extension of OHS licenses for all workers in the plantation and factory units. This is explained further in indicator 3.6.2. Then, from the results of interviews with sample workers in plantation and factory units, information was obtained that they had attended training/socialization related to job expertise, company procedures/policies, and other training topics.

3.7.2

The unit of certification shows the minutes document for the realization of the training program in 2022, for example:

- Minutes of meeting First Aid Training held on July 28th, 2023, and attended by 31 TLTE unit workers.
- Minutes of meeting the GSEP Socialization Event which was held on March 15th, 2023, and was attended by all TLTE workers.
- Minutes of meeting IPM, LSU and SSU training held on February 1st, 2023, and attended by 18 KNTE unit workers.
- Minutes of meeting First Aid Officer Training which was held on July 26th, 2023, and was attended by 16 KNTE unit workers.
- Minutes of meeting the GSEP Socialization Event which was held on April 12th, 2023, and attended by 219 KNTE workers.
- Minutes of meeting the Contractor Socialization Event which was held on January 16th, 2023, and attended by 7 participants representing contractors who collaborate with the company.

Based on the results of interviews with workers and representatives of third parties such as contractors and community leaders, it is known that every year the company organizes training and outreach programs to all parties around the company. Implementation of GSEP socialization to contractors, for example, has been understood and implemented, such as involving contractor workers in the BPJS program, providing PPE, not using child labor and applying the minimum wage that applies in Jambi Province.

Based on the description above, the unit of certification has proven that there are training activities for all staff, workers, plasma smallholders and stakeholders. Records of the training activities have been maintained in the minutes document.

3.7.3

Training Program 2023 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2023 conducted on 24 – 25 May 2023. The training subjected to SOP of Supply Chain and Traceability of Palm products. Training attended by relevant personnel including Mill Manager, Office Assistant, Field Assistant, weighbridge clerk, production clerk and security.

Based on interview to the workers involved in SCCS operations, such as security (for FFB receiving verification), weighbridge operator (for dividing amount of certified and uncertified sourced), and Administration Head (for recording and monitoring the MB data), and FFB on estate foreman record known that the workers understood the SCCS mechanism, and the MB record has conducted and monitored well.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

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

3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate, and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year production. The data are shown in the following table:

Product	Estimate Production period of 11 October 2022 – 10 September 2023	Actual Production (MT) of previous audit (July 2022 to June 2023)	Estimate Production for 12 months (MT)
FFB	53,000	43,103.63	46,000.00
CSP0	11,395	8,882.20	9,503.60
CSPK	2,756	2,281.09	2,723.20

*Estimated production is obtained from actual production one year prior to the assessment (July 2022 – June 2023).

3.8.4

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

- Member Name: PT Smart Tbk – Tanah Laut Mill
- License ID: CB138369
- Core Product: Palm Oil
- Member ID: RSPO_PO1000001152
- Type of Business: Oil Mill
- Supply chain model: Mass Balance
- Certificate Holder Type: Multi-Site

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

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain Model of Mass Balance (No. PT.DSL.MKNM/SOP/24 dated 27 May 2020), SOP of FFB Processing (No. SOP/SMART/MCMD/I/TM-PKS), SOP of Reporting of Certified Product (No. SOP-SMART/CERS-EHSD/SADV/003), and SOP of Document and Record Controlling (No. SOP/SMART/UMUM/SADV/I/001).

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

Based on interviews in Tanah Laut POM note that the weighbridge operators understand the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out annually.

3.8.6

The company has completed and up-to-date Supply chain procedures listed in the Mass Balance Model Supply Chain SOP (RSPO) with Number PT IMT-SSMM/SOP/RP/RSPO-ISPO/28 on June 1 2021. The procedures are established and cover all elements of the supply chain model requirements in the P&C of 2018 such as the announcement in RSPO Palm trace not later than 3 months after dispatch, receiving and recording that identifies the traceability of RSPO certified and uncertified sources and products (mass balance record), FFB processing, key persons and job descriptions, internal audit, training, etc.

Internal audit of RSPO SCCS conducted on 19 - 23 June 2023. All of SCCS indicators has been assessed and complied. Management Review of RSPO SCCS implementation conducted on 1 July 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process performance and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7

The Mill has maintained the record of Mass Balance data, that informed amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK), shown as follows:

Product	Estimate Production period of 11 October 2022 – 10 September 2023	Actual Production (MT) of previous audit (July 2022 to June 2023)
FFB	53,000	43,103.63
CSPO	11,395	8,882.20
CSPK	2,756	2,281.09

The total of FFB period July 2022 to June 2023 for certificated FFB is 43,034.90 MT and non-certified FFB is 30,470.84 MT

Related for handling non-conforming oil palm products, has been set in the SOP of Complaints and Grievance Handling (No SOP/SMART/SIGS-CSR/SADV/1/003, dated on 1 July 2014 revised on 01 April 2017). This procedure is generally applied to all complaint's aspects, including complaints and non-conforming products from customers/buyers. During the audit, there is no written complaint from stakeholders related to nonconforming products.

3.8.8

Base on document verification, interview with management representative as well as verification Palm trace it was known during period May 2022 – April 2023 there are 8,460.16 MT CSPO product certified and 2,103.13 MT CSPK certified product sold under RSPO certified product information. The selling documentation shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card and delivery note. Those document cover information of delivery date, description of product and supply chain model, product quality, identification number (unique code), certificate number, sender name and address of the seller. For example, CSPO certified delivery on 6 July 2023 with shipping announcement TR-8cbdd127-0ff4. The information provided on invoices are:

- The name and address of the buyer (on behalf buyer of PT Smart, tbk Tarjun Refinery).
- The name and address of the seller (PT Smart Tbk)
- The loading or shipment / delivery date (19 June 2023 – 23 June 2023)
- A description of the which the documents were issued (23 June 2023)
- The quantity of the product delivered 201,21 MT.
- Any related transport documentation (transporter by PT Sarana Lintas Bersama)
- A unique identification number 1052/CPO/1052/23/T025
- Rspo certificate number MUTU-RSPO/174
- Membership 1-0096-11-000-00
- Etc.

The CSPO certified delivery on 03 July 2023 with shipping announcement TR343dab04-2fce the information provided on invoices are:

- The name and address of the buyer (on behalf buyer of PT Smart, tbk Tarjun Refinery).
- The name and address of the seller (PT Smart Tbk).
- The loading or shipment / delivery date (19 May 2023 – 8 June 2023).
- A description of the which the documents were issued (4 May 2023).
- The quantity of the product delivered 100,57 MT.
- Any related transport documentation (transporter by PT Sarana Lintas Bersama).
- A unique identification number 1052/KER/1052/23/T010.
- Rspo certificate number MUTU-RSPO/174.
- Membership 1-0096-11-000-00.
- Etc.

3.8.9

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

1. Agreement with CPO Transporter of PT Sarana Lintas Bersama No. 001/SP/SMART/TLTM/11/2022-CPO dated 21 November

2022, valid until 20 November 2024.

2. Agreement with CPO Transporter of PT Sarana Lintas Bersama No. 002/SP/SMART/TLTM/11/2022-PK dated 21 November 2022, valid thru 20 November 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, willingness to comply to the requirements of sustainable palm oil certifications process and willingness to being asked for a statement in the context of verifying the certification audit certification audit conducted by the CB. Other than that, the Mill has SOP of Contractor Control (No. SOP/SMART/UMUM/SADV/II/006 dated 1 July 2014) which explains that contractors working with the company must meet legality requirements. Based on interview with CPO Transporter (PT SLB) it was known they willing to interview about SCCS process in the term of CPO transportation, the transportations of RSPO certified products and etc.

One of the mechanisms to ensure that the products delivered only from TLTM Mill, in the vehicle is mounted on a seal that can only be opened at the buyer's location.

3.8.10

The Mill has the record of details of the contractors, covers the contractor's company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles for example PT Sarana Lintas Bersama for transporting CPO and PK. There is no new contractors and transporter in TLTM.

3.8.11

The Mill has the record of details of the contractors, covers the contractor's company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles for example PT Sarana Lintas Bersama for transporting CPO and PK. There is no new contractors and transporter in TLTM, still same with previous assessment.

3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to-date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document verification on supply chain procedure, retention time for all records and report regarding to supply chain are kept for 12 months.

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):

Month	CPO (ton)		Total
	Certified	Non-Certified	
Opening	450.22	162.28	612.50
Jul-22	628.76	232.07	860.83
Aug-22	704.65	279.44	984.08
Sep-22	905.02	415.93	1320.95
Oct-22	970.48	509.11	1479.58
Nov-22	1045.29	774.01	1819.31
Dec-22	939.36	417.99	1357.35
Jan-23	565.56	542.15	1107.71
Feb-23	352.32	371.90	724.22
Mar-23	447.33	666.25	1113.58
Apr-23	515.93	414.67	930.60
May-23	695.32	473.48	1168.80
Jun-23	661.97	889.95	1551.92
Total	8,431.98	5,986.94	14,418.92
+ opening	8,882.20	6,149.23	15,031.42

Month	CSPO Despatch (ton)		Total
	RSPO	Other Scheme	
Jul-22	419.69	-	419.69
Aug-22	720.46	-	720.46
Sep-22	919.85	-	919.85
Oct-22	449.88	-	449.88
Nov-22	933.89	-	933.89
Dec-22	1165.73	-	1165.73
Jan-23	1471.24	-	1471.24
Feb-23	464.73	-	464.73
Mar-23	388.18	-	388.18
Apr-23	334.65	-	334.65
May-23	695.63	-	695.63
Jun-23	496.23	-	496.23
Total	8,460.16	-	8,460.16

Month	PK (ton)		Total
	Certified	Non-Certified	
Opening	99.47	47.98	147.44
Jul-22	176.27	62.47	238.73
Aug-22	197.39	79.34	276.73
Sep-22	273.20	123.16	396.35
Oct-22	266.26	143.44	409.70
Nov-22	309.94	211.64	521.58
Dec-22	218.81	97.38	316.19
Jan-23	133.13	125.26	258.40
Feb-23	75.37	82.33	157.71
Mar-23	108.10	158.12	266.22
Apr-23	122.26	97.16	219.42
May-23	160.22	109.16	269.38
Jun-23	140.67	188.78	329.45
Total	2,181.62	1,478.23	3,659.85
+opening	2,281.09	1,526.21	3,807.30

Month	CSPK Despatch (ton)		Total
	RSPO	Other Scheme	
Jul-22	141.28	-	141.28
Aug-22	110.58	-	110.58
Sep-22	295.83	-	295.83
Oct-22	259.86	-	259.86
Nov-22	388.71	-	388.71
Dec-22	297.50	-	297.50
Jan-23	180.12	-	180.12
Feb-23	16.66	-	16.66
Mar-23	128.73	-	128.73
Apr-23	73.34	-	73.34
May-23	175.23	-	175.23
Jun-23	35.29	-	35.29
Total	21,03.13	-	2,103.13

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 19.42 % and KER 4.91 %. Periodically update of extraction is actual extraction.

3.8.15

The Mill only applying RSPO SCC Module of Mass Balance.

3.8.16

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Berdasarkan verifikasi dokumen dan wawancara dengan unit pengelolaan diperoleh informasi sejak Juli 2022 hingga Juni 2023 terdapat 8.460,16 MT CSPO dan 2.103,13 CSPK yang dijual sebagai produk bersertifikat dan tidak ada yang dijual dengan skema lain.

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example:

1. CSPK

Shipping Announcement for CSPK volume 100.58 MT dated 9 June 2023, with transaction ID TR-343dab04-2fce, on buyer of PT Smart, tbk - Tanah Laut Mill (member ID RSPO_PO1000001152) with buyer PT Smart, tbk – Tarjun KCP (member ID RSPO_PO1000006664) Shipping / bill of lading date 9 June 2023, seller contract DIC/1052/050423/0002, seller reference number 1052/KER/1052/23/T010 confirmation date 3 July 2023.

2. CSPO

Shipping Announcement for CSPO volume 201.21 MT dated 23 June 2023, with transaction ID TR-8cbdd127-0ff4, on buyer of PT Smart, tbk - Tanah Laut Mill (member ID RSPO_PO1000001152) with buyer PT Smart, tbk – Tarjun refinery (member ID RSPO_PO1000001622) Shipping / bill of lading date 23 June 2023, seller contract DIC/1052/070623/0001, seller reference number 1052/CPO/1052/23/T025 confirmation date 13 July 2023.

Furthermore, the unit of certification can present document related claim product such as delivery order and weighbridge slip that informed CSPO products that sold (has been explained on indicator 3.8.8). For the certified CSPK PK and CSPO, the company sold all the CSPK as RSPO Certified product.

3.8.17

The company has made claim of RSPO certified product in the off-product such as WB ticket, salescontract, and delivery order. The company also make commucation regarding RSPO certification in the website company <https://www.smart-tbk.com/berkelanjutan/standar-sertifikasi/rspo/>. Based on document review, all claims is accordance to RSPO Rules on Market Communication and Claims document.

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 made a policy to respect human rights which is indicated in the document:

- GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division.
- Sinarmas Agribusiness and Food's Business and Human Rights Policy which was ratified on December 12th, 2019, by the Head of Policy and Compliance Division.

In the two policies it is stated that the unit of certification is realized for human rights for all workers, post offices, indigenous peoples, surrounding communities in all operational companies. This policy is publicly available on the unit of certification website in two languages (Indonesian and English) and has been communicated to all workers and local stakeholders. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the plantation and factory units, they already understood the human rights policies that apply in the company. The policy has also been disseminated to external stakeholders, for example when making/renewing/signing work contracts.

Based on the results of interviews with representatives of labor unions, the gender committee and representatives of the Sungai Cuka Village, Sumber Jaya Village and Pasir Putih Village, it is known that there were no incidents of human rights violations in the certification unit, no employees were intimidated and/or subjected to violence by the certification unit.

4.1.2

The unit of certification does not have records related to the use of force/mercenaries/paramilitary in resolving conflicts/problems that exist between the unit of certification and related stakeholders (local community, workers, or others). This has been stated in the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. Point 2.1.2 explains the achievement of responsible conflict resolution. The policy also states that companies refuse to use violence in disputes with any party.

Based on the results of interviews with representatives of labor unions and representatives of the gender committee as well as with external stakeholders, it is known that the certification unit does not use paramilitaries or mercenaries in the company's operational areas. If there are problems, they will be resolved by way of deliberation without using violence. Solving conflicts/problems using this deliberation has been quite effective. In addition, during the interview process to resolve the problem it was discovered that there were no indications of violence or coercion.

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 unit of certification has SOP for Handling Complaints and Dissatisfaction No. SOP/SMART/SUST/IV/003 which was ratified on February 14th, 2022, by the Head of Upstream. In Chapter 4 point 4.6.1, it is stated that "The company guarantees the anonymity of the complainant and whistleblower with the aim of reducing the risk of retaliation". The procedure explains that the steps for submitting complaints verbally and/or in writing are addressed to the management leadership. Maximum response to workers is 2 weeks if the verification of complaints and conflicts submitted takes more than 14 working days from the time the complainant submits the complaint and conflict, the Estate Manager/Mill Manager can provide an initial notification letter as a response to the trial and conflict. The SOP also states that the identity of the reporter and reporter will be kept confidential if necessary.

The certification unit has recapitulated all complaints and conflicts submitted by all affected parties around the certification unit in the Complaint and Conflict Handling Recapitulation Form Number F/SMART/SUST/IV/003/004. Based on the results of the document review, it is known that during 2022-2023 there were no complaints or conflicts reported to PT SMART Tbk.

The results of interviews with harvest workers at the KILE unit, boiler station operators, contractors (PT SJA) and representatives of the Sungai Cuka Village, Sumber Jaya Village and Pasir Putih Village community, it is known that procedures related to complaints and conflicts have been periodically submitted to all parties. Socialization related to handling complaints is also usually conveyed during the morning assembly to all workers. Meanwhile, based on statements from external stakeholders around the company, it is known that socialization related to routine complaint handling is carried out at least once a year.

The unit of certification also has a GAR Policy SOP Grievance which explains that if a complaint arises in the RSPO complaint process, GAR will handle the complaint in accordance with the RSPO process. From the description above, it can be concluded that the company has a system that regulates complaints and complaints to all parties.

4.2.2

The unit of certification has established a system for handling complaints for all affected parties, which is documented in SOP for Handling Complaints and Dissatisfaction Number SOP/SMART/SUST/IV/003 which was ratified on February 14th, 2022, by the Head of Upstream. The procedure explains how to convey complaints or suggestions to all parties, including those who cannot read or write, which can be conveyed orally through superiors. The unit of certification through labor unions and gender committees routinely holds meetings with workers, one of the agendas of which is to accommodate issues and complaints directed at the company. The certification unit also regularly holds meetings with external stakeholders such as local contractors, community representatives and related agencies, one of the agendas of which is to accommodate issues and complaints directed at the certification unit.

4.2.3

Records of complaints from workers or stakeholders have been recorded by the unit of certification. This can be shown in the Grievance and Dissatisfaction Recording Form (Internal and External) Number F/SMART/SIGS-CSR/SADV003/001, it is known that during the last one-year period there were no worker complaints or complaints from stakeholders to the certification unit and there were several complaints from workers regarding damage to housing facilities or worker welfare facilities and infrastructure. The unit of certification shows a response to worker complaints, for example:

- Minutes of complaint resolution number 01/TLTE-INT/II/2023. Complaint from a worker with the initials SDSH on February 10th, 2023, regarding repairs to the ceiling and windows because they were leaking and damaged. The complaint was responded to and corrected on February 10th, 2023.
- Complaint from a worker with the initials WKD from cottage 2 KNTE on May 25th, 2023, regarding repairs to the house door. The complaint was responded to on the same date by the Estate Manager. Then, the letter was received by the infrastructure department on May 26th, 2023, and repaired on May 28th, 2023.

Based on the results of interviews with workers in plantation and factory units, internal stakeholders (work unions and gender committees) and transporter contractors (PT SJA and PT SLB), that they understand the flow of submission if they have a complaint to the unit of certification. They also stated that the unit of certification quickly responds to complaints submitted.

The unit of certification has also informed the progress of complaint handling to the parties, carried out in several ways such as through the Complaint and Dissatisfaction Recording Form (Internal/External) or with a representative of the unit of certification appointed as a liaison between the two parties who can conduct formal and informal meetings as well as communication in person or by telephone.

4.2.4

In the SOP for Handling Complaints and Dissatisfaction Number SOP/SMART/SUST/IV/003 which was ratified on February 14th, 2022, by the Head of Upstream. The procedure explains that the unit of certification is committed to actively promoting and supporting the responsible resolution of any conflict involving GAR's operations with the competent authorities in the event of a conflict. The reporter can choose a third party/mediator in conflict resolution. The system will include mapping all conflicts within GAR's operations, development of action plans to address identified conflicts, transparent monitoring and reporting.

Status: Comply
4.3
The unit of certification contributes to local sustainable development as agreed by local communities.
4.3.1

Contributions to community development based on the results of consultations with local communities can be demonstrated by meetings between community representatives and the company in 2022 as the basis for CSR plans for 2023. Many program activities have been realized by the company in the 2022-2023 period, for example:

- Education Sector: school bus assistance, incentive assistance and teacher salaries, making shoe racks for Elementary School Salaman, repairing the fences for Elementary School Salaman which are spread across Salaman Village.
- Health Sector: implementation of integrated healthcare center in Bukit Mulia Village and Sumber Jaya Village.
- Social and religious affairs: MTQ assistance, church ordination assistance, assistance for the celebration of the Prophet Muhammad's birthday, donations for widening burial grounds, Isra Miraj funds, assistance for commemorating the Indonesian Independence Day, and assistance for competitions spread across Salaman Village and Kintap Kecil Village.
- Infrastructure sector: road repair assistance in Sumber Jaya Village and Sungai Cuka Village.

One of the development contributions to the community is carried out by local purchases to shops around the company, cooperation with local contractors in plantation and factory management activities and the implementation of CSR activities which are arranged annually in the context of the welfare of the surrounding village communities. Based on the results of interviews with Sungai Cuka Village, Pasir Putih Village, Sumber Jaya Village village community representatives, information can be obtained that the company has involved the community in implementing CSR in village units.

Status: Comply
4.4
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).
4.4.1

Based on documents verifications total land title owned by PT SMART are 4,952.18 Ha as described below:

1. **Tanah Laut Estate (TLTE)**
 - HGU (Land use title) No 22 dated 01 October 2003 for 3,448 Ha.
 - HGU (Land use title) No 38 dated 06 May 2015 for 54.65 Ha.
2. **Kinta Pura Estate (KNTE)**
 - HGU (Land use title) No 23 dated 20 January 2005 for 1,443.53 Ha.
3. **Tanah Laut Mill**
 - Building use title issued No 01 dated 17 October 2005 for 6.007 Ha.

Interview with managements obtained information from the total land permits (HGU and HGB) covering 4,952.18 Ha, there are some areas excluded from the scope of certifications covering 395.88 Ha Its due to categorized Forest Converted Area 274.81 Ha and overlapped with other company (121.07 Ha). Based on that's explanations the scope of certifications is 4,556.30 Ha.

4.4.2

Based on documents verifications it was known if most of HGU issued before FPIC concept available, However, there is HGU issued on 06 May 2015 (HGU No 38). The areal has been planted before HGU issued and the compensation process in place. Based on the verification of HGU Decree, the HGU is sourced from State Land, included community lands that had been compensated by the company. The entire compensation starting in three period (1998, 1999 and 2003). Also, there was no customary rights and/or traditional rights, informed in HGU Decree. It has been verified based on an interview with Village Heads of Bukit Mulia and Kintapura also Community Elderly in Kintap Subdistrict the company didn't develop new areas/land acquisition. However, based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as village head, Sectoral Police Head, Military Headquarters at the ward and Subdistrict head.

4.4.3

The company has map of estates scale 1:40,000 (Kintapura Estate) and 1:70,000 (Tanah Laut Estate). These maps are recognized legal from National Land Agency and based on the HCV Assessment Report as well as Social Impact Assessment Report it was clear that there is no HCV 5 and HCV 6 which indicates that there are no customary use rights within the company area.

4.4.4

In land acquisition process during the period of 1998, 1999 and 2003, the company has no FPIC procedure yet, thus the FPIC process also still incompletely and not specifically, such as no participation mapping of landowner that entitled to compensation. However, based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as village head, Sectoral Police Head, Military Headquarters at the ward and Subdistrict head.

However, if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior, and informed consent (No. SOP/SMART/SENS-CSR/SADV/II/003, dated 1 July 2014 revised on 08 Nov 2017), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated 01 July 2010). Those procedures have covered the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.

4.4.5

In land acquisition process during the period of 1998, 1999 and 2003, the company has no FPIC procedure yet, thus the FPIC process also still incompletely and not specifically, such as no participation mapping of landowner that entitled to compensation. However, based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as village head, Sectoral Police Head, Military Headquarters at the ward and Subdistrict head.

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Status: Comply

4.5

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

4.5.1 to 4.5.8

Based on the verification of HGU Decree, the entire land compensation has been completed in 2003 Until this Assessment, the

company didn't develop new areas/land acquisition.		
	Status: Comply	
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
4.6.1 & 4.6.2 <p>The company has procedure of Land Compensation, document No. SOP/SMART/SENS-CSR/SADV/II/002 dated 1 July 2014 related to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation village representatives from Pasir Putih Village, Sumber Jaya Village and Sei Cuka Village known that they know about the procedure through the socialization given and they agree with the procedure.</p>		
4.6.3 & 4.6.4 <p>Based on documents verifications it was known if most of HGU issued before FPIC concept available, However, there is HGU issued on 06 May 2015 (HGU No 38). Actually, the areal has been planted before HGU issued and the compensation process in place. Based on the verification of HGU Decree, the HGU is sourced from State Land, included community lands that had been compensated by the company. The entire compensation starting in three period (1998, 1999 and 2003). Also, there was no customary rights and/or traditional rights, informed in HGU Decree. It has been verified based on an interview with Village Heads of Pasir Putih Village, Sumber Jaya Village and Sei Cuka Village, the company didn't develop new areas/land acquisition.</p> <p>Based on land acquisition documents, interviews with ex-landowners it can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives.</p>		
	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 and 4.7.2 <p>In line with Criteria 4.4, 4.5 and 4.6, described that the entire compensation has been completed in 2003. In land acquisition process during the period of 1998; 1999 and 2003 the company has no FPIC procedure yet, thus the FPIC process also still incompletely and not specifically such as no participation mapping of landowner that entitled to compensation.</p> <p>However, based on land acquisition documents, interviews with ex-landowners in the surrounding village can be concluded that the land acquisition processes had been conducted in FPIC manner. For instance, the documentations shown had been made in Indonesian language and available for both parties, based on the agreed price and no coercion, involved, and signed by community representatives such as Village Heads and Sub-District Heads.</p> <p>However, if in the future there is a plan for land acquisition/development, the company has been set the FPIC related procedure in the SOP of Application of free, prior and informed consent (No. SOP/SMART/SENS-CSR/SADV/II/003, dated 1 July 2014), and procedure for calculating and distributing fair compensation in SOP of Land Compensation (No. SOP/NP/SMART/VII/D&L.002 dated 01 July 2010). Those procedures have covers the detail of FPIC process, such as identifying legal, customary or user rights and mechanism of people entitled to compensation identification.</p>		
4.7.3 <p>In land acquisition process during the period of 1996 or 2004, there was no such written agreement that allows previous landowners to have opportunities of benefit from plantation development. However, the company has several policies, as well as SIA management and monitoring plan that has some purposes to improve livelihoods quality of surrounding communities, includes the previous landowner/ For instance the acceptance (buying) of communities FFB, acceptance of local workers and contractors if needed, economic development program, and any other CSR programs. Those things have been verified through document review, and interview with previous landowner.</p>		

Status: Comply

4.8

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

4.8.1; 4.8.2; 4.8.3 and 4.8.4

The Company has established the mechanism for conflict resolution and land dispute in the procedure No. SOP/SMART/SENS-CSR/SADV/002 dated July 2014. Based on interview with communities and field observations, there were no land disputes, and no land has been acquired through dispossession or forced abandonment of customary and user rights prior to the current operations.

Based on documents verifications as well as interview with managements and communities obtained information there are several land issues in PT SMART TBK and the resolution process, as follows:

1. Overlapping in HGU Area with other company

Based on document verifications as well as interviews with management it was known there are overlapping company operational area HGU with other company covering 121.07 Ha, where those areas managed by other company. This issue has been resolved on 21 August 2017 based on Mutual Agreements (*Kesepakatan Bersama*) between PT Smart Tbk and PT Gawi Makmur Kalimantan which described both parties are respected with a lend-lease use system model where the validity period is until January 1, 2023, after which the area at the time of replanting will be returned to the respective owners. Currently, the area is excluded from the scope of certification.

2. Mining Area in PT Smart Tbk,

Based on documents verifications, field observations and interview with management it was known there are coal mining concession area in the HGU of PT Smart Tbk, during audit it was known the total mining concession area are 835.20 Ha. During audit the unit of certification can present Joint Agreement on Technical Guidelines for the Implementation of Coal Mine Reclamation between PT SMART Tbk represented by the Tanah Laut Estate Manager (TLTE) and representatives of PT Deli Pratama Coal (Project Manager) on 29 December 2020. The document describes the mechanism for the reclamation of land that has been used as a mining area so that oil palm can be planted. During audit, the unit of certification can present the realization of reclamations as described below:

Year	Planting Reclamation Area
2016	8.14
2017	35.87
2018	43.45
2019	67.87
2020	14.18
2021	44.76
Total	214.97

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

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

5.1.1

Based on the results of basic info data verification and FFB supplier contract period 2022–2023, TLTM gets a supply FFB form (supplier agent) not independent smallholder, that is FFBX. Based on document verification and interview with management representative, FFBX has members for example in the name of Aris Filiesta. The company shown work agreement between Aris Filiesta and PT SMART number 001/TBS/PT. SMART/VI/2023 date 01 Juni 2023, that was signed by both parties, In the contract, FFB is determined based on the monthly pricing of the Tanah Laut Province Plantation Agency and and consideration of Mill competitors' prices.

5.1.2

The pricing mechanism set in the contractual agreement, for instance pricing mechanism set in agreement of FFB agent. For an explanation of the price of FFB to supplier, it is done by Tanah Laut Mill via social networks and phone to FFB supplier, every week

or if any changes in FFB prices.

5.1.3

Based on document verification on the agreement letter between the company and FFB supplier has been known and signed by representatives of both parties and is known by regional government. The results of interviews with FFB supplier revealed that the price of FFB from partnership was in accordance with prices set by Plantation Agency and FFB price around of the mill, in accordance with the agreement of both parties and there are no complaints regarding the payment of FFB. From the results of the interview, it was also conveyed that every payment as well as in FFB invoice payment for revenue sharing was always attached with a price list that issued by Plantation Agency.

5.1.4

Based on document verification on the agreement letter between the company and FFBX, it is known that the agreement has been known and signed by representatives of both parties and the owner of FFB agent.

5.1.5

The payments method was described within contractual agreements (SPK) that describe the unit price and warranty include the payment duration. An application for funds transfer was evident as proof that payment has been made in accordance with the agreement in the contract. Payments of FFB input are made based on sorting and weighing results and payments are made 7 working days after the invoice is received. Contracts, FFB production report and payments are available and verified. All documents are stored in file and print out copies.

5.1.6

Based on document verification of FFB supplier payment in June-July 2023 for example, for the recap of FFB yields for the period July 2023, it has been explained related to the amount of production and discounts and FFB prices which refer to the agreed FFB price determination. The payment document describes pricing and pricing periods, FFB amount, tax, reduction/cost, and total paid. The payment was conducted within a month. Based on result of interview with FFBX (FFB supplier agent), it is known that agreement based on the agreement between the two parties, further explained that the payment was made on time in accordance with the contents of the agreement and there had never been a problem in terms of payment.

5.1.7

Based on document review, it was known that the Mill has three units of weighbridge with each capacity of 40.000 kg / 10 kg. Weighbridge calibration was conducted annually by *Kepala Balai Standarisasi Metrologi Legal Regional III* of Kalimantan Selatan Province (Dinas Koperasi, Usaha Kecil dan Perdagangan Kabupaten Tanah Laut), as shown through Certificate of Calibration No. 510/134-MET/KOPDAG/SKHP/XII/2022 date 05 Desember 2022. Measuring instruments must be recalibrated no later than 25 November 2023.

5.1.8

The company have independent out grower (Aris Filiesta) that supply FFB to the Mill. Based on the results of interviews with FFBX, the company has conducted socialization related to RSPO on 16 January 2023, socialization activities related to RSPO principles, code of ethics policies, complaints, waste management, OHS etc.

5.1.9

The complaint mechanism set in Complaint and Grievance Procedure (SOP/SMART/SIGS-CSR/SADV/I/003) which explain handling of complaint and grievance from internal and external stakeholder. The procedure is made involve the consideration from various parties. This procedure has been disseminated to stakeholder included FFB supplier and contractor on 16 January 2023. Based on the complaint recording document, during the period 2022-2023 there were no complaints from all FFB suppliers.

Status: Comply

5.2

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

5.2.1 - 5.2.5

Based on document verification of the FFB supplier list on 2022 until 2023, no individual small holders (scheme, independent and

outgrowers) supply FFB to TLTM just FFB agent. Furthermore, based on the results of interviews with representatives of FFBX, the company has conducted socialization related to RSPO on 16 Januari 2023, socialization activities related to RSPO principles, code of ethics policies, complaints, waste management, OHS etc. This activity is one of evidence that the certification unit provides support to farmers to encourage the legality of FFB production.

As described in RSPO Interpretation Forum, the management unit is not subjected to support random local communities (independent smallholders) to obtain RSPO Certification when they don't have any business interest.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

The unit of certification already has a non-discrimination and equal opportunity policy as indicated in the Sinarmas Agribusiness and Food Business and Human Rights Policy document which was approved on December 12th, 2019, by the Head of Policy and Compliance Division. The policy states that the unit of certification provides equal opportunities for all workers and embraces diversity regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or labor union membership and ensures workers are protected from acts of discrimination at all stages of the employment relationship. This policy has been socialized in each plantation unit and factory to workers, for example, socialization in TLTE unit on March 15th, 2023. As proof of implementation, when the auditors conducted interviews and field visits, they already understood the human rights policies that apply in the company. This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts.

The unit of certification does not discriminate and treats all workers fairly, the following is evidence that can be shown by companies listed in several employee demographic documents, sample documents for employee recruitment and identification documents and realization of worker training:

- Composition of workers consisting of various ethnic groups, religions, genders, and workers' origins.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- Placement and training of workers is carried out according to their expertise/type of work, such as prospective harvest workers are placed as harvest workers and receive routine harvest training.
- Women workers are given reproductive leave rights, wages and the same opportunities for promotion as male workers in the same type of work.

The results of interviews with daycare workers, representatives of labor unions and the gender committee also obtained information that there was no indication of discrimination against religion, ethnicity, sex, and regional origin in the process of accepting a job.

Based on the explanation above, it can be concluded that the unit of certification has treated all workers fairly without discrimination based on gender, ethnicity, religion, health condition or other.

6.1.2

Based on the results of verification of worker recruitment documents, it is known that worker recruitment is based on expertise, ability and records of medical examination results. Likewise promotion, in accordance with the results of the employee's assessment/evaluation. The unit of certification has a non-discrimination and equal opportunity policy as indicated in the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. It states that in the ethical recruitment process, companies prohibit the practice of charging workers a fee in recruiting and withholding identity documents.

The unit of certification shows job vacancy documents for the types of jobs for harvest workers at the KNTE unit in November 2022. There are no conditions in the document that indicate discrimination. Apart from that, the unit of certification also shows documents on the recruitment of workers with the initials RH in the KNTE unit. There are application documents such as photocopies of identity cards, photo identification, job application letters, results of health checks, family cards, etc. These workers are recruited as harvest worker with contract/PKWT status with work agreement letter Number 012/KNTE/SK-PKWT/III/2023 and are still valid until the audit is carried out.

Based on the results of interviews with workers, labor union representatives and representatives of the gender committee, information was obtained that there were no issues related to discrimination. PT SMART Tbk. workers come from various regions in Indonesia. Both local and migrant workers are given the same opportunity to get a job and promotion as well. The unit of certification also does not retain identity documents during the worker recruitment process.

6.1.3

The unit of certification shows documentation of selection, recruitment, employment, access to training, and promotions for its workers. For example, performance assessment document for harvest workers in the TLTE unit in the 2022 assessment period which provides information regarding the assessment criteria (discipline, work quantity, work quality, cooperation, work attitude and responsibility), assessment results and follow-up to the assessment results. As a follow-up to the results of the work performance assessment, the company presented the Decree number 001/TLTE-SK/PT/III/2023 concerning the Appointment of Permanent Harvester Workers with the initials DP who were appointed from contract/*PKWT* status to permanent/*PT* status on March 16th, 2023.

Based on the results of interviews with HR and personnel staff, information was obtained that the recruitment process for all employees was carried out through the same process where prospective employees must meet requirements in the form of administrative selection (application letter, graduation letter, photocopy of identity and family), psychological test (for certain positions), interviews and results of medical examinations. To increase the career path, responsibility, authority and scope of an employee, the unit of certification provides promotions based on skills, abilities, leadership, honesty, discipline, loyalty, attendance, etc. Employee performance appraisal is carried out through the stages of performance evaluation.

6.1.4

Pregnancy tests for workers are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a job that is safer but remains the same in terms of wages and other benefits, so there is no discriminatory action. This was clarified by the results of interviews with female spray workers and representatives of the gender committee in each plantation unit and factory which stated that female workers are required to carry out monthly pregnancy tests at the clinic to ensure that no pregnant/breastfeeding female workers are exposed to chemical material. Pregnancy testing is not a discriminatory measure provided by the company.

Then from the results of a review of the latest employee recruitment documents and interviews with female workers, it was found that there was no obligation for prospective female workers to take a pregnancy test when recruiting workers. They explained that at the time of recruitment, there was no pregnancy test, but only physical health tests, administration and interviews with prospective leaders.

6.1.5

The certification unit has established a gender committee in each unit which has the function of being a forum that can accommodate aspirations or complaints from workers regarding gender equality, protection of workers' reproductive rights, protection from incidents of harassment, and others. Furthermore, the Unit of Certification shows the document establishing the Organizational Structure of the Gender Committee in each estates and mill unit for the 2023 period consisting of representatives of each gender, namely men and women. The organizational structure consists of a Protector/Counselor/Advisor, Chairperson, Deputy Chairperson, Secretary, Treasurer, Head of Division and Members.

The 2022/2023 gender committee work program for all plantation and factory units at PT SMART Tbk., includes:

- Integrated Healthcare Center
- Maternal and child health education
- Outreach, recording and counseling on handling sexual harassment
- Socialization of reproductive rights of women workers
- Socialization of employee housing hygiene.

The unit of certification shows the realization of the program and the results of the gender committee meeting listed in the work program document and the realization of the PT SMART Tbk. gender committee in 2023, for example, implementation of posyandu programs in all units (TLTM, TLTE and KNTE) which are held every month, for example, which was carried out on July 10th, 2023, in the TLTE unit.

Based on interviews with all sampling workers in the plantation and factory units, it was found that they knew the functions, work programs, and mechanisms for submitting complaints through the gender committee. Then, based on the results of interviews with representatives of the gender committee it is known that until now the work program of the gender committee has prioritized women workers. However, it is possible that cases of sexual harassment or violence against male workers can also be submitted through the gender committee.

6.1.6

The unit of certification does not discriminate against workers' rights, including wages. The certification unit has a non-discrimination policy as indicated in the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. It is stated that the unit of certification ensures that all workers receive wages that are equal to or exceed the legally stipulated minimum wage. Workers receive wages in accordance with South Kalimantan Governor Decree Number 188.44/0824/KUM/2022 concerning Determination of the Minimum Wage for South Kalimantan Province for 2023, namely IDR 3,149,977.55.

Payment of fair wages has been properly carried out by the unit of certification, taking into account ability, performance, expertise, length of service, and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This was stated in the:

- Decree Number 013/CEO PSM 3/01/2023 concerning the Structure and Scale of Wages for Permanent Workers (*PT*) of PT SMART Tbk in Tanah Laut Regency, South Kalimantan Province in 2023, which was ratified on January 1st, 2023, by the Director. This document informs about the basic wages for workers in the PT 4A – PT 1 category which are classified based on the wage scale.
- Decree Number 015/CEO PSM 3/01/2023 concerning Workers' Wages for contract worker (*PKWT*) of PT SMART Tbk in Tanah Laut Regency, South Kalimantan Province in 2023, which was ratified on January 1st, 2023, by the Director. The document informs that the basic wage for *PKWT* workers with less than one year of service is IDR 3,074,978 and for *PKWT* workers with more than one year of service is IDR 3,075,978 plus a rice allowance worth IDR 75,000.

Based on the results of interviews with workers with the same type of work and class, for example *PKWT* harvesters with a working period of more than one year, it is known that the wages they receive each month are the same amount, namely IDR 3,075,978, as well as the allowance they receive, namely a rice allowance of IDR 75,000.

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 unit of certification demonstrates the procedures/policies related to wages and work requirements in accordance with the provisions on manpower that have been published in the national language (Indonesian) listed in several documents, namely:

- SOP of wages with Number KHI-smart/007-00 effective August 1 2017 which has been approved by the Main Director of HR.
- CLA for the 2018 – 2020 period which includes explaining wages to workers.
- South Kalimantan Governor Decree Number 188.44/0824/KUM/2022 concerning Determination of the Minimum Wage for South Kalimantan Province for 2023, namely IDR 3,149,977.55.
- Decree Number 013/CEO PSM 3/01/2023 concerning the Structure and Scale of Wages for Permanent Workers (*PT*) of PT SMART Tbk in Tanah Laut Regency, South Kalimantan Province in 2023, which was ratified on January 1st, 2023, by the Director. This document informs about the basic wages for workers in the PT 4A – PT 1 category which are classified based on the wage scale.
- Decree Number 015/CEO PSM 3/01/2023 concerning Workers' Wages for contract worker (*PKWT*) of PT SMART Tbk in Tanah Laut Regency, South Kalimantan Province in 2023, which was ratified on January 1st, 2023, by the Director. The document informs that the basic wage for *PKWT* workers with less than one year of service is IDR 3,074,978 and for *PKWT* workers with more than one year of service is IDR 3,075,978 plus a rice allowance worth IDR 75,000.

The unit of certification can show documentation of payment of wages for all workers shown in the payroll and payslips which include components such as basic wages, premiums, overtime, benefits (*BPJS*, electricity subsidies, etc.), and deductions (*BPJS*, loans, labor union, cooperatives, etc). Based on the interview results, workers can explain the basic wages and benefits as well as the deductions received every month. Following are some examples of wage documents in 2023 for workers, including:

- The loading ramp operator in the TLTM unit with the initials EH received a basic salary in June 2023 of IDR 3,125,378.
- Data input/checkroll worker in the TLTE unit with the initials INC received a basic salary in June 2023 of IDR 3,149,978.
- Kindergarten teachers in the KNTE unit with the initials MS and NGTN received a basic salary in May 2023 of IDR 3,105,978.

Based on the description above, it can be concluded that the unit of certification already has documentation of wages and work conditions in accordance with the labor regulations that apply to workers in the national language, along with an explanation for workers in a language they understand.

6.2.2

The unit of certification can show examples of work agreement documents, for example as follows:

- Work agreement letter number 023/TLTE/SK-PKWT/X/2022 with the initials DS dated 7 October 2022, which explains in article 1 that the first party accepts the second party to work at the first party's company as a Harvester in the TLTE PT SMART Tbk work unit.
- Work agreement letter number 028/KNTE/SK-PKWT/V/2023 with the initials PG dated 19 May 2023, which explains in article 1 that the first party accepts the second party to work for the first party's company as a Harvester in the KNTE PT SMART Tbk work unit.

As for the work agreement document shown, it contains information including the name acting as management representative and company address, employee information in the form of name and other personal information, employee position, employee work location, reporting, work duties and responsibilities, work agreement period, probationary period, salary and other benefits. The work agreement document has been signed by representatives of management and workers.

As a form of implementation of the work agreement letter, the unit of certification shows payroll documents for June 2023. For example, a loading ramp operator with the initials MAK receives a basic wage in June 2023 which is in accordance with the applicable minimum wage, namely IDR 3.125.978.

Work agreements along with related documents that stipulate detailed wages and work conditions (work hours, deductions, overtime, sick leave, leave, maternity leave, etc.) have also been stated in the Collective Labor Agreement (CLA) document for the period 2018 – 2020. Based on the results of interviews with the labor union, management representatives and the Manpower and Transmigration Office of Tanah Laut Regency, it is known that there is no new CLA because up to now the labor union and the company are still discussing several articles in the preparation of the draft CLA. The company shows several CLA negotiation documents as follows:

- Collective agreement on 24 December 2022 between the Management Team and the Labor union Team which informed that the CLA for the 2018 – 2020 period is still valid because up to now the Management Team and the Work Union Team are still negotiating several articles in making the CLA for the new period.
- Minutes of meeting the CLA Discussion of South Kalimantan on June 24th, 2023, regarding the CLA discussion which was attended by 8 company representatives and 8 labor union representatives.

Then based on the results of field visits to warehouse area in TLTM unit, information was obtained that workers had understood the job description, the wages they received, and other matters related to work requirements.

Based on the description above, it can be concluded that the unit of certification has a work agreement along with related documents that regulate details of wages and working conditions.

6.2.3

The company shows evidence of legal compliance regarding the fulfillment of labor rights to workers, for example:

- Defined and agreed working hours are 7 hours a day and 40 hours a week. If there are excess working hours, overtime is paid. For example:
 - Office administration with the initials GSA who received a salary in June 2023 of IDR 3,413,055 with basic wage components of IDR 3,173,978, overtime pay of IDR 469,505 and allowances/deductions for *BPJS Ketenagakerjaan*, *BPJS Kesehatan*, loans, etc. The calculation of overtime pay earned is in accordance with applicable laws and regulations. The total overtime hours for these workers is 14 hours with wages for one hour of overtime amounting to IDR 18,346.
 - Process operator with the initials JYD who received wages in July 2023 amounting to IDR 6,522,418 with components of basic wages of IDR 3,125,978, overtime wages of IDR 3,530,509 and allowances/deductions from *BPJS Ketenagakerjaan*, *BPJS Kesehatan*, loans, etc. The calculation of overtime pay earned is in accordance with applicable laws and regulations.

The total overtime hours of these workers is 100.90 hours with wages for one hour of overtime amounting to IDR 18,069.

- Harvest worker with the initials BK applied for 12 days of annual leave from the remaining 12 days of leave from 8 July 2023 to 22 July 2023. The leave permit was approved by KTU and the Estate Manager TLTE on 7 July 2023.
- Up-keep/plant maintenance worker with the initials MLD in the KNTE unit apply for 1 day menstrual leave on April 4th, 2023.
- Up-keep/plant maintenance worker with the initials HSNH applied for maternity leave for 90 days starting from March 4th, 2023 to May 22nd, 2023. The worker applied for maternity leave based on a certificate from the First Aid Post. The leave permit has been approved by KTU and the Estate Manager KNTE. The worker was transferred from working as a shopkeeper to emplacement care because she was pregnant. It is stated in decree number 021/KNTE-SK/IV/2022.
- The certification unit has deductions/fines that apply if workers commit irregularities/negligence in their work. For example, deductions from workday pay if workers are absent from work without reason. Apart from that, there are also fines for negligence at work, for example in harvesting work such as harvesting unripe fruit, a deduction of IDR 5,000 per fruit will be imposed.

As a result of interviews with sample workers in plantation and factory units, for example harvest workers in the TLTE unit and warehouse officer in the TLTM unit, information was obtained that they understood the fulfillment of employment rights, for example getting overtime pay, getting work premiums, permission to be absent from work, fines/ sanctions that can be obtained if you are negligent in your work, and other things. Thus, it can be concluded that the implementation of working hours, minimum wages, overtime wages, leave entitlements, and others are in accordance with the provisions of applicable labor laws.

6.2.4

The certification unit has a list of worker welfare infrastructure facilities updated for 2023 for each estates and mill unit, where there are staff and employee housing facilities, religious facilities (houses of worship), sports facilities, health facilities in the form of clinics, clean water facilities, electricity facilities in the form of PLN and generators (in the TLTE unit), day care centers, school buses and others. Currently, all welfare facilities provided in general are in proper condition and can be used by workers and their families. The document also contains a monitoring and maintenance program for workers' welfare infrastructure for the 2023 period made by the SPO Officer and approved by the Estate/Mill Manager. The document describes conditions for workers' welfare facilities currently in good condition.

Based on the results of field observations in employee housing areas, for example in the TLTM, TLTE and KNTE units, it is known that the welfare facilities provided are in proper/good condition, the worker's house consists of 2 bedrooms, 1 bathroom and kitchen. Clean water is provided every day. Electricity is in the form of PLN and workers receive electricity subsidy allowances every month, meanwhile for TLTE unit electricity comes from generators. There are also prayer facilities in the form of mosques and churches, sports facilities (football fields, volleyball courts and badminton courts), educational facilities (kindergartens and elementary schools), transportation facilities in the form of school buses, and other facilities. Clinics are available as worker health facilities that can be accessed by workers and their families. This is supported by the results of interviews with residents of the housing which stated that the housing facilities provided were in decent condition, one house was occupied by 1 head of family and so far if there were complaints from workers regarding housing facilities, the certification unit will respond and make repairs as soon as possible.

In accordance with the description above, it can be concluded that the certification unit already has facilities and infrastructure for the welfare of workers in proper conditions and accessible to workers and their families.

6.2.5

Based on the results of field visits, it is known that the Estate and Mill locations are also close to traditional markets and villages, so workers' access to food and clothing or household goods is very easy to reach. Then, from the results of interviews with plantation and factory workers as well as residents of houses in employee housing, it is known that they do not experience difficulties in obtaining food sources because they can shop at stalls in the surrounding villages.

6.2.6

Currently the company uses a decent living wage calculation based on South Kalimantan Governor Decree Number 188.44/0824/KUM/2022 concerning Determination of the Minimum Wage for South Kalimantan Province for 2023, namely IDR 3,149,977.55. In addition, the company also refers to actual and rational prices around the company's operations.

Applicable wages include basic wages, allowances such as *THR* and rice, facilities such as electricity, housing, water, schools, facilities and services for polyclinics and child care centers. Separate calculations of applicable wages & other allowances are shown

in the annual Prevailing Wage calculation document for PT SMART Tbk South Kalimantan Region, which is as follows the 2023 budget was determined on May 25th, 2023, and has been approved by the CEO of PSM 3. Calculation of applicable wages & allowances varies depending on worker status (*PKWT*, *PT 4A*, *PT 4B*, *PT3*, *PT2* and *PT1*), starting from IDR 3,528,234 – IDR 4,950,146/month. This calculation has a difference of 14% - 57% from the applicable UMP or IDR 422,756 – IDR 1,776,168.

6.2.7

The company showed the workforce list document for the period July 2023, it is known that PT SMART Tbk still has harvest workers with *PKWT* status, namely in the TLTE unit as many as 5 people and in the KNTE unit as many as 20 people (this number is reduced from previous audit activities). Then, the company shows a Specific Time Work Agreement Letter, for example:

- Work agreement letter number 031/TLTE/SK-PKWT/XI/2022 with the initials JS dated November 9th, 2022, which explains in article 1 that the first party accepts the second party to work at the first party's company as a harvester in the TLTE work unit of PT SMART Tbk. TLTE management stated that the remaining 5 *PKWT* harvest workers were workers who had renewed their work contracts. The following is an example of a previous work agreement letter with number 009/TLTE/SK-PKWT/XI/2021 with the initials JS dated October 10th, 2021.
- Work agreement letter number 028/KNTE/SK-PKWT/VI/2023 with the initials PG dated May 19th, 2023, which explains in article 1 that the first party accepts the second party to work at the first party's company as a harvester in the KNTE work unit of PT SMART Tbk.

Based on the results of interviews with representatives of the Manpower and Industry Office of Tanah Laut Regency, information was obtained that at PT SMART Tbk there were *PKWT* workers in harvest and non-harvest work. The source also stated that the company had routinely reported the use of *PKWT* workers. Then, the company shows documents recording *PKWT* reporting and proof of handover of work agreement letter for *PKWT* workers to the Manpower and Industry Office of Tanah Laut Regency, for example:

- Reporting of workers and proof of handover of *PKWT* work agreement letter in TLTE unit with a total of 21 workers consisting of 2 harvest workers and 19 non-harvest workers on January 5th, 2023.
- Reporting of workers and proof of handover of *PKWT* work agreement letter in KNTE unit with a total of 21 harvest workers on July 10th, 2023.

The results of interviews with management representatives revealed that currently the company is in the process of proposing the appointment of *PKWT* harvest workers to *PT*. This is shown in the document:

- Email from KTU TLTE to RC on July 1st, 2023, regarding the 2022 Harvester Employee Appointment Plan with a total of 5 workers in the TLTE unit.
- Email from RC Kalsel 1 to VPA on July 25th, 2023, regarding the application for the appointment of KNTE *PKWT* employees to *PT* for harvest work with a total of 26 workers in the KNTE unit.

Companies have the opportunity to ensure the progress of appointing *PKWT* harvest workers to *PT* status. OFI.

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 unit of certification has a policy regarding the formation of labor unions listed in the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. The policy explains the unit's commitment to giving freedom to workers to form collective bargaining and join labor unions. The GSEP policy is written in Indonesian so that workers can understand it.

The certification unit has two labor unions, namely *SPM* and *SPS* as a forum for workers to convey their complaints or aspirations to the certification unit. The following is the document for the establishment of a labor union:

- Bipartite Cooperation Institution of PT Smart Tbk, with Registration Proof Number 007/LKS-B/XI/2018 on November 7th, 2018, by the Manpower and Industry Office of Tanah Laut Regency.
- Proof of Registration of the *SPM* in TLTE unit PT SMART Tbk. with number 560/05/DTKP/HIPK-HI/SPSB/2018 dated 3 October 2018 by the Manpower and Industry Office of Tanah Laut Regency.
- Proof of Registration of the *SPM* in KNTE unit PT SMART Tbk. with number 560/01/DTKP/HIPK-HI/SPSB/2019 dated 20

February 2019 by the Manpower and Industry Office of Tanah Laut Regency.

- Proof of Registration of the *SPS* in TLTM unit PT SMART Tbk. with number 568.01/01/DTKP/HIJSTK-HI/SPSB/20.03 dated 4 March 2020 by the Manpower and Industry Office of Tanah Laut Regency.

Based on the results of interviews with representatives of labor unions, it is known that labor unions hold regular meetings to discuss complaints and aspirations expressed by workers. Then, based on the results of interviews with sampling workers in plantation units and factories, information was obtained that workers can submit complaints or grievances through the labor union. If there is a dispute in terms of unfinished industrial relations between the worker and the unit of certification, the labor union will be responsible for accompanying the worker until the problem is resolved.

6.3.2

The unit of certification also shows documents of the minutes of internal labor union meetings and bipartite meetings written in the national language, including the following:

- Minutes of the *SPS* meeting held on July 11th, 2023, which discussed among other things, employee bonuses which had not been announced. This activity was attended by 31 *SPS*/administrators and members.
- Regular meeting of the *SPM* management with the company (bipartite) which was held on July 7th, 2023, which included discussing the draft CLA, discussion of industrial relations taking place in the company. This activity was attended by 24 participants consisting of company and *SPS*/representatives.

6.3.3

Based on the verification of the organizational structure of the labor unions in each estate and factory unit, it is known that the workers' union officials in all estates and mills are not representatives of management/company staff. Then, based on the results of interviews with labor union representatives and union members, it is known that there is no intervention from the unit of certification in selecting or organizing labor union activities. This is in line with the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. It is stated that the unit of certification will not interfere with the activities of workers' organizations or labor union representatives.

Based on the results of interviews with workers, it is known that the company has given them the freedom to form and join labor unions. Then, union membership is voluntary without coercion. Of the several workers interviewed, some were members of a labor union and some were not members of a labor union.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

The certification unit has a policy prohibiting the employment of minors contained in the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. As this policy is known, the company prohibits the employment of children and will take action to prevent the use of child labor in all line of operations activities.

Based on the employee list for the July 2023 period, it is known that none of the employees were younger than 18 years old when they first started working. Then, based on the results of verification of the updated contractor workforce list document for the period July 2023, for example the contractor PT SJA, it is known that all contractor workers are over 18 years old.

Based on the results of interviews with representatives of labor unions and external stakeholders around the company (suppliers, contractors and community leaders), information was obtained that there had never been any issues regarding child labour. In addition, around the company area there are warnings informing the prohibition for children to be in the work location.

6.4.2

The unit of certification shows the labor list documents for the July 2023 period for plantation and factory units (TLTM, TLTE and KNTE) where there are no children under 18 years of age employed. In addition, the company has also shown Recruitment SOP document No. KHI-smart/001-00 which was approved on August 1st, 2017, by the HR Managing Director. The SOP explains that in the labor recruitment process, the company does not accept prospective workers who are under 18 years of age. This is in line with job vacancies information documents, for example in the KNTE unit for the November 2022 period, which state the requirements for prospective workers who must be ≥ 18 years old.

Based on interviews with HR staff, it was explained that in the process of recruiting employees, age screening will be carried out before going through identity checks (e-KTP or Birth Certificate) to ensure that the age requirements of workers are met and not violated.

6.4.3

Based on a review of the employee list document, the list of students who took part in field work practices and the results of interviews with management representatives, information was obtained that there were no young workers and students doing field work practices/ apprenticeships in the company's operational areas.

Based on the results of interviews with union representatives and management representatives, it is known that if there are students who do practical work in the field, they will be placed in non-hazardous jobs or as observers of plantation and factory activities. Because the goal is only to meet the needs of fulfilling the learning curriculum.

6.4.4

Socialization regarding child protection policies and the prohibition of child labor has been carried out in each plantation unit and factory. For example, socialization at the KNTE unit on April 12th, 2023. The company has also conducted outreach to workers and external stakeholders around the company (suppliers, contractors and community leaders) at the time of renewal/signing of the cooperation contract.

Based on the results of field observations in the plantation and factory areas, it is known that the company has a warning regarding the prohibition of child labor and the prohibition of children being in the company's operational areas.

Status: Comply

6.5

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

6.5.1

The company has a policy of guaranteeing workers are free from all forms of harassment, threats and abuse as stated in the GAR Social and Environmental Policy (GSEP). This policy was ratified on September 12th, 2019, by the Head of Policy and Compliance Division. The document explains that the Company does not tolerate acts of sexual harassment and all other forms of harassment and violence.

To ensure that this policy is implemented, the company has a reporting mechanism if there is harassment in the workplace. Socialization of the flow of complaints if there are cases of harassment in the workplace has been conveyed to all workers in each plantation and factory unit, for example socialization in the TLTE unit on March 15th, 2023. This is in line with the results of interviews with workers in the plantation and factory units who already know the flow of complaints if they do experience harassment in the workplace.

The company, through the gender committee, has a work program to conduct outreach and record if there are issues related to sexual harassment or acts of violence that occur in the company's operational areas. Based on the recapitulation of employee grievances and grievances as well as minutes of gender committee meetings for the last one year, no complaints related to sexual harassment or acts of violence were found.

Based on the results of interviews with workers and gender committee officials, information was obtained that workers can submit complaints through their direct superiors or through the gender committee. In addition, during the past year there were no cases of sexual harassment. This is supported by the absence of complaints regarding sexual harassment in the minutes of gender committee meetings in all plantation and factory units during 2021 – 2022.

6.5.2

The unit of certification has a policy related to pregnant women workers listed in the Collective Labor Agreement for the period 2018 – 2020. In the document it is stated that companies are prohibited from hiring pregnant women workers who according to doctors are dangerous to the health and safety of their womb and themselves if they work between 23.00 and 23.00 hours. 07.00 (referring to the provisions of the Labor Law Number 13 of 2003). The document also regulates special absences from work for female workers, for example menstrual leave and maternity leave.

Evidence of the implementation of this policy is listed in the document on the list of pregnant and giving birth women for the period July 2023. For example, in the TLTE unit there is 3 worker who is who have just given birth or are breastfeeding.

Based on the results of interviews with the management of the gender committee, information was obtained that female workers have the right to leave for menstruation and maternity leave. The mechanism for granting menstrual leave is carried out by means of an examination first at the clinic by the company doctor, then the worker who applies for a menstrual leave permit must rest at the clinic until returning from work. In addition, the source also stated that pregnant and newly born women workers should not do spray work or other work that is directly related to the management of chemicals.

6.5.3

The unit of certification has identified and carried out activities related to assessing the needs of young mothers listed in the document Identifying the Needs of Young Mothers for the 2022 period and has been approved by the Estate and Mill Manager. The document describes the needs and facilities for young mothers with the following details:

Needs	Amount (Unit)	Information
Time off after giving birth	According to the needs	According to the women's reproductive policy to go on maternity leave
Treatment after delivery	According to the needs	Health inspection and monitoring by garden midwives
Mother and baby care information including immunizations	Every Month	The garden integrated healthcare center program
Time to breastfeed (breastfeeding)	1-2 hours a day	If possible, young mothers can breastfeed their children during working hours at the daycare
A place/room for breastfeeding/a place for storing breast milk	Enough	Provides a good place to breastfeed the child and a place to store breast milk
Caregivers more care for newborns	-	Daycare workers prioritize the needs of infants or children at younger ages
Work in proportion	-	Giving a job that is not hard on young mothers
Slings, swaddles, clothes, baby oil	Enough	Necessity for newborns

Based on the results of interviews with the management of the gender committee in each unit, information was obtained that young mothers were given special rest periods so they could breastfeed their children, pre and postnatal health check facilities at *posyandu* activities and were kept away from work that used chemicals when pregnant or just gave birth.

6.5.4

The company has SOP for Handling Complaints and Dissatisfaction number SOP/SMART/SUST/IV/003 which was ratified on February 14th, 2022, by the Head of Upstream. In Chapter 4 point 4.6.1, it is stated that "The company guarantees the anonymity of the complainant and whistleblower with the aim of reducing the risk of retaliation". The procedure explains that the steps for submitting complaints verbally and/or in writing are addressed to the management leadership. Maximum response to workers is 2 weeks if approval from the department head is not required and 1 month if approval is required.

The company also has a Sinarmas Agribusiness and Food Business and Human Rights Policy which was ratified on December 12th, 2019, by the Head of Policy and Compliance Division. In point 9 of the policy, it is explained that "Respect and protect the rights of whistleblowers and human rights defenders". These procedures and policies have been socialized in each plantation unit and factory. As proof of implementation, when the auditors conducted interviews and field visits, all understood the human rights policies that apply in the company.

In addition, based on the results of interviews with child care workers, it was stated that complaints could be submitted to the direct supervisor, to the labor union or to the gender committee (specific complaints on women's issues) and the identity of the complainant

would be kept confidential. This aims to provide space for all workers or stakeholders to be able to submit complaints comfortably if there are practices that are not in accordance with the ethical practice policy.		
	Status: Comply	
6.6		
No forms of forced or trafficked labour are used.		
6.6.1		
<p>The company shows the Sinarmas Agribusiness and Food Business and Human Rights Policy document which was approved on December 12th, 2019, by the Head of Policy and Compliance Division. The document states that the company is committed to preventing the practice of forced labor or slavery and not using workers who are the result of human trafficking in all operational activities. This policy has been disseminated to workers in each plantation unit and factory. As proof of implementation, when the auditors conducted interviews and field visits, all understood the human rights policies that apply in the company. This policy has also been socialized to external stakeholders, for example when making/renewing/signing work contracts.</p> <p>Then, based on the results of interviews with representatives of the labor unions, the following information was obtained:</p> <ul style="list-style-type: none"> • There were no acts of forced labor carried out by the company. For example, for harvesters who work every day for 7 hours of work. The unit of certification provides an output target (base) that can be obtained in less than 7 working hours. If the harvester obtains morebase, he will receive a harvest premium payment. But if they don't get results due to natural factors such as rain, they will not get a penalty. Then, based on the list of payments, harvesters have earned wages above the minimum wage. • There is no retention of identity documents during the worker recruitment process. • Every worker who works overtime always signs an overtime order. • Payment of wages to workers is never late. Salary is given every 6th at the beginning of the month. 		
6.6.2		
<p>Based on the results of a review of worker list documents for the June 2023 period, it is known that there is no use of foreign workers at PT SMART Tbk. The workforce in the company includes permanent workers (<i>PT</i>) and contract worker (<i>PKWT</i>) who come from various regions in Indonesia. Then from the results of interviews with representatives of labor unions and company representatives, it is known that there are no foreign workers in the company. The resource person also added information that all procedures related to human resource management have been implemented in the company's operational areas. Each worker has a work agreement that describes a specific job description and there is no replacement of the contract without prior consultation and approval of the worker.</p>		
	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		
<u>Structure of OHS Committee Tanah Laut Mill</u>		
<p>Decree of the Head of the South Kalimantan Province Manpower and Transmigration Service No. 566/221/Was-NKT/2023 dated July 7, 2023 concerning ratification of OHS Committee changes at PT SMART Tbk - Tanah Laut Mill.</p>		
<u>Structure of OHS Committee Tanah Laut Estate</u>		
<p>Decree of the Head of the South Kalimantan Province Manpower and Transmigration Service No. 566/222/Was-NKT/2023 dated July 7, 2023, concerning the ratification of OHS Committee changes at PT SMART Tbk, Tanah Laut Estate.</p>		
<u>Structure of OHS Committee Kintapura Estate</u>		
<p>Decree of the Head of the South Kalimantan Province Manpower and Transmigration Service No. 566/233/Was-NKT/2020 dated October 2020 concerning ratification of OHS Committee changes at the Company PT SMART Tbk, Kintapura Estate.</p>		
<u>General K3 Expert Mill and Tanah Laut Estate</u>		

Decree of the Minister of Manpower of the Republic of Indonesia No. 5/7645/AS.02/04/VIII/2020 dated August 27, 2020 concerning the designation of General OHS Expert in the name of A.R. (initials), which is valid for 3 years from the date of stipulation K3 Expert Authorization Card with No. Reg. 40295/PK3/AJ/31/2020/P1 dated August 27, 2020 in the name of A.R. (initials) and valid until August 27, 2023

Kintapura Estate

Decree of the Minister of Manpower of the Republic of Indonesia No. 5/9028/AS.01.03/VII/2022 dated August 27, 2020 concerning the designation of General OHS Expert on behalf of F.A.A. (initials), which is valid for 3 years from the date of stipulation K3 Expert Authorization Card with No. Reg. 23081/PK3/AJ/31/2022/P2 dated July 25, 2022, in the name of F.A.A. (initials) and valid until July 25, 2025

OHS Committee meetings have been held routinely every month with discussions of OHS issues and their follow-ups, for example, the OHS Committee Tanah Laut Estate meeting on June 7, 2023, with discussions including Monitoring of PPE Use and the 2023 Second Quarter Report, and the Kintapura Estate OHS Committee meeting on June 6, 2023, with discussions including, among others, Hut Cleaning and Maintenance of Knapsack Washing Facilities, Mixing Poisons, and Spraying Officer Showers.

Based on the explanation above, it is known that an OSH organization has been formed with an adequate number of personnel in accordance with the laws and regulations.

Based on the results of interviews with related agencies, the company's OHS Committee structure has been approved by the relevant offices in accordance with statutory regulations.

6.7.2

Based on document verification show that the certification unit has procedures for handling emergency response and first aid in work accidents, including the following:

- SOP for Emergency Preparedness and Response with document number SOP/SMART/GENERAL/SADV/II/005. Rev 0.0 was passed on July 1, 2014 by the Head of Upstream. This SOP is intended as a guide in identifying. Prevent potential and overcome emergencies in estate, mill and other support units in Sinarmas Plantation areas and their subsidiaries.
- SOP Design and Use of Hydrant with No. SOP/SMART/HESS-EHSD/SADV/II/014 dated July 1, 2014.
- First aid SOP with No SOP/SMART/HESS-EHSD/SADV/1/011 dated July 1, 2014

The unit of certification has also provided workers assigned to the field and other work locations and has received first aid training. In addition, the certification unit has a *hyperkes* certified medical officer with the number Certificate No. 322/SK/TPM/VII/2023 from OHS Company Service PT Trainindo Pratama Mulia on behalf of JP (initial) and SRJ (initial) dated July 29, 2023, stating that the license is in the process of being extended from the Ministry of Manpower of the Republic of Indonesia. The last first aid related training was held on July 26, 2023, with 16 participants for Kintapura Estate and on July 28, 2023, with 31 participants for Tanah Laut Estate.

Based on field observation on office and field worker, inform that the adequacy of first aid kits is already comply with regulations in numbers and types of medicines contained in first aid kits.

The verification of previous non conformity is the company showed, based on the verification of the preventive maintenance documents for the July 2023 period, the Stock Monitoring document for the availability of nozzles for the July 2023 period, the monitoring form for the contents of the first aid kit for the July 2023 period and field visits to the Mill, Tanah Laut Estate and Kintapura Estate during ASA 2.1 activities it was found that during the hydrant simulation the condition properly and function properly and the completeness and monitoring of the contents of the first aid kit at the Mill and Estate are appropriate for the Number and Type of Items in it.

6.7.3

The certification unit show documents related to the provision of PPE in the SOP document for Management of Personal Protective Equipment Number SOP/SMART/HESS-EHSD/SADV/II/010. In the guidelines it is stated that for PPE that has been damaged/cannot function properly before the specified replacement frequency, you can request replacement by bringing the old PPE and get approval

from their respective superiors.

In the context of implementing these regulations, the Company provides adequate Personal Protective Equipment (PPE) according to its designation for each worker, which is shown as follows:

- Record of Minutes of Handover of PPE on 29 April 2023. PPE in the form of Safety Boots with Toe to 1 Waste Pool employee and on 09 June 2023 in the form of Safety Boots with Toe to 6 employees of Grading TBS.
- Record of Minutes of Handover of PPE on May 4 2023. PPE in the form of white helmets and boots for 17 maintenance employees at Tanah Laut Estate.

In line with the results of document verification, harvest workers in Block F05 Division III Tanah Laut Estate also explained that employees had received PPE free of charge by the company and understood the mechanism for replacing PPE if PPE was damaged/lost. The PPE used by workers is currently in good condition and ready to use.

The auditor made field observations at the PPE Warehouse in Kintapura Estate, knowing that the company had provided spare PPE, including:

- Helmet PPE with a total of 20 pieces.
- PPE Boots with a total of 25 pairs.

Based on the explanation above, it is known that the certification unit provide adequate Personal Protective Equipment (PPE) in accordance with its designation for each worker.

6.7.4

The unit of certification already has a list of workers which also includes participant numbers for *BPJS Ketenagakerjaan* and *BPJS Kesehatan* for all workers (including workers with *PT* and *PKWT* status) in each plantation unit and factory. As one example, based on a review of the July 2023 worker list documents and proof of *BPJS* payments for the same period, it is known that companies have registered and paid all their workers in the *BPJS Ketenagakerjaan* program, which consists of work accident benefits, death benefits, old age security and pension benefits as well as *BPJS Kesehatan* via Bank Transfer with the following details:

- TLTM
 - The list of workers in the TLTM unit for the July 2023 period is 79 workers.
 - Proof of *BPJS Ketenagakerjaan* payments for the period July 2023 for 79 workers on July 25th, 2023.
 - Proof of *BPJS Kesehatan* payments for the July 2023 period for 79 workers on July 6th, 2023.
- TLTE
 - The list of workers in the TLTE unit for the June 2023 period is 374 workers.
 - Proof of *BPJS Ketenagakerjaan* payments for the period June 2023 for 374 workers on July 24th, 2023.
 - Proof of *BPJS Kesehatan* payments for the period June 2023 for 374 workers and 383 dependents of workers on July 6th, 2023.
- KNTE
 - The list of workers in the KNTE unit for the July 2023 period is 374 workers.
 - Proof of *BPJS Ketenagakerjaan* payments for the July 2023 period of 374 workers on July 25th, 2023.
 - Proof of *BPJS Kesehatan* payments for the July 2023 period of 369 workers and 318 dependents of workers on July 6th, 2023. There is a difference of 5 workers who are not registered in the *BPJS Kesehatan* program because these workers are already registered in the government health insurance program, namely PBI and *JAMKESDA*.

Based on the results of interviews with plantation and factory workers, it is known that the company has provided employment guarantees to all workers and health insurance to workers and their families (wife and children). The workers have held the *BPJS* card and know the registration number. The worker also added information that the *BPJS Kesehatan* card can be used for treatment when a family member is sick.

Based on the above, it can be concluded that the company has provided health services and protected all its workers with work accident insurance (*BPJS Ketenagakerjaan*) and health insurance (*BPJS Kesehatan*).

6.7.5

Work accidents are recorded using the Lost Time Accident (LTA) listed in the Accident Statistic Period 2022 document for January –

December 2022, which among others explains the number of accident cases, the number of days lost, Frequency Rate (FR) and Severity Rate (SR), among others as follows: following:

UNIT	TOTAL WORKER	CASE	FR	SR
Tanah Laut Estate	500	3 cases with lost working days 0	4.00	0.0
Kintapura Estate	376	3 cases with lost working days 5	4.00	7.00
Mill	92	Zero Accident	0.0	0.0

From the document above, the company has also carried out an investigation into work accidents that occurred as well as processing claims.

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

Based on document verification and interviews with management representatives, it is known that there has been no revision of the HPT Control SOP. The company is still using SOP/SMART/MCAR/VII/TA-HPT. The procedure for setting up an early warning system is routine enumeration of potential pests and diseases, with emphasis on mechanical and biological control, such as planting beneficial plants (*Turnera subulata*, *Cassia cobanensis*, and *Antigonon leptosus*) to anticipate fire caterpillars. The certification unit also have a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box as a mechanism to control rat. The company monitoring barn owl box occupation at least once a month. The monitored parameter is the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl.

The certification unit has conducted regular pest and disease censuses. For example, for the results of the rat dan leaf eater caterpillar census, it is known that during the period January – June 2023, there were no rat and caterpillar attacks that exceeded the threshold. Based on field observations, both in Tanah Laut and Kintapura Estate, did not find any rats or caterpillar attacks.

7.1.2

Based on document review and field observations, the Certification Unit applies several biological control practices to suppress pests and diseases such as owls (*Tyto alba*) and manage them properly. The company also has *Turnera ulmivolia* in well-maintained condition. This plant as a predatory host plant for leaf-eating caterpillars, which is an invasive species, refers to LHK Ministerial Regulation No.P.94/MENLHK/SEKJEN/KUM.1/12/2016. The company also shows a plan and monitors its spread by carrying out regular maintenance of beneficial plants on monitoring beneficial document so that the spread can be controlled, such as during a field visit to Tanah Laut Estate.

7.1.3

Based on the results of interviews with company management, it is known that the company has never used fire to control pests and diseases. Pest and disease control in the company only uses biological and chemical if it is above the set threshold.

Status: Comply

7.2

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

7.2.1

The certification unit has shown the SOP for the Safe Use of Pesticides. The purpose of the procedure is that workers handling pesticides are always aware of the magnitude of the danger of poisoning and the level of health risk due to their work activities, in addition to carrying out safe and appropriate operational performance related to the use of pesticides in accordance with the instructions for use. The contents of the procedure include the level of material hazard based on WHO class, level of poisoning based on LD50, statement of material hazard, color and hazard symbols and danger signs.

Based on document review, interviews, and field observations during the onsite audit, it is known that the certification unit already has justification for the application of pesticides, the certification unit has shown a document listing the pesticides used in the 2022 - 2023 period. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide. The examples of pesticides used are Garlon Mix 333/ 17 EW with the active ingredient *Triclopyr butoksi ethyl ester*; LD50 (mg/kg) 5,000; RI registration number RI. 0103011984695 valid until January 31, 2025, WHO class III, pesticides targeting broad leaf weed and narrow leaf weed.

7.2.2

The company has shown documents on the use of pesticides for the period 2022 - 2023. The documents describe the type of pesticide, active ingredient, LD50, active ingredient content, amount of pesticide use, area of pesticide use, and pesticide use per hectare. For example, the use of the pesticide Garlon with the active ingredient Triclopyr, dermal LD50 2000 mg/Kg, oral LD50 > 1.378 mg/Kg, total use for the period January – June 2023 is 1,041 liters with an area of use of 1,865 ha and use/ha is 0.55 liters/ Ha in Tanah Laut Estate.

7.2.3

Based on the leaf eater caterpillar census in Tanah Laut Estate in July 2023 with attacks below the threshold correlated with planting beneficial plants in the Tanah Laut Estate area as leaf eater caterpillar biological control using *Turnera subulata*, *Cassia cobanensis*, and *Antigonon leptosus*. This means that the use of pesticides controlling leaf eater caterpillar can be minimized according to the IPM plan.

Based on verification document of pesticide use for the period January - June 2023, it was found that the certification unit no longer used pesticides with the active ingredients of paraquat dichloride, brodifacum, coumatetralyl, and carbofuran. This shows that the certification unit has implemented a policy of limited pesticide use in accordance with the circular described above.

Based on observations of plant pests and diseases, it is known that the results are directly proportional to the results of observations in the previous year where there is no use of chemicals to control pests and plant diseases.

7.2.4

Based on the review of pesticide use documents, interviews with company management and results of field visits. It is known that the company does not use pesticides preventively to prevent pests and diseases. Pest and disease control is only carried out based on census results. If it is known that the census results exceed the threshold, then control is carried out.

7.2.5

Based on the results of field observations in Kintapura Estate, it is known that the company uses a pesticide with the active ingredient Glyphosate under the Supremo brand. This pesticide is included in the WHO class III criteria. The results of the document review and interviews also revealed that in 2022 until the audit was carried out there was no use of WHO class 1A and 1B pesticides, or in the Stockholm/Rotterdam convention.

Regarding the commitment to reduce the use of pesticides, it has been stated in the Memorandum of President Director document Number 032/PD/VIII/2016 dated 13 August 2015, which explains that the use of paraquat has been abolished since early 2016. Also, the company consistently uses biological agents to control pests such as the use of the *Tyto alba* owl as a method of biological control of rat pests and the planting of useful plants as host plants for parasitosis for oil palm leaf-eating caterpillars.

7.2.6

The company has shown evidence that all workers have received adequate OHS training, which is shown in the 2023 Worker Training Plan and Program document signed by the Estate Manager. In total there are several types of training planned, including:

- Spraying and Fertilizing Training.
- Emergency Response Simulation and Firefighter Training.
- First Aid Kit Holder Training.
- SDS and Chemical Mixing Training.

The last training related to pesticide handling was conducted on June 22, 2023, for pesticide applicators in the Spraying applicator and foreman with 10 participants.

As a result of a field visit to the rinse house block Kintapura Estate, it is known that the company already has sanitation facilities equipped with rinse rooms, showers, drainage channels, storage areas for control devices and PPE.

The results of a field visit to the chemical/pesticide storage warehouse revealed that the chemical storage area had been equipped with an MSDS, this was in accordance with Government Regulation Number 74 of 2001 concerning Hazardous Material Management.

7.2.7

The company has a material and chemical management procedure (SOP / SMART / LEMS-EHSD / SADV / I / 006) which explains the inspection of materials and characteristics including hazardous chemicals. Officers who control are warehouse officers. Officers periodically monitor the condition of stored materials to find out damage and expiration.

Based on the results of field visits in the pesticide (chemical) storage warehouse at Kintapura Estate and Tanah Laut Estate it is known that the storage of all pesticides is in accordance with the procedure and does not mix with other materials.

7.2.8

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

The company shows a letter from Ministry of Environment and Forestry, Director General of Waste Management, hazardous and hazardous Waste, Directorate of Verification for Management of hazardous and non-hazardous waste, dated January 12, 2021 No.S.11/VPLB3/PNLB3/PLB.3/01/2021 regarding clarification of PT SMART waste which explains the use of hazardous waste PPE contaminated with hazardous, used pesticide packaging, and used fertilizer sacks. Based on the letter, the hazardous waste management plan that is carried out is to wash it 3 times in a special place, the used washing water is managed by being accommodated in a special reservoir and reused for activities according to the characteristics of hazardous and waste recording and reporting to the Ministry of Environment and Forestry every 3 months. The company shows a report on the use of non-hazardous waste sent to the Ministry of Environment and Forestry for the second quarter of 2023 according to electronic receipt number 1688455697-3551, the report explains the data on the management of hazardous waste that is used, for example used data. fertilizer sacks and used pesticide packaging for activities according to the characteristics of hazardous waste and hazardous toxicity.

Based on field visits and interview with pesticide warehouse operator and the temporary storage area for hazardous and toxic waste in the estate and rinse room, it was found that the pesticide storage area was well managed, oil traps were available, adequate and isolated airways so there was no potential for pesticide exposure to leave the warehouse. Before being stored in a temporary storage place for hazardous and toxic waste or reused the used pesticide packaging in the form of jerry cans is rinse first, before ready to use.

The company already has a rinse room to rinse used pesticide container and used fertilizer sack, after to rinse it is storage on specially storage. all hazardous waste be managed and recorded on report hazardous waste reuse, and reported to government.

Based on field observations in the housing area of Kintapura and Tanah Laut Estate showed that there was no reuse of pesticide containers. It was further explained that the pesticide containers were only reused for spraying activities in the field.

7.2.9

Based on the review of pesticide use documents and interviews with company management, it is known that the company does not carry out pest control by spraying pesticides through the air.

7.2.10

The company already has a health check plan for all employees which is contained in the 2023 Employee Health Checkup Program document. The document informs plans for carrying out regular and special health checks for all employees.

The last medical examination in collaboration with the company's Clinic with the following results:

Tanah Laut Estate

The company showed documents of the results of the cholinesterase examination conducted at the company clinic to 53 employees (spray, fertilizer and warehouse) of Tanah Laut Estate on March 16, 2023. The results of the examination showed that all employees met the requirements to work.

Kintapura Estate

The company showed documents of the results of the cholinesterase examination carried out at the company clinic to 51 employees (spray, fertilizer and warehouse) of Kintapura Estate on March 17, 2023. The results of the examination showed that all employees met the requirements to work.

The results of interviews with Kintapura Estate pesticide applicators found that the company always conducts special health checks for workers with high risk potential where the results of the examination will be notified directly by the medical officer at the work site to each employee. It was further explained that if there are problems with the results of the examination, the employee will be referred directly to carry out a follow-up medical examination at the company's partner hospital.

Based on the results of employee inspections in all units, it is known that all employees examined are in good health and ready to work.

7.2.11

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

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

POME

The waste treatment process in the mill with the WWTP pond system. Before being used on plantation land, all wastewater is treated first in the WWTP pond until it reaches the permissible quality standards for wastewater utilization with the provisions of pH 6-9 and BOD \leq 5000 mg / l. TLTM has a permit for mill waste management, disposal or land application in accordance with stipulated requirements.

Solid Waste (Fiber, Shell and EFB)

The company utilizes fiber and shells as boiler fuel, while EFB is applied to plantation land as fertilizer for oil palm plants.

Hazardous and Toxic

The company also has a permit for the Temporary Storage of Hazardous and Toxic Waste by the Regional Government based on the Decree of the Head of the Investment Service and One Stop Services of Tanah Laut Regency No. 140/16-PLB3/DPM-PTSP/2019 dated 6 August 2019 and is valid for 5 years.

Base on field visit on hazardous waste storage and housing complex employee is known waste type are properly disposed of based on toxicity and hazardous characteristics.

7.3.2

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

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

Based on an interview with the manager related to the disposal of domestic waste, by separating organic and inorganic waste. Afterward, fiber and shell are managed by renewable energy usage for boiler and palm oil mill effluent (POME), managed by the effluent pond and land applications as a nutrient cycle.

7.3.3

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

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 - 7.4.3

The company has a policy or procedure related to the management of soil fertility in the context of optimal production in Document No. SOP/SMART/MCAR/IX/TA-PPK regarding fertilization. This procedure aims to serve as a guide in applying fertilization in accordance with management policies. The scope of fertilization activities in the SOP includes all activities related to fertilization of oil palm in nurseries, immature plants, and mature plants, both inorganic fertilization and oil palm by product based on the results of soil and leaf analysis.

There are records of leaf and soil sample analysis activities on a regular basis to monitor and manage changes in soil fertility and plant health, which are described as follows:

Soil Analysis Results

For example, Soil Analysis of Tanah Laut Estate Number 073/TANAH/AL/ANLZ/03/19 dated 19 March 2019 issued by the SMART Research Institute Division - PT Smart Tbk for a total of 12 samples. The parameters analyzed included pH, hydrometry, C. Org, N-tot, P, K, Mg Cad, Exchange base, P Bray, CEC and H-Al Exchange.

Leaf Analysis Results

For example, Kintapura Estate Leaf Analysis Number 230/DAUN/LAB-SMARTRI/V/2022 dated 18 May 2022 issued by the SMART Research Institute Division – PT Smart Tbk for a total of 25 samples. The parameters analyzed include N, P, K, Mg, Ca, B and Cl.

Based on the document review, it is known that as a nutrient recycling strategy, the certification unit utilizes EFB, and POME. The certification unit shows a record for example EFB application in an area of 7,046 Tons and land application in an area of 27,002 m³.

7.4.4

The certification unit has recorded inorganic and organic fertilizing well during 2022 and recorded it in the fertilization month report. Fertilization records have been shown in the 2022 fertilizer progress document, which includes fertilization programs and realization. For the period of 2022 the certification unit used fertilizer Urea, MOP, TSP, DAP, HGFB, and Dolomite. For example:

Fertilizer Type	Total Kintapura Estate (Ton)		
	Plan	Realization	%
Urea	236,100	236,100	100
DAP	1,200	1,200	100

TSP	9,700	9,700	100
SP-36	172,450	172,450	100
MOP	474,500	474,500	100
Dolomite	129,050	129,050	100
HGFB	15,278.45	15,278.45	100
Total	1,038,278.45	1,038,278.45	100

Based on the results of field visits in block I23 Division 2 Tanah Laut Estate, it is known that the planting area and plants are in well-maintained and well-maintained condition.

Status: Comply

7.5

Practices minimize and control erosion and degradation of soils.

7.5.1 - 7.5.3

Based on a semi-detailed soil survey PT Smart Tbk Region Kalimantan Selatan 1 – Perkebunan Sinar Mas III period 2016, it was informed that the company's soil classifications, namely Typic Hapludults, Aquic Hapludults, Typic Endo aquults and Reclamation so that no peat soil classification was found.

The topographic conditions at PT Smart Tbk based on map of the slope class of Tanah Laut Estate PT Smart Tbk Region Kalimantan Selatan 1 – Perkebunan Sinar Mas III oil palm plantation with a scale of 1:50,000 period 2016 and slope class of Kintapura Estate with scale 1:30.000. The information as follows:

Tanah Laut Estate

SLOPE CLASS (°)	DESCRIPTION	AREA (Ha)
0-2	Flat	190.36
2-5	Undulating	605.48
5-9	Rolling	1,411.33
9-12	Hilly	618.67
12-22	Steep	286.93
Total		3,112.77

Kintapura Estate

SLOPE CLASS (°)	DESCRIPTION	AREA (Ha)
0-2	Flat	-
2-5	Undulating	1,285.82
5-9	Rolling	157.71
9-12	Hilly	-
12-22	Steep	-
Total		1,443.53

Based on field observations in the undulating area of Tanah Laut Estate, it is known that erosion mitigation efforts are carried out by arranging the transverse midrib and neprolepis at the crossroads. Based on the explanation above, it is concluded that the certification unit already has maps that identify marginal land, including land with steep slopes.

The company has topographic maps and land surveys in the management of planting areas. This information is used by the company in planning for oil palm plantation development such as the construction of roads, bridges, ditches and other infrastructure.

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

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 - 7.6.3

Based on a semi-detailed soil survey PT Smart Tbk Region Kalimantan Selatan 1 – Perkebunan Sinar Mas III period 2016, it was informed that the company's soil classifications, namely Typic Hapludults, Aquic Hapludults, Typic Endo aquults and Reclamation so that no peat soil classification was found.

The topographic conditions at PT Smart Tbk based on map of the slope class of Tanah Laut Estate PT Smart Tbk Region Kalimantan Selatan 1 – Perkebunan Sinar Mas III oil palm plantation with a scale of 1:50,000 period 2016 and slope class of Kintapura Estate with scale 1:30.000. The information as follows:

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The company has topographic maps and land surveys in the management of planting areas. This information is used by the company in planning for oil palm plantation development such as the construction of roads, bridges, ditches and other infrastructure.

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 – 7.7.7

Based on a semi-detailed soil survey PT Smart Tbk Region Kalimantan Selatan 1 – Perkebunan Sinar Mas III period 2016, it was informed that the company's soil classifications, namely Typic Hapludults, Aquic Hapludults, Typic Endo aquults and Reclamation so that no peat soil classification was found.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

During Surveillance 1.2, the company demonstrated the implementation of river border management as follows:

- Annual HCV Management Plan for the period January – December 2023, which was prepared by the SPO Officer and known to the Estate Manager, explains that river border management is carried out by maintaining HCV boundary signs every 3 months,

maintaining HCV warning boards every 3 months, monitoring HCV attributes every 3 months, and monitoring HCV conditions once every 3 months.

- HCV Patrol Report June 2023 at KNTE in Blocks G1-G9, H8, I1-I8 and J08-09 informs that the HCV is in safe condition and there is no damage.
- HCV Warning Board maintenance Quarter 2 2023 KNTE in Blocks G1-G9, H8, I1-I8 and J08-09 informs that the HCV warning board is in good condition.
- HCV boundary sign maintenance Quarter 1-2 2023 at KNTE explains that there are 20 boundary signs with bush clearing maintenance actions.
- Socialization regarding spraying procedures and sustainability policies on April 12, 2023 to 100 KNTE maintenance workers.

The company has presented the Water Resources Management and Monitoring SOP document No. SOP/SMART/BCOS-EHSD/SADV/II/004 dated 01 July 2014 by the Head of Upstream which explains that for border protection, manual treatment of oil palm plants is carried out to reduce pollution water sources by not applying chemicals (agrochemicals) to control oil palm weeds around the water source area.

The results of the field visit during the ASA-4 assessment showed that there were traces of spray activity in Block F08 Division 1 and Block J07 Division 2 on border of Salaman River KNTE. This is in line with the SAP document for spray activities in May 2023 which shows that there were disc spray activities on 13, 22 and 24 May 2023 in Block F08 and 22-23 May 2023 in Block J07 KNTE.

Thus, the company has not been able to carry out the corrective actions and corrections shown to the previous auditor and the results of the current auditor's verification have not been realized optimally and comprehensively so that the nonconformity in **NCR No. 2022.02** changes its status to **Minor raised to Major** category.

7.8.2

Based on field visit during audit, for examples on HCV Kintap River Riparian Area, Block D20 Tanah Laut estate the auditor acquired information that company effort to maintain the water source, provide water source information boards, determine water test locations and conduct testing every 6 months, conduct socialization to workers and the community regarding water source management.

7.8.3

POME quality testing document review shown for July 2022-June 2023 all of POME testing parameters are compliant to the standards quality (for examples BOD on June 2023 are 469.01 mg/l with threshold 5000 mg/l and pH 7.79 with threshold 6-9), and all of POME management and monitoring has been reported to related institutions for regular basis per 3 months. The POME quality testing still accordance minister environmental number 28-year 2003.

The company has shown Decree No.660/014-PERTEK/TL/DPRKP&LH/2021 on 18 August 2021 concerning the technical approval for monitoring wastewater into the ground issued by the Public Housing for Settlement Areas and Environment Agency of Tanah Laut Regency. Based on the technical approval, information was obtained that the effective application land area was 130 Ha, the reserved area was 350 Ha. The application block locations are C16, C17, C21, C22, C23, C24, D15, D16, D22, D23, D24, D25, E19, E20, E22, E23, E24, E25 and F18. In addition, the technical approval document already has a letter of operational feasibility in PT Smart Tbk's Operational Feasibility Letter No. 660/1-SLO/TL/DPRKP&LH/XII/2022 by Public Housing for Settlement Areas and Environment Agency of Tanah Laut Regency dated 30 December 2022 which contains the operational feasibility of utilizing liquid waste on land.

7.8.4

The company already has a water use/utilization permit owned by the company, namely based on the Surface Water Utilization Permit (SIPA) document No. 503/2.5-12/DPMTSP/VI/2023 issued by One Stop Integrated Service Investment Agency Kalimantan Selatan Province and valid from 17 June 2023 to 16 June 2028. The water intake location is in Bukit Mulia Village, Kintap District, Tanah Laut Regency. This letter does not explain the maximum capacity for permitted use of surface water, but the company has an obligation to pay regional levies.

The company can also show the results of a recapitulation of water use for the period January-June 2023. Based on this data, the average water use for the FFB processing process is 17,610 m3 with an average water use of 2,935 m3/month. The water usage ratio in January-June 2023 is 0.52 m3/ton of FFB, which is below the budget ratio determined by the company, namely 0.65 m3/ton of FFB.

The company can also show proof of payment of water levies to the Regional Finance Agency of the South Kalimantan Provincial Government for the period June 2023 which was paid on 03 July 2023.

7.8.1 Status: Non-Conformance number 2022.02 with minor raised to major category.

7.9

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

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to June 2023 POM has produces 591.602 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 17,63 kwh/ton FFB. Result direct fossil fuel used is 3,63 liter/tonFFB.

Status: Comply

7.10

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

7.10.1

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

Reduction of fossil fuels in Tanah Laut POM has been carried out by using fiber and shells for fuel substitution. The company also uses POME to be applied to land with test results from the monitoring period January-June 2023 which show that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it was found that accurate data has been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January-December 2023 is as follows:

Emissions per product	tCO2e/tProduct
CPO	1.72
PK	1.72

Production	t/yr
FFB processed	60,118.55
CPO produced	11943,95
PK produced	3219,03

Extraction	%
OER	19.87
KER	5.35

Land use	Ha
Planted area on mineral	3177.92
Planted on peat	0
Total area planted	3,177.92
Conservation Area (Forested)	0
Conservation Area (Non-Forested)	250.52
FFB Production per hectare	18.92

Summary of field emission and Sinks

Description	Own crop		Group		3rd	Total
Emissions Sources	tCO ₂ e	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/tFFB	tCO ₂ e	
Land conversion	15777.25	0.30	0.00	0.00	0.00	15777.25
CO ₂ emissions from fertilizer	3128.27	0.06	0.00	0.00	0.00	3128.27
NO ₂ emissions from peat	0.00	0.00	0.00	0.00	0.00	0.00
NO ₂ from Fertilizer	2894.95	0.05	0.00	0.00	0.00	2894.95
Fuel consumption	364.99	0.01	0.00	0.00	0.00	364.99
Peat oxidation	0.00	0.00	0.00	0.00	0.00	0.00
Sinks						
Crop sequestration	-10387.41	-0.20	0.00	0.00	0.00	-10387.41
Sequestration in Conservation area	0.00	0.00	0.00	0.00	0.00	0.00
Total	11778.05	0.22	0.00	0.00	1646.43	13424.48

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	11784.25	0.20
Fuel consumption	842.82	0.01
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	12627.07	0.21

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

There is emissions decrease from the previous period which is showed that emission in previous assessment is 1.72 tCO₂e/tProduct while in this assessment is 1.11 tCO₂e/tProduct. This occurs due to fertilizer usage decreased from previous period. Based on this explanation, unitof certification has been identified and assessed its GHG emission from its operational activity in accordance with actual conditions.

7.10.2 & 7.10.3

Based on the document review and interview management representative it is known that no new land clearing was carried out above 2014. Unit of certification has identified source of pollution and mitigation plan contained in identification and evaluation form document of environmental aspects number F/LEMS-EHSD/SADV/001/001. Unit of certification has also carried out management and monitoring related to results of identification and mitigation plans as evidenced through Report of Management and monitoring Implementation of Semester I 2023 and has reported it to Public Housing and Settlement Areas Agency of Tanah Laut Regency.

Based on verification of the document, it shows that in the management of air pollution, the certification unit has tested air emissions on boilers and generators as well as ambient air. The test is carried out by a accredited laboratory on 16 March 2023. Based on the analysis of the test results, it can be concluded that there is no value above the applicable quality standard, namely Environment Ministry Regulation Number 07 of 2007 for Boilers, Environment Ministry Regulation Number 13 of 2009 for Gensets and Government Regulation Number 22 of 2021 for ambient air.

In addition, unit of certification has also carried out management for interference from immovable sources. The tests were carried out by accredited laboratory on 16 March 2023. The tests carried out by unit of certification included testing for odor, vibration, and noise in the work area and housing. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable statutory regulation.

Result of interview with boiler and generator officers stated that there was never any hearing loss experienced by the informants or other factory workers. Unit of certification has also carried out routine health checks. The resource person also explained that the obligation to use PPE in the work area is an obligation that must not be violated, warnings about the use of PPE and checking the completeness of PPE are also applied 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 certification unit has a policy of land clearing by not burning land (zero burning) which is contained in the SOP for Fire Management in Plantation Land. Based of field observations and document verification revealed that there was no new planting activity in the certification unit but certification unit is currently carrying out replanting activities in the Tanah Laut Estate, further explained that the certification unit uses a mechanical system and does not do it by burning.

7.11.2

The certification unit has procedure for preventing and controlling land and/ or estate fires and has formed a fire emergency response team for estate and mill. To ensure that human resources are able to prevent and handle fires and other emergencies, the certification unit conducts trainings and socializations related to handling fire/ emergency situations in the operational environment. For example, the certification unit conducted a simulation of an emergency and fire on 09 February 2023 with the participants of the emergency response team and representatives of the surrounding community. The purpose of this activity is to test and evaluate the ability of the fire emergency response team in tackling land fires; train and evaluate the readiness of medical staff in handling collusion; train and improve cooperation between fire emergency response teams, calculate quick responses, ensure emergency response infrastructure is ready for use.

7.11.3

The Certification Unit periodically conducts socialization and joint training to increase public understanding and awareness. Especially for people who are directly adjacent to the certification unit. Based on the results of interviews with representatives from Sungai Cuka and Pasir Putih Village, it was stated that the certification unit had conducted socialization and facilitated joint fire management training.

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 are no new plantings activity since November 2005. Tanah Laut and Kintapura Estates were developed in 1995 to 2005 and During audit, the unit of certification can present the realization of reclamations start 2016 until 2021 is 214.97 Ha.

7.12.2

The High Conservation Value areas have been identified and assessed by the Biodiversity and Conservation Section of the Sustainability Division of the SMART group on Nov 2011 (TLTE and KNTE). The assessors are the RSPO-approved HCV assessor (Norman Faried M., Kusuma Widya R., and Bambang Setiaji. When compiling the HCV document, the ALS scheme has not been issued by the RSPO Secretariat and still uses the Approved RSPO HCV Essessor scheme by using the Value Area Identification Guide High Conservation in Indonesia, Consortium Revised HCV Toolkit Indonesia, July 2008. The process of preparing the HCV Identification Report has been through a public consultation process on October 5, 2011 which was attended by 35 participants who were representatives of the surrounding Village Heads, Trade Unions, community leaders, etc. Peer Review by Ir. Nyoto Santoso, MS. Based on the identification results, an HCV area of 337.46 hectares was obtained, consisting of river banks and swamps.

The HCV Identification Report is equipped with a 1: 25,000 HCV Map showing the locations of HCV areas in the PT SMART Tbk Working Area. Scope of HCV Identification Study was carried out on all work areas of PT SMART Tbk consisting of Tanah Laut Estate and Kintapura Estate including areas that are still in Kadastral status (Division III, Kintapura Estate). Based on HCV assessment document showed that in the plantation area of TLTE and KNTE were identified several areas of HCV.

Last updated data on the area of HCV for the entire scope of PT Smart Tbk was held in 2015 and conducted by the HCV Verification Team of PT SMART Tbk, based on the study there were several changes in the area of the HCV that became the reference in HCV management until the surveillance-2.1 audit was conducted, among others:

Estate	HCV	Area (Ha)
Tanah Laut Estate	Riparian Kintap River	126.60
Kintapura Estate	Riparian Salaman River, RTE species dan wetlands	123.92
TOTAL		250.52

Result of interview with unit of certification and document review show that there are differences between the data on the HCV area and the data on the area statement and basic info, this is because the location names in the area statement and basic info documents refer to actual conditions in the field and not based on the status of the area. The following is a description of the HCV area described referring to actual conditions in the field, including:

Kebun	Kondisi Aktual	Area (Ha)
TLTE	Planted area	68,74
	Road	5,28
	Ditches/swamps/rivers	29,81
	Steep area	0,25
	Flood area	17,13
	Shrubs	5,39
KNTE	Planted area	99,64
	Road	4,36
	Ditches/swamps/rivers	19,43
	Stone area	0,05
	PLN line	0,44
Total		250,52

7.12.3

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

7.12.4

The company already has a 2023 HCV management and monitoring plan which is stated in the 2023 HCV Management Plan document for PT SMART Tbk, namely:

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

The company can show the master plan of the 5-year HCV management plan for the period 2019-2024 which has been developed together with stakeholders, namely on February 14, 2019 in Bukit Mulia village, Sumber Jaya village, Salaman village dan Kintapura village.

The company can demonstrate the implementation of the HCV management and monitoring plan for the period 2023, for example:

- Socialization to workers in Tanah Laut Estate work area carried out on March 15, 2023 and attended by 210 participants.
- Socialization to workers in Kintapura Estate plantation work area which was carried out on April 12, 2023 and was attended by 219 participants.
- Socialization to the community in Salaman Village and Kintapura Village which was carried out on July 5, 2023 and was attended by 8 participants.
- Socialization to the community in Bukit Mulia Village, Sumber Jaya Village, and Sumber Cuka Village which was conducted on March 15, 2023 and was attended by 4 participants.
- Monitoring reports on animal/plant species for the period January June 2023. Based on the results of the monitoring, it is known that there are types of *Biawak*, *cekakak belukar*, *macan akar*, *phyton* and *elang tikus*.
- Annual HCV Management Plan for the period January – December 2023, which was prepared by the SPO Officer and known to the Estate Manager, explains that river border management is carried out by maintaining HCV boundary signs every 3 months, maintaining HCV warning boards every 3 months, monitoring HCV attributes every 3 months, and monitoring HCV conditions once every 3 months.
- HCV Patrol Report June 2023 at informs that the HCV is in safe condition and there is no damage.
- HCV Warning Board maintenance Quarter 2 2023 informs that the HCV warning board is in good condition.
- HCV boundary sign maintenance Quarter 2 2023 explains that there are boundary signs with bush clearing maintenance actions.

7.12.5

Results of the verification documents, field visits and interviews via telephone with villagers (Sumber Jaya Village, Pasir Putih Village, and Sungai Cuka Village) obtained information that there are no areas of HCV-related and affect the local community.

7.12.6

Unit of certification 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.

Based on the results of interviews with unit of certification's employees regarding animal protection, unit of certification has committed to protecting animals that are within the scope of the unit of certification's management area, such as implementing a ban on hunting, killing and keeping wild animals within the unit of certification's environment. The procedure for animal protection also regulates the existence of sanctions or fines for those who violate these provisions.

In addition, unit of certification 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 was carried out on 15 Maret 2023 and 12 April 2023 which was attended by 519 participants, while for the HCV socialization to the community was carried out on 05 Juli 2023 and 15 Maret 2023 in Villages of Salaman, Kintapura, Bukit Mulia, Sumber Jaya, and Sumber Cuka.

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. Result of field observation in sampling point of conservation areas show that unit of certification 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 unit of certification. Result of interview with several samples of workers also stated that unit of certification had committed to protecting RTE species and provided strict sanctions if anyone violated the applicable regulations.

7.12.7

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

The company conducted a management review related to the management of the HCV area on January 2023. The company has evaluated the results of management of river boundaries and HCV areas in 2022, among others, as input in the preparation of a management plan for the management and monitoring of HCV in 2023.

The company conducted a management review related to the management of the HCV area on 2022. The company has evaluated the results of management of river boundaries and HCV areas in 2023, among others, as input in the preparation of a management plan for the management and monitoring of HCV in 2023.

7.12.8

Based on document review and interviews with management, it was found that there were no new land clearing activities after November 2005. Tanah Laut and Kintapura Estates were developed in 1995 to 2005 and During audit, the unit of certification can present the realization of reclamations start 2016 until 2021 is 214.97 Ha.

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 2.1	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	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 2.1	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
ASA 2.1	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA 2.1	PT Smart, Tbk do not use RSPO trademark and CB Logo.	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>16. PT Adi Tunggal Mahajaya (Sako Mill and supply base) compliance audit on 8 November 2021.</p> <p>Then there will be additional units in 2022 with the acquisition by GAR of 2 mills and 16 Estates (11 own estates and 5 estate plasma/KKPA). Internal audit activities have not yet been carried out, but prior to the acquisition of these units, GAR has carried out a due diligence or internal assessment so that it can be decided to be acquired by GAR and the internal audit plan to be carried out on these units can be shown, with details as follows:</p> <ol style="list-style-type: none"> 1. PT 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>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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 3. PT. Harapan Rimba Raya – Sungai Kedang Mill: Compliance Audit 17 May 2022 4. PT. Kruing Lestari Jaya – Sungai Perak Mill: Compliance Audit 23 May 2022 5. PT. Kresna Duta Agrindo – Rantau Panjang Mill: Compliance Audit 06 June 2022 6. PT. Sawitakarya Manunggal – Sawita Mill: Compliance Audit 13 June 2022 7. PT. Binawit Abadi Pratama – Perdana Mill: Compliance Audit 20 June 2022 8. PT. Paramitra Internusa Pratama – Belian Mill: Compliance Audit 26 June 2022 9. PT. Bahana Karya Semesta – Sungai Air Jernih Mill: Compliance Audit 03 October 2022 10. PT. Sawit Mas Sejahtera – Sungai Kikim Mill: Compliance Audit 03 October 2022 11. PT. Sinar Kencana Inti Perkasa – Kasuari Mill: Compliance Audit 03 October 2022 12. PT. Sinar Kencana Inti Perkasa – Demta Bulking: Compliance Audit 06 October 2022 13. PT. Aditungal Mahajaya - Sako Mill: Compliance Audit 14 November 2022 14. PT. Agrolestari Sentosa – Jalemo Mill: Compliance Audit 21 November 2022 15. PT. Mitrakarya Agroindo – Tangar Mill: Compliance Audit 05 December 2022 16. PT. Agrokarya Prima Lestari – Kuayan Mill: Compliance Audit 05 December 2022 17. PT. Sinar Kencana Inti Perkasa – Sungai Magalau Mill: Compliance Audit 12 December 2022 18. PT. SMART - Bukit Kapur Mill: Compliance Audit 12 December 2022
		3.0 Auditor Verification:
		4.0 Internal Audit report available for uncertified management unit:
		<ol style="list-style-type: none"> 1. PT. SMART - Bukit Kapur Mill: Compliance Audit 12 December 2022 2. PT. Agrolestari Sentosa – Jalemo Mill: Compliance Audit 21 November 2022 3. PT. Binawit Abadi Pratama – Perdana Mill: Compliance Audit 20 June 2022 4. PT. Aditungal Mahajaya - Sako Mill: Compliance Audit 14 November 2022 5. PT. Mitrakarya Agroindo – Tangar Mill: Compliance Audit 05 December 2022

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>6. PT. Kruing Lestari Jaya – Sungai Perak Mill: Compliance Audit 23 May 2022</p> <p>7. PT. Bangun Nusa Persada – Kenari Mill: Compliance Audit 19 September 2022</p> <p>In 2022, GAR has made additional units by acquiring 4 factories namely Sungai Perak Mill, Sungai Kedang Mill, Bukit Perak Mill, Bumi Palma Mill and 15 plantations (11 own plantations namely Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Pahu Estate, Bukit Permai Estate, Bukit Lestari Estate, Kharisma Estate and 4 plasma plantations/KKPA namely Sungai Pikan Plasma, Sungai Tohan Plasma, Sungai Pahu Plasma, Kharisma Plasma).</p> <p>Internal audit activities have been carried out, as follows:</p> <ol style="list-style-type: none"> 1. PT Kruing Lestari Jaya: Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA with an internal audit on 17 May 2022. 2. PT Harapan Rimba Raya : Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA with an internal audit on 17 May 2022. 3. PT Rimbaraya Tamajaya: Sungai Pahu Estate and Sungai Pahu KKPA with an internal audit on 17 May 2022. 4. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 5. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill (PT Bumi Permai Lestari) that has been certified with an internal audit on 28 March 2022. 6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill (PT Bumipalma Lestari Persada) that has been certified with an internal audit on 8 August 2022. 7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) with an internal audit on 7 November 2022.
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.12	<p>Company Group/Holding Statement:</p> <p>Several companies under GAR were planted above November 2005, while the HCV assessment process was conducted in the period 2010 – 2013.</p> <p>GAR and its subsidiaries carried out a Remediation and Compensation (RaCP) procedure beginning with Disclosure and Zero Liability reporting to the RSPO via email on 29 August 2014.</p>

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

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 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. 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. 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 5. PT Kartika Prima Cipta – Kalimantan Barat (Muara Tawang Estate), the LUCA report which is still in the RSPO review process. 6. PT Agrolestari Mandiri – Kalimantan Barat (Pekawai Mill and supply bases), the LUCA report which is still in the RSPO review process. 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. 8. PT Paramitra Internusa Pratama – Kalimantan Barat (Belian Mill, Belian Estate and Tengkawang Estate), LUCA report is in the process of being revised and will be sent to the RSPO. 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. 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. 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. 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.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>13. PT Aditungal Mahajaya – Kalimantan Tengah (Sungai Ayawan Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>14. PT Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>15. PT Agrokarya Primalestari – Kalimantan Tengah (Kuayan Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>16. PT Buana Adhitama – Kalimantan Tengah (Sa[iri Estate and Bukit Dua Estate), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>17. PT Sinar Kencana Inti Perkasa – Kalimantan Selatan (Sungai Magalau Mill and supply bases), LUCA report is in the process of being revised and will be sent to the RSPO.</p> <p>18. PT Sawita Karya Manunggul – Kalimantan Selatan (Sawita Mill and supply bases_, LUCA report is in the process of being revised and will be sent to the RSPO</p> <p>19. PT Satya Kisma Usaha – Jambi (Batang Gading Estate), the LUCA report has been approved in 12 November 2021.</p> <p>20. PT Sawit Mas Sejahtera – Sumatera Selatan, the LUCA report proposed to be hold/postponed until the Integrated HCV HCS Report obtains Satisfactory status from the HCVRN.</p> <p>21. The companies were acquired by GAR on 2021 are PT Kruing Lestari Jaya (Sungai Perak Mill and supply bases), PT Harapan Rimba Raya (Sungai Kedang Mill and supply bases), PT Rimbaraya Tamajaya (Sungai Pahu Estate), PT Agrolestari Subur Sejahtera (Bukit Permai Estate), PT Agrolestari Hijau Sentosa (Bukit Lestari Estate), PT Kharisma Riau Sentosa Prima (Kharisma Estate), PT Mitranusa Permata (Sungai Manunggul Estate). The company is still collecting information and documentation regarding the fulfillment of RaCP obligations.</p> <p>22. 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. Binawit 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. Aditungal Mahajaya – Kalimantan Tengah (Sako Mill and supply bases). LUCA report PT. Agrokarya Prima Lestari and PT. Aditungal 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>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>25. PT. Mitrakarya Agroindo – Kalimantan Tengah (Tangar Mill dan supply bases), stages in the RaCP process have not been fully completed</p> <p>26. PT. Kruing Lestari Jaya – Kalimantan Timur (Sungai Perak Mill dan supply bases), RaCP disclosure has not been made to the RSPO</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: GAR and its subsidiaries planted after January 2010. There are companies that had conducted the RSPO New Planting Procedure (NPP) and have gone through a 30-day public consultation process in April 2014. These companies include:</p> <ol style="list-style-type: none"> 1. PT Satya Kisma Usaha – Jambi 2. PT Kresna Duta Agroindo – Kalimantan Timur 3. PT Mitra Karya Agroindo – Kalimantan Tengah 4. PT Binasawit Abadi Pratama – 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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>NPP. This is become subject of sanction. For PT Buana Sawit Mas (supply base) conduct NPP on 8 July 2014.</p> <p>8. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base): there is no new land clearing after January 2010.</p> <p>9. PT Agro Lestari Sentosa (Jalemo Mill and supply base): NPP on 26 April 2014</p> <p>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.</p> <p>11. PT SMART (Bukit Kapur Mill and supply base): there is no new land clearing after January 2010.</p> <p>12. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base): NPP on 8 July 2014.</p> <p>13. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base): NPP on 8 July 2014.</p> <p>14. PT Sawitakarya Manunggul (Sawita Mill and supply base): there is new land clearing after January 2010 in Sawita KKPA and company not conduct NPP. This is become subject of sanction.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8	<p>Company Group/Holding Statement:</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> <p>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</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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).</p> <p>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 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 (Kapas 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</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>according to procedures, so that there are no land or social conflicts.</p> <p><i>Auditor Verification:</i> 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 Binasawit 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). 8. PT Paramitra Internusa Pratama (Belian Mill and supply base) 9. PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base). 10. PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base). 11. PT Sawit Mas Sejahtera (Sungai Kikim and supply base) 12. PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) 13. PT Bahana Karya Semesta (Sungai Air Jernih Mill and supply base) 14. PT Bangun Nusa Mandiri (Kenari Mill and supply base) 15. PT Agro Lestari Sentosa (Jalemo Mill and supply base) 16. PT Adi Tunggal Mahajaya (Sako Mill and supply base) 17. PT Kruing Lestari Jaya (Sungai Perak Mill, Sungai Perak Estate, Sungai Basung Estate, Sungai Pikan Estate, Sungai Pilos Estate and Sungai Pikan KKPA) 18. PT Harapan Rimba Raya (Sungai Kedang Mill, Sungai Kedang Estate, Sungai Tohan Estate, Kedang Pahu Estate, Sungai Tohan KKPA). 19. PT Rimbaraya Tamajaya (Sungai Pahu Estate and Sungai Pahu KKPA), which will be supply base for Sungai Kedang Mill. 20. PT Agrolestari Subur Sejahtera: Bukit Permai Estate which will be the supply base of Bukit Perak Mill that has been certified 21. PT Agrolestari Hijau Sentosa: Bukit Lestari Estate which will be the supply base of Bukit Perak Mill that has been certified 22. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be the supply base of Bumipalma Mill that has been certified 23. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be the supply base of Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa). <p>Based on the auditor's search through news from the internet, no information on land conflicts was found in the above uncertified</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 that the plasma area is still in the NPP process and the target is to complete the NPP by the end of the 2023 quarter.</p> <p>In addition, based on electronic media on December 13, 2022, there is information on problems between Koperasi Perkebunan Bataduh Raya and PT. Bangun Nusa Mandiri. Based on confirmation with representatives of PT. Bangun Nusa Mandiri is known that there have been 15 agreements between cooperatives and companies, including PT. BNM is committed to building a plasma of 557.47 Ha and developing an area of 180 Ha for partnerships. Regarding overlapping land, the solution is <i>Vaicias</i> Data, namely the handover of land in PT. BNM with the Head of the Village and Koperasi Perkebunan Bataduh Raya</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 4.2	<p>Company Group/Holding Statement: The company has a procedure for handling employee complaints before becoming into conflicts. The procedure is SOP/SMART/SCRD/NSDV/I/002 revision 1 dated 18 May 2016.</p> <p>Procedures related to employee complaints are regulated in the internal flow of form because employees are included in the category of internal stakeholders. The media of complaint used is an official letter submitted through the worker union or put in the suggestion box provided in strategic locations.</p> <p>During 2021, there were no new complaints regarding employment through the RSPO website, as for the progress of previous complaints, they have closed status.</p> <p>Auditor Verification: There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p> <p>Auditor Verification: There is information from electronic media on November 24, 2021, it is known that there was mediation by the Head of the</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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.</p> <p>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 terminated. The realization of CSR is carried out in stages and this demand is the program of the previous Village Head.</p> <p>In addition, there was an issue in the electronic news on September 30 2022 that there was an employee who had died who had been abandoned by PT. Kruing Lestari Jaya and their rights are not fulfilled. However, there is information from the management of the Ikentim organization that there was no abandonment of the corpse. This is in accordance with confirmation from the management representative of PT. Kruing Lestari Jaya that the company has facilitated the corpse to be delivered and buried in Resak according to the wishes of the family</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1	<p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Subsidiaries of GAR which still on going to process HGU consist of:</p> <ol style="list-style-type: none"> 1. PT Djuandasawit Lestari (Muara Kandis Estate & Muara Tawas Estate) 2. PT Sawit Mas Sejahtera (Sawit Mas Estate) 3. PT Bumi Sawit Permai (Bumi Sawit Estate) 4. PT Forestralestari Dwikarya (Tanjung Rusa Estate) 5. PT Sumber Indah Perkasa (Sungai Buaya Estate, Sungai Merah Estate) 6. PT Ivo Mas Tunggal (Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate, Nenggala Estate) 7. PT Buana Wiralestari Mas (Kijang Estate, Nagamas Estate, Nagasakti Estate) 8. PT Ramajaya Pramukti (Ramarama Estate)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>9. PT Binasawit Abadipratama (Perdana Estate, Lenggana Estate, Semandau Estate, Muara Dua Estate)</p> <p>10. PT Agrokarya Prima Lestari (Muara Tawang Estate, Kuayan Estate, Bukit Sentuhai Estate, Tajur Beras Estate, Seranau Estate)</p> <p>11. PT Buana Adhitama (Sapiri Estate)</p> <p>12. PT Agrolestari Sentosa (Manuhing Estate, Kajui Estate)</p> <p>13. PT Mitra Karya Agroindo (Sungai Nusa Estate)</p> <p>14. PT Aditunggal Mahajaya (Sungai Ayawan Estate)</p> <p>15. PT Satya Kisma Usaha (Medang Sari Estate)</p> <p>16. PT Buana Adhitama (Bukit Dua Estate)</p> <p>17. PT Agrolestari Sentosa (Jalemo Estate)</p> <p>18. PT Binasawit Abadipratama (Perdana Mill)</p> <p>19. PT Agrokarya Prima Lestari (Kuayan Mill)</p> <p>20. PT Mitrakarya Agroindo (Tangar Mill)</p> <p>21. PT Agrolestari Sentosa (Jalemo Mill)</p> <p>22. PT Adi Tunggal Mahajaya (Sako Mill)</p> <p>23. PT Smart Tbk. (Sungai Cantung Estate, Bukit Kapur Estate, Bukit Kapur Mill)</p> <p>24. PT Bangun Nusa Mandiri (Gaharu Estate, Kenari Estate, Kenari Plasma, Gahari Plasma, Kenari Plasma)</p> <p>Beside that, there are some unit still on process the land certificate (SHM) consist of:</p> <p>1. PT Kresna Duta Agroindo – Gunung Kombeng Mill (Gunung Kombeng Plasma)</p> <p>2. PT Ramajaya Pramukti (Ramarama Plasma)</p> <p>3. PT Satya Kisma Usaha – Sungai Bengkal Mill (Kilis Plasma)</p> <p>4. PT Agrokarya Prima Lestari (Sungai Sambon Plasma)</p> <p>5. PT Djundasawit Lestari (Pandawa Plasma)</p> <p>6. PT Foresta Lestari Dwikarya (Tanjung Rusa Plasma)</p> <p>7. PT Palmindo Bilton Berjaya (Tanjung Sawit Plasma)</p> <p>8. PT Sinar Kencana Inti Perkasa (Sungai Kupang Plasma)</p> <p>9. PT Sawitakarya Manunggul (Sawita Plasma)</p> <p>10. PT Kresna Duta Agroindo (Jakluay Plasma, Bukit Subur Plasma)</p> <p>11. PT Kresna Duta Agroindo (Rantau Panjang Plasma)</p> <p>12. PT Kencana Graha Permai (Kayung Plasma, Kencana Plasma, Kenanga Plasma)</p> <p>13. PT Paramitra Internusa Pratama (Belian Plasma)</p> <p>14. PT Paramitra Internusa Pratama (Muara Tawang KKPA)</p> <p>15. PT Paramitra Internusa Pratama (Kapuas Hulu KKPA)</p> <p>16. PT Mitrakarya Agroindo (Sulin Plasma)</p> <p>17. PT Agrokarya Prima Lestari (Sapiri Plasma)</p> <p>18. PT Adi Tunggal Mahajaya (Sako Plasma)</p> <p>19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma)</p> <p>20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)</p>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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 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 related to compliance with legal documents such as HGU, Environmental Documents and SHM (for plasma).</p> <p>Auditor Verification:</p> <p>Legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - 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.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> - 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. - 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</p>

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>6. PT Kharisma Riau Sentosa Prima: Kharisma Estate and Kharisma KKPA which will be supply base for Bumipalma Mill (PT Bumipalma Lestari Persada) which has been certified.</p> <p>7. PT Mitra Nusa Permata: Sungai Manunggul Estate which will be supply base for Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa).</p> <p>The acquisition company already has legality in the form of HGU, but other legalities such as environmental documents and other permits are being collected and will be completed when an internal audit of the acquisition units is carried out.</p> <p>There are 4 companies which still on process to revise EIA document and temporary storage place for hazardous and toxic waste, consist of:</p> <ol style="list-style-type: none"> 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>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)

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>19. PT Kresna Duta Agroindo – Pelakar Mill (Tiga Serumpun Plasma)</p> <p>20. PT Kresna Duta Agroindo – Langling Mill (Batang Gading Plasma)</p> <p>Based on auditor verification, there is still progress in obtaining legality documents for the uncertified units so that GAR has included the certification plan for the uncertified units in the timebound plan.</p>

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA1-3 & ASA-1.4 & Re-Certification Assessment

NCR No.	: 2022.01	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 16 July 2022	Time Limit	: Next Assessment
NC Grade	: Minor	Date of Closing	: 05 Agustus 2023
Standard Ref. & Requirement	6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed		
Evidence observed (filled by auditor): Based on document verification show that the certification unit has procedures for handling emergency response and first aid in work accidents, including the following: 1. SOP Design and Use of Hydrant with No. SOP/SMART/HESS-EHSD/SADV/I/014 dated 01 July 2014. 2. First aid SOP with No SOP/SMART/HESS-EHSD/SADV/1/011 dated 01 July 2014			
Regarding the implementation of the procedure, based on the field observation, it was found that: 1. The simulation results of extinguishing fires using Hydrant No. 3 (twice) in the mill operational area are known that the Hydrant is in a condition that cannot be used optimally due to leaks in the nozzle and at the pillar connections. Meanwhile, based on the Monitoring Hydrant No. 3 which was carried out on June 20, 2022, it was found that all Hydrant components were in good condition and ready to be used. 2. Regarding the use of the first aid kit, it is known that: a. Based on the field observations at Tanah Laut Estate found: • There is no Aquadest item in the first aid kit in the workshop area. • There is no Aquadest item in the first aid kit at Schedule Waste. b. Based on the field observations at Kintapura Estate found: • There is no monitoring of the first aid kit at the loose poles. • There is no monitoring of the first aid kit in manual work. • There are no eye wash glasses in manual work. • There are no eye wash glasses in pesticide application work. • There is no plaster in pesticide application work.			
Non-Conformance Description (filled by auditor): The certification unit has not been able to show that the implementation of emergency response and First Aid in Accidents (P3K) in operational areas has been running thoroughly.			
Root Cause Analysis (filled by organization audited): When the simulation was carried out the week before it went perfectly, but when the audit visit was carried out The simulation was carried out where the installation of the nozzle and the hydrant hose was not closed or not installed properly (the valve was not locked), so that the nozzle was released due to water pressure and monitoring of the completeness of the first aid kit had not been carried out consistently due to the absence of a schedule for checking the first aid box/bag.			
Correction (filled by organization audited): 1. Provide 1 spare nozzle in each Hydrant Box (6 points). 2. Provide an understanding of the correct use and simulation of Hydrants to related workers (other than KTD members). 3. Equip items that are not available in the First Aid Kit.			
Corrective Action (filled by organization audited): 1. Conduct detailed preventive maintenance on each Hvdrant (once a month).			

2. Monitoring the availability of spare nozzles
3. Conducting Hydrant socialization and simulation involving all workers
4. Monitor first aid kits regularly once a month by the designated person in charge
5. OHS General Expert Unit ensures the availability of complete first aid kit items in Central Warehouse (Monthly Stock Report first aid items)

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification 27 September 2022,

The company shows evidence of improvement as follows

1. Replacement of Hydrant pillars.
2. Added 1 additional nozzle in each Hydrant Box.
3. Documentation of Hydrant preventive maintenance for the period August and September 2022.
4. Stock monitoring in the warehouse/stock taking related to the availability of spare nozzles.
5. Socialization and Hydrant simulation on August 1, 2022 involving all factory employees. Companies can show documentation and attendance lists of these activities.
6. Minutes of Handover of First Aid Kits dated 17 July 2022
7. Form for monitoring the contents of the first aid kit in TLTE for the period August 2022
8. Monitoring Central Item First Aid Warehouse Stock in 2022 for the availability of 16 bags and 12 first aid boxes.

Based on the proof of improvement submitted, the discrepancy in this indicator is stated to have been fulfilled and will be implemented verified at the time of the next assessment

Follow up on next audit (filled by auditor):

Based on the verification of the preventive maintenance documents for the July 2023 period, the Stock Monitoring document for the availability of nozzles for the July 2023 period, the monitoring form for the contents of the first aid kit for the July 2023 period and field visits to the Mill, Tanah Laut Estate and Kintapura Estate during ASA 2.1 activities it was found that during the hydrant simulation the condition properly and function properly and the completeness and monitoring of the contents of the first aid kit at the Mill and Estate are appropriate for the Number and Type of Items in it.

Verified by : Rizki Tanaya

NCR No.	:	2022.02	Issued by	:	Radytio Puspanjana
Date Issued	:	5 August 2023	Time Limit	:	3 November 2023
NC Grade	:	Minor raised to Major	Date of Closing	:	3 November 2023
Standard Ref. & Requirement	:	7.8.1 A water management plan is available and is implemented to support efficient use of water sources and continuous availability and avoid negative impacts on other users in the catchment. The plan referred to contains the following matters: a. The certification unit does not limit access to clean water or does not pollute the water used by the community. b. Workers have adequate access to clean water			
Evidence observed (filled by auditor): In relation to the management plan and protection of riparian to avoid negative impacts, it is stated in: - PT SMART's 2011 HCV identification and management plan in the recommendation section explains that the company needs to create a buffer zone area on the riparian with a distance of 100 meters to the right and left of large rivers and 50 meters to the left for small rivers. Do not apply chemicals and fertilizers along riparian. - Work instruction document No. IK/SMART/BCOS-EHSD/SADV/004/001 explains the technical aspects of making a spray boundary sign for HCV areas including riparian that inform "PESTICIDE SPRAY BOUNDARY". The marking of an X cross as a chemical spray limit in the HCV area is red on oil palm trees in accordance with the determination of the buffer zone distance. In the work instruction, the result standard states that the HCV area must have a spray limit spray limit sign and a cross mark on oil palm trees with red paint with a certain size with a size adjusted to the outer boundary of the HCV area where chemicals					

are not allowed to be used. The condition of spray boundary signs and cross marks every 3 months by ensuring the condition of the HCV area writing, the paint does not fade and the position of the signposts must stand upright and the cross marks must be clearly visible. Clean the spray limit signs and crosses manually (no chemicals are used).

As the implementation of these procedures during the audit process, evidence of implementation of the plan can be shown, including:

- The 2022 HCV management plan describes the riparian management program, the maintenance of HCV boundary markers is carried out every three months, which has been realized in March 2022.
- The Kintapura estate HCV boundary sign maintenance form for the period 17 March 2022 explains that the boundary marking has been maintained in the riparian area, both spray boundary signs and red cross marks on trees.

However, based on the results of field visits in the Salaman river block G7, evidence was obtained of the application of chemical pesticides in the form of weeds wiping on the Salaman riparian where there was also no red cross on the oil palm tree. Furthermore, the results of the verification in the foreman's activity book (*BKM*) No. BKM 1927828 division I on 17 May 2022 explained that wiping activities (pesticide application) had been carried out in block G7 covering an area of 24.14 ha for *roll up* materials.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence that the implementation of the water resource management plan has been carried out in accordance with the management plan and SOP it has, in order to avoid negative impacts on other users in the water catchment area.

Root Cause Analysis (filled by organization audited):

- Monitoring of spray limit marking conditions has not been carried out consistently.
- At the time of the Audit Visit, it was seen that the weeds in G7 block spots were dry at the top due to the selective wiping treatment at the location bordering the riverbank and was only carried out on the top leaves of the weeds with herbicides.

Correction (filled by organization audited):

- Provide a spray limit sign and a red cross at the 5th point from the river bank (50 meters river limit)
- Re-socialize spray limits to sprayers, foremen and agronomy staff.

Corrective Action (filled by organization audited):

- Monitoring the condition of the spray limit signs and red crosses is carried out every 3 months
- Regular outreach to sprayers, spray foremen and agronomy staff is carried out once a year.

Assessor Evaluation and Conclusion (filled by auditor):

27 September 2022

The company shows the following documents:

- The river border monitoring schedule for the period January – December 2022 to 2023, made by the OHS Committee secretary and known to the OHS Committee chairman, explains maintaining HCV boundary signs every 3 months, maintaining HCV warning boards every 3 months, monitoring HCV attributes every 3 months.
- The HCV attribute monitoring report dated 14 June 2022 at KNTE in blocks G1-G9, H8, I1-I8 and J08-09 explains that the HCV attribute condition is in good condition.
- The HCV attribute monitoring report dated 13 September 2022 at KNTE in blocks G1-G9, H8, I1-I8 and J08-09 explains that the HCV attribute condition is in good condition.
- The HCV warning sign maintenance form dated January 14 2022 at KNTE in blocks G1-G9, H8, I1-I8 and J08-09 explains that the HCV warning sign is in good condition.
- The HCV warning sign maintenance form dated 13 March 2022 at KNTE in blocks G1-G9, H8, I1-I8 and J08-09 explains that the HCV warning sign is in good condition.
- The HCV warning sign maintenance form dated 12 July 2022 at KNTE in blocks G1-G9, H8, I1-I8 and J08-09 explains that the HCV warning sign is in good condition.
- The HCV boundary sign maintenance form dated 14 June 2022 at KNTE explains that there are 20 boundary signs with bush clearing maintenance actions.

- The HCV boundary sign maintenance form dated 13 September 2022 at KNTE explains that there are 20 boundary signs with bush clearing maintenance actions.
- Plans for socialization activities regarding the spray ban in river border areas for the period January – December 2022 and 2023 made by the OHS Committee secretary which explains the duration of the training is 15 minutes, in August 2022 and July 2023. There is also a list of attendance for the socialization activities on August 1 2022 which is located do KNTE Headquarters and KNTE division offices
- Documentation of the provision of red painted crosses and HCV signs was made by the KNTE SPO and KNTE Manager on August 29 2022.

Verification on surveillance 2.1 (04 August 2023)

During Surveillance 1.2, the company demonstrated the implementation of river border management as follows:

- Annual HCV Management Plan for the period January – December 2023, which was prepared by the SPO Officer and known to the Estate Manager, explains that river border management is carried out by maintaining HCV boundary signs every 3 months, maintaining HCV warning boards every 3 months, monitoring HCV attributes every 3 months, and monitoring HCV conditions once every 3 months.
- HCV Patrol Report June 2023 at KNTE in Blocks G1-G9, H8, I1-I8 and J08-09 informs that the HCV is in safe condition and there is no damage.
- HCV Warning Board maintenance Quarter 2 2023 KNTE in Blocks G1-G9, H8, I1-I8 and J08-09 informs that the HCV warning board is in good condition.
- HCV boundary sign maintenance Quarter 1-2 2023 at KNTE explains that there are 20 boundary signs with bush clearing maintenance actions.
- Socialization regarding spraying procedures and sustainability policies on April 12, 2023 to 100 KNTE maintenance workers.

The company has presented the Water Resources Management and Monitoring SOP document No. SOP/SMART/BCOS-EHSD/SADV/II/004 dated 01 July 2014 by the Head of Upstream which explains that for border protection, manual treatment of oil palm plants is carried out to reduce pollution water sources by not applying chemicals (agrochemicals) to control oil palm weeds around the water source area.

The results of the field visit during the ASA-4 assessment showed that there were traces of spray activity in Block F08 Division 1 and Block J07 Division 2 on border of Salaman River KNTE. This is in line with the SAP document for spray activities in May 2023 which shows that there were disc spray activities on 13, 22 and 24 May 2023 in Block F08 and 22-23 May 2023 in Block J07 KNTE.

Thus, the company has not been able to carry out the corrective actions and corrections shown to the previous auditor and the results of the current auditor's verification have not been realized optimally and comprehensively so that the nonconformity in **NCR No. 2022.02** changes its status to **Minor raised to Major** category.

Auditor Verification (26 September 2023)

The company has shown proof of improvement in the form of the following documents:

- Circular No. 001/SE-SUS/UH/VII/2023 from the KNTE Unit Head dated 11 August 2023 regarding Management of riparian Areas. The document informs the agronomist assistant to report to the Unit Head regarding the area that is not sprayed on the riparian (a special note will be given to the *BKM*), conduct a briefing every time a spray activity is carried out, monitor manual maintenance of the river border area, monitor reports on riparian areas that are not carried out chemical spraying/fertilization, as well as carrying out spray boundary maintenance in river border areas on a regular and scheduled basis.
- Re-socialization of the SE for Management of the riparian Area on 14 August 2023 to officers & spray foremen as well as KNTE division assistants totaling 30 participants.
- Spray Boundary Maintenance Activity Program - Integration of Non-River Border Spraying 2023-2024 created by the Division Assistant and approved by the KNTE Manager. These activities include marking spray boundaries (X cross boundaries) and spray boundary warnings every 4 months, maintenance of spray boundaries and spray boundary warnings every 4 months, spraying non-border areas (not HCV) every 4 months, as well as manual/planting offers. wood on the riparian every 2 months.
- Division 1 Foreman Activity Book dated 16 August 2023 with the type of work to maintain spray boundary signs and make spray boundary cross marks in HCV areas.
- Photo documentation of the "Spray Limit" Warning Board and the marking of a cross (x) on oil palm plants (5th point) from the

riparian along the river flow. However, the document does not provide information on the location and time for installing warning boards and marking crosses on oil palm plantations.

- Apart from that, there are auditor questions in the root cause analysis, correction and corrective action columns that the company still needs to answer. Thus, this discrepancy is declared not yet fulfilled.

Auditor Verification (03 November 2023)

The company has established a root cause analysis, corrections and corrective actions and has shown proof of improvement in the form of the following documents:

- Minutes of Installation of Warning Boards on August 16 2023 in Blocks F08, G07 and G06 Division 1 KNTE.
- Minutes of Installation of Warning Boards on August 16 2023 in Blocks I06, I07 and J07 Division 1 KNTE.

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

Follow up on next audit (filled by auditor):

Verified by : Radytio Puspanjana

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 2-1 Assessment

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Evidence observed (filled by auditor): On this assessment, there is no new non conformity raised. However, in previous assessment (RC 2.0), there are one minor non conformities, raised become major non conformity on indicator 7.8.2 (NCR No 2022.02). As ruled on Certification Systems clause 5.9.4b "Recurring minor NC on the same indicator in successive audits shall be raised to major.					
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	2.2.2	<p>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.</p> <p>The 2023 stakeholder list informs that there are 8 FFB suppliers and 6 contractors collaborating with the company. For example PT SJA, PT SLB, PT Lingkar Orbit Nusantara, CV Meranti, TBS supplier Aris, etc.</p> <p>The unit of certification shows the work agreement document with the contractor. In the cooperation contract it is explained that there is an article which stipulates that the contractor is obliged to follow the labor laws that apply in Indonesia. For example, work agreement letter number 001/SP/SMART/TLTM/11/2022-CPO dated 18 November 2022 between PT SMART Tbk and PT Sarana Lintas Bersama for CPO transportation work. The work agreement is valid from 21 November 2022 to 20 November 2024. The cooperation contract contains provisions regarding the fulfillment of legal obligations, including:</p> <ul style="list-style-type: none"> • The second party is responsible and obliged to provide Personal Protective Equipment (PPE) for the safety of workers employed by the Second Party. • Social Security for workers employed by a second party is fully the responsibility of the second party. • Wages for workers employed by second parties must meet the applicable province minimum wage standards. • The minimum age for workers employed by the second party is at least 18 years old. <p>The certification unit shows a third party evaluation for the period 25 May 2023 with assessment criteria such as contractor quality and performance, timeliness of completion, compliance with labor regulations, compliance with OHS implementation, housekeeping/5R, compliance with environmental regulations and compliance related to business ethics. For example, the evaluation of the CV Meranti contractor which received an evaluation result with a score of 19 (medium category) with a note of completeness of requirements related to compliance with labor regulations including <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> for workers, pay slips, work agreement letter for contractor workers, etc.</p> <p>The company shows proof of implementation of compliance with labor regulations for third parties, for example:</p> <ul style="list-style-type: none"> • Work agreement letter for contractor workers, list of workers, proof of <i>BPJS</i> payment and salary slips for PT SJA workers. • Salary slip and <i>BPJS Ketenagakerjaan</i> membership card for PT SLB workers. • There are several other labor regulation compliance documents that have not been shown, for example for CV Meranti and PT Lingkar Orbit Nusantara. <p>The company has a commitment stated in the Contractor Selection Evaluation Statement Letter which has been signed by the Estate and Mill Manager of PT SMART Tbk, this document explains:</p> <ol style="list-style-type: none"> 3. Contractors who work in company units have complied with labor regulations and will subsequently consistently comply with the employment clauses in the work agreement letter. 4. To evaluate the appointment of contractors, refer to clause point 1. <p>Companies have the opportunity to implement compliance with labor regulations as stated in the employment agreement with contractors such as (but not limited to) <i>BPJS</i>, contractor worker wages, work agreement letter of contractor worker, PPE, etc.</p>
2	3.6.1	<p>All operational activities are assessed for risk to identify OHS problems. Mitigation plans and procedures are documented and implemented.</p>

		<p>The company already has an <i>ISBPR</i> document that identifies all activities in the Estate and Mill, but there are still activities that have not been included in the document, such as (but not limited to) such as: Examination of HGU Stakeholders and transferring FFB to Yield Collection Sites.</p> <p>Companies have the opportunity to complete risk identification in the HIRAC document from any changes or additions to existing operational activities in plantations and mills.</p>
3	6.2.7	<p>Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p> <p>The company showed the workforce list document for the period July 2023, it is known that PT SMART Tbk still has harvest workers with PKWT status, namely in the TLTE unit as many as 5 people and in the KNTE unit as many as 20 people (this number is reduced from previous audit activities). Then, the company shows a Specific Time Work Agreement Letter, for example:</p> <ul style="list-style-type: none"> • Work agreement letter number 031/TLTE/SK-PKWT/XI/2022 with the initials JS dated November 9th, 2022, which explains in article 1 that the first party accepts the second party to work at the first party's company as a harvester in the TLTE work unit of PT SMART Tbk. TLTE management stated that the remaining 5 <i>PKWT</i> harvest workers were workers who had renewed their work contracts. The following is an example of a previous work agreement letter with number 009/TLTE/SK-PKWT/XI/2021 with the initials JS dated October 10th, 2021. • Work agreement letter number 028/KNTE/SK-PKWT/II/2023 with the initials PG dated May 19th, 2023, which explains in article 1 that the first party accepts the second party to work at the first party's company as a harvester in the KNTE work unit of PT SMART Tbk. <p>Based on the results of interviews with representatives of the Manpower and Industry Office of Tanah Laut Regency, information was obtained that at PT SMART Tbk there were <i>PKWT</i> workers in harvest and non-harvest work. The source also stated that the company had routinely reported the use of <i>PKWT</i> workers. Then, the company shows documents recording <i>PKWT</i> reporting and proof of handover of work agreement letter for <i>PKWT</i> workers to the Manpower and Industry Office of Tanah Laut Regency, for example:</p> <ul style="list-style-type: none"> • Reporting of workers and proof of handover of <i>PKWT</i> work agreement letter in TLTE unit with a total of 21 workers consisting of 2 harvest workers and 19 non-harvest workers on January 5th, 2023. • Reporting of workers and proof of handover of <i>PKWT</i> work agreement letter in KNTE unit with a total of 21 harvest workers on July 10th, 2023. <p>The results of interviews with management representatives revealed that currently the company is in the process of proposing the appointment of <i>PKWT</i> harvest workers to <i>PT</i>. This is shown in the document:</p> <ul style="list-style-type: none"> • TLTE unit = <ul style="list-style-type: none"> - Proof of the appointment of <i>PKWT</i> harvest workers as shown in Memo number 006/VPA3-INT/BNJO/03/2023 dated March 14th, 2023, which informs about the approval for the appointment of 6 <i>PKWT</i> harvest workers to <i>PT</i>. - Decree Number 002/TLTE-SK/PT/III/2023 dated March 16th, 2023, which states that workers with the initials DS (Harvesters) are promoted from <i>PKWT</i> status to <i>PT</i>. The decree takes effect from April 1st, 2023. • KNTE unit = <ul style="list-style-type: none"> - Email from RC Kalsel 1 to VPA on July 25th, 2023, regarding the application for the appointment of KNTE <i>PKWT</i> employees to <i>PT</i> for harvest work with a total of 26 workers. - Work agreement letter number 025/KNTE-SPKK/07/2023 dated 26 June 2023 which explains that workers with the initials SNT (harvesters) are accepted as <i>PKWTT</i> workers with <i>PT3</i> status. <p>Companies have the opportunity to ensure the progress of appointing <i>PKWT</i> harvest workers to <i>PKWTT</i> status.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Management commitment to apply the principles of sustainable palm oil management.
2	Is a certificate holder of sustainable palm oil (RSPO & ISPO)
3	Fairly good cooperation in providing documents during the audit process
4	Has received Proper Blue for the period 2021 - 2022

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Local Contractor for FFB and EFB transport (PT SJA)</p> <p>Cooperation between the company and the contractor has been carried out since 2019. There has been a clause regarding the prohibition on land clearing by fire and this has also been socialized to contractors. There are no issues related to the cooperative relationship between the company and the contractor.</p> <p>When payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been given PPE by the contractor in accordance with the risk analysis that has been identified. Contractor workers have also provided health insurance for workers.</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in indicator related.</p>
<p>FFBX (FFB Supplier)</p> <p>The company receives FFB from third parties provided that FFB supplied is not the result of looting, theft or FFB produced by looting state forests. It is stated in the agreement based on the agreement between the two parties, further explained that the payment was made on time in accordance with the contents of the agreement and there had never been a problem in terms of payment.</p>	<p>The company has demonstrated its commitment and mechanism so that FFB received is not from illegal activities. In addition, documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in indicator related.</p>
<p>Replanting Contractor (Lingkar Orbit Nusantara)</p> <p>The company has just established a cooperative relationship related to replanting which began in July 2022 and as long as the contract is running there are no problems.</p>	<p>There were no negative issues that need further clarification.</p>
<p>Worker Union Mill and Representative</p> <p>Currently the company and trade unions are discussing to prepare a new CLA draft and have not yet reached the mutually agreed upon goals and the company and the trade unions will continue to discuss the new CLA draft.</p>	<p>The company is in the process of discussing a new cooperation agreement document with the union, and the discussion will continue until a mutually agreed result is obtained</p>
<p>Plantation Agency of Tanah Laut Regency</p> <ul style="list-style-type: none"> • Last assessment of plantation grade was conducted in 2021 by the Regency. • The certification unit has reported its Progress Report of Plantation Business (<i>Laporan Perkembangan Usaha Perkebunan/ LPUP</i>) quarterly. • Fire facilities are sufficient in accordance with the regulation. • There was no fire incident occurred in the company's operational area both in Mill and Estates 	<p>There were no negative issues that need further clarification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> The certification unit has responded to information requests quickly and transparently. 	
Environmental Agency of Tanah Laut Regency. <ul style="list-style-type: none"> The company has a Temporary Hazardous Waste Storage located on Mill and each Estate, as well as POME utilization to land has been approved by Tanah Laut Regency and still valid. Hazardous Waste management activities carried out by storing hazardous Waste in licensed hazardous waste storage and transported have permission by Ministry of Environment and Forestry. quarterly management reporting to relevant agencies. The company has conducted POME quality testing per semester and reports the results of testing to agency. The company has conducted noise, vibration and noise testing and reported the results of testing to agency per semester. The company has sent the environmental management and monitoring implementation report to agency periodically. There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management of Estate and POM. 	<p>There were no negative issues that need further clarification.</p>
Sungai Cuka Village <ul style="list-style-type: none"> Communication between the village official and the certification unit was good. Mechanisms for submitting complaints and grievances are well understood by the community. No customary rights or customary rights. It is also known that the compensation process is carried out directly to the land owner and the land owner is given the freedom to release his land without coercion. 	<p>There were no negative issues related to gender discrimination that need any further verification.</p>
Pasir Putih Village <ul style="list-style-type: none"> Communication between the village official and the certification unit was good. Mechanisms for submitting complaints and grievances are well understood by the community. No customary rights or customary rights. It is also known that the compensation process is carried out directly to the land owner and the land owner is given the freedom to release his land without coercion. 	<p>There were no negative issues related to gender discrimination that need any further verification.</p>
Sumber Jaya Village <p>The communication and relation between villages around with company are well maintained, the company's public relation already known by the communities. The mechanism for complaint</p>	<p>There were no negative issues related to gender discrimination that need any further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>and grievance submission has been understood well by the community.</p> <p>There are no indigenous rights or customary rights. It also known that compensation process is done directed to the landowner and landowners are given the freedom to release their land without coercion. There is no land disputes in company operational area,</p> <p>The company has considered cooperative and transparent in providing information, for example towards job vacancies. CSR and grants. Village people has recognized company representative (PIC) from Division of Documents and Legal which handled this matters.</p>	
<p>PT Sarana Lintas Bersama Local Contractor for CPO and Kernel transport</p> <p>Cooperation between the company and the contractor has been carried out since 2019. There has been a clause regarding the prohibition on land clearing by fire and this has also been socialized to contractors. There are no issues related to the cooperative relationship between the company and the contractor.</p> <p>When payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been given PPE by the contractor in accordance with the risk analysis that has been identified. Contractor workers have also provided health insurance for workers</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in indicator related.</p>
<p>CV Meranti Construction and maintenance contractor</p> <ul style="list-style-type: none"> Engaged in construction and maintenance in the machinery and building parts of the mill, as long as we collaborate with the company there are no significant obstacles, there are no problems with payment for the work. All workers are provided with PPE by the contractor and registered for health and employment insurance. Collaboration with companies is a short-term project and we hope to continue to collaborate with companies 	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in indicator related.</p>
<p>Gender Committee (TLTM, TLTE and KNTE) Head of Gender Committee 1 Agustus 2023</p> <ul style="list-style-type: none"> The realization of the 2022/2023 gender committee work program went smoothly without any problems. The work programs implemented include the following: <ul style="list-style-type: none"> Posyandu for health checks for toddlers, pregnant women and breastfeeding mothers in collaboration with health centers around the certification unit. Outreach and recording of cases of sexual harassment, 	<p>There are no things that need to be verified further, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>domestic violence and extramarital affairs.</p> <ul style="list-style-type: none"> - Outreach regarding the reproductive rights of women workers - Outreach regarding the complaint mechanism. <ul style="list-style-type: none"> • Over the past year, there have been no issues related to gender discrimination, harassment, violence or serious violations of reproductive rights within the unit of certification. • At present it is certain that there are no pregnant or lactating women workers who work using chemicals. This is because the certification unit has its own policy regarding the prohibition of pregnant or lactating women workers from working in jobs related to chemicals. • In addition, women workers are also entitled to leave for menstruation and maternity leave. 	
<p>National Land Agency of Tanah Laut Regency</p> <p>The CH complied with applicable regulations related land legality, among others has had location permit, plantation business permit (IUP), land title (HGU). There is no issue regarding land dispute, intimidation, and coercion to local people.</p>	<p>Based on document review and field observations, the CH has demonstrated legal compliance related land legality, and no indications of land disputes. Regarding land disputes its became NCR in indicator 3.4.2</p>
<p>Manpower and Transmigration Agency</p> <ul style="list-style-type: none"> • Wage is suitable with regional minimum wage of Tanah Laut Regency of 2023. • Workers in company are divided into permanent worker and contract worker/PKWT. • All workers have been registered to <i>BPJS Ketenagakerjaan</i> and <i>BPJS Kesehatan</i> including contract status/PKWT. • There are no workers under 18 years old. • Company has Bipartite Cooperation Institution. • Company has collective labor agreement which is still valid until now. • There are no negative issues which reported to labor agency related to labor. 	<p>There are no negative issues that need further verification.</p>
<p><i>The auditor and auditee have tried to contact the previous land owners, but none of them can be contacted.</i></p>	

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div><div><p>PT Smart Tbk Head of Sustainability Management System and Certification Operations Sustainability</p><p><u>Yahya Mustakim</u> Friday, 03 November 2023</p></div><div><p>Mutu International</p><p><u>Octo HPN Nainggolan</u> Friday, 03 November 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	Local Contractor for FFB and EFB transport (PT SJA)	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
2	FFBX (FFB Supplier)	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
3	Replanting Contractor (Lingkar Orbit Nusantara)	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
4	Labor Union Mill and Estate	PT Smart Tbk	-	Direct interview	01 – 03 August 2023	✓	
5	Gender Committee	PT Smart Tbk	-	Direct interview	01 – 03 August 2023	✓	
5	Environmental Agency	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
6	Plantation Agency of Tanah Laut Regency	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
7	Sungai Cuka Village	Tanah Laut Regency	-	Direct interview	01 August 2023	✓	
8	Pasir Putih Village	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
9	Sumber Jaya Village	Tanah Laut Regency	-	Direct interview	01 August 2023	✓	
10	Tanah Laut Mill <ul style="list-style-type: none"> • 3 grading officers • 1 engine room officer • 1 WWTP operator • 1 resident • 1 workshop officer • 1 WTP operator • 1 warehouse officer • 	PT Smart Tbk	-	Direct interview	01 August 2023	✓	
11	Tanah Laut Estate <ul style="list-style-type: none"> • 5 harvester and 1 foreman • 10 spraying worker and 1 foreman • 1 land application officer • 1 store officer Division III • 1 workshop officer • 1 warehouse officer • 1 emergency response officer 	PT Smart Tbk	-	Direct interview	02 August 2023	✓	
12	Kintapura Estate <ul style="list-style-type: none"> • 3 harvester and 1 foreman • 2 spray workers and 1 	PT Smart Tbk	-	Direct interview	03 August 2023	✓	

	foreman • 1 resident • 2 daycare officers •						
13	National Land Agency	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
14	Manpower and Transmigration Agency	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
15	PT Sarana Lintas Bersama Local Contractor for CPO and Kernel transport	Tanah Laut Regency	-	Communication by Phone	01 August 2023	✓	
16	WALHI	Jakarta	informasi@walhi.or.id	Communication by email	24 July 2023		✓
17	WWF	Jakarta	wwf-indonesia@wwf.or.id	Communication by email	24 July 2023		✓
18	Sawit Watch	Jakarta	info@sawitwatch.or.id	Communication by email	24 July 2023		✓

Appendix 2. Assessment Program

DATE	31 July – 5 August 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
MONDAY, 31 JULY 2023		
06.40 – 09.30	JAKARTA → BANJARMASIN	All Auditor
09.30 – 13.00	BANJARMASIN → PT SMART TBK	
14.00 – 15.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	Management Representative PT Smart Tbk and All Auditor
15.00 – 17.00	<ul style="list-style-type: none"> Document review and completing audit checklist. Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Review of Partial Certification 	All Auditor
TUESDAY, 01 August 2023		
08.00 – 12.00	Stakeholder Consultation <ul style="list-style-type: none"> Interview with previous land owner, scheme smallholders, Local NGO and Land Agency Interview with Worker's Union, Local Contractor (for Mill and Estate), Third Party Supplier and Labor Agency Interview with affected communities surrounding the plantations, Plantation Agency and Environment Agency Interview with Gender Committee, Worker's Cooperative (if any), Document review, basic info verification and metric template verification. 	TIO RAN ELU SIA & TIO All Auditor
12.00 – 14.00	<ul style="list-style-type: none"> Break 	
14.00 – 16.15	Field observation to Tanah Laut Mill: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Processing Activity Implementation of Employment Procedure, OHS and Mechanism Aspect Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation. POME Pond and land application 	TIO RAN SIA & TIO ELU
16.15 – 17.00	Presentation of Daily Progress	All Auditor
WEDNESDAY, 02 August 2023		
08.00 – 12.00	Field Observation to Tanah Laut Estate Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) Implementation of Environmental, Conservation/HCV 	TIO

DATE	31 July – 5 August 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none">Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities, Waste Management)Observation of Workers Facilities (Housing, School, Worship Place)Implementation of Employment Procedure and Mechanism AspectImplementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)Implementation of Occupational Health & Safety Aspect	<div>ELU & SIA</div> <div>RAN</div>
12.00 – 14.00	<ul style="list-style-type: none">Break	All Auditor
14.00 – 16.00	<ul style="list-style-type: none">Document review and completing audit checklist	All Auditor
16.15– 17.00	<ul style="list-style-type: none">Presentation of Daily Progress	
THURSDAY, 03 August 2023		
08.00 – 12.00	Field Observation to Kintapura Estate Aspect to be verified: <ul style="list-style-type: none">Implementation of Legal Aspect (Land Ownership, Legal Boundaries);Implementation of Environmental, Conservation/HCVImplementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities, Waste Management)Implementation of Employment Procedure and Mechanism AspectObservation 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	<div>TIO</div> <div>ELU</div> <div>RAN & SIA</div>
12.00 – 14.00	<ul style="list-style-type: none">Break	All Auditor
14.00 – 16.00	<ul style="list-style-type: none">Document review and completing audit checklist	All Auditor
16.15 – 17.00	<ul style="list-style-type: none">Presentation of Daily Progress	
FRIDAY, 04 August 2023		
08.00 – 12.00	<ul style="list-style-type: none">Document review and completing audit checklist.Continued field observation and Public Consultation if needed)	All Auditor
12.00 – 14.00	Break	
16.00 – 17.00	<ul style="list-style-type: none">Document review and completing audit checklist.	All Auditor
16.15 – 17.00	<ul style="list-style-type: none">Presentation of Daily Progress	
SATURDAY, 05 August 2023		
08.00 – 10.00	Internal discussion by auditor team preparing for Closing Meeting Closing Meeting	All Auditor

DATE	31 July – 5 August 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<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 	
10.00 – 15.00	PT SMART TBK → BANJARMASIN BANJARMASIN → JAKARTA	