

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

[✓] Initial Certification

Name of Management Organization : **Satria Palm Oil Mill – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc.**
 Plantation Name : **PT Sasana Yudha Bhakti (Satria Palm Oil Mill and Satria Estate)**
 Location : **Gunung Sari Village, Tabang District, Kutai Kartanegara Regency, Kalimantan Timur Province. Indonesia.**
 Certificate Code : **MUTU-RSPO/195**
 Date of Initial Registration : **03 November 2023**
 Date of Certificate Issue : **03 November 2023** Date of License Issue : **03 November 2023**
 Date of Certificate Expiry : **02 November 2028** Date of License Expiry : **02 November 2024**

Assessment	Assessment Date	PT. Mutuagung Lestari Tbk Auditor	Reviewed by	Approved by
IC	13 - 16 March 2023	Haikal Ramadhan Kharismansyah (Lead Auditor), Yuniar Mitikauji, Kiki Fadli and Ririn Sipayung	Harso Yuli Antena	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
IC	3 November 2023

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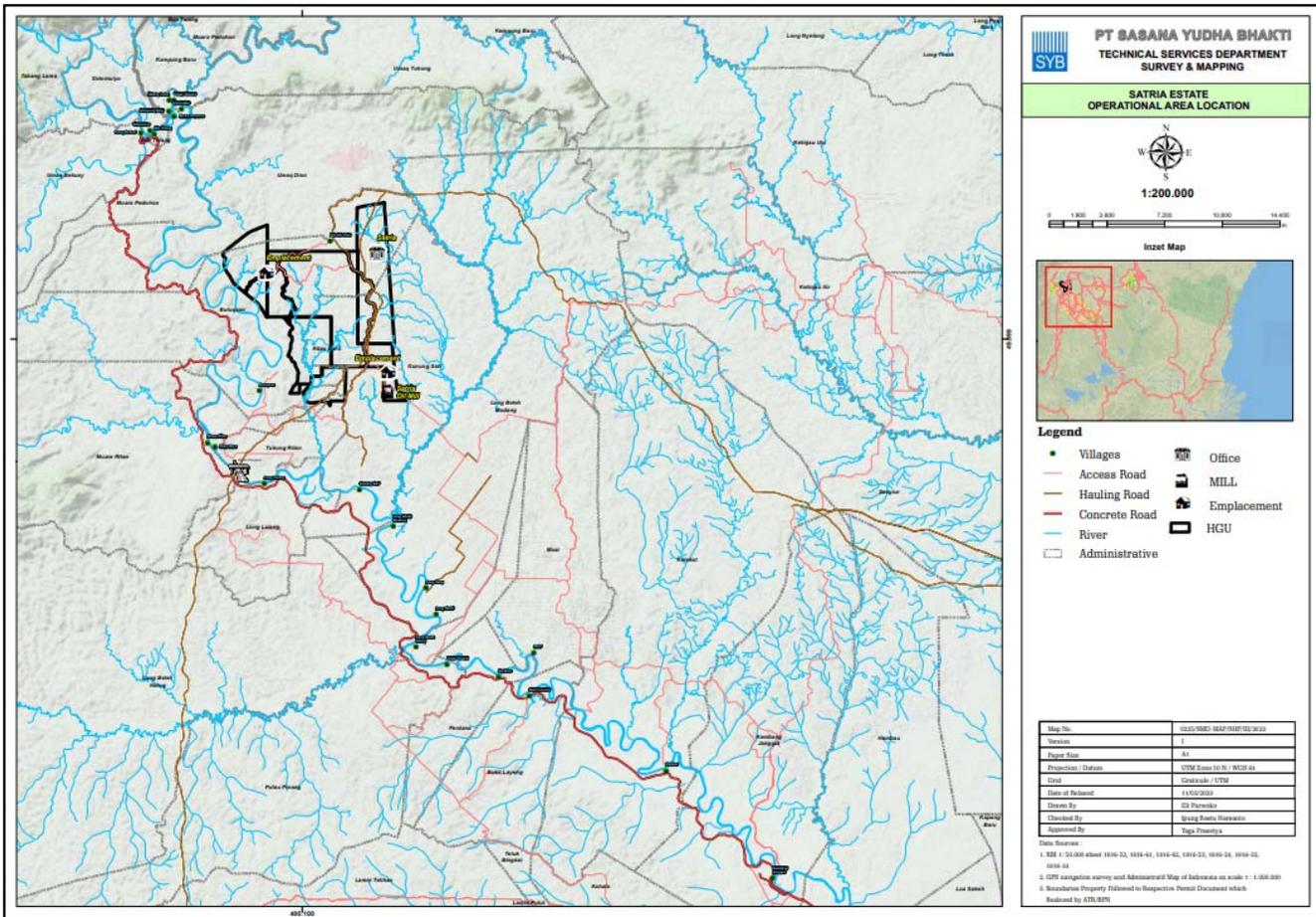
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Figure 1. Location Map of PT Sasana Yudha Bhakti



Abbreviations Used

AWM	:	Agro Wira Masang (Associated Smallholders of AMP Plantations)
BMS	:	Block Manuring System
BPBD	:	<i>Badan Penanggulangan Bencana Daerah</i> (Regional Disaster Management Agency)
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
BSS	:	Block Spraying System
CB	:	Certification Body
CEC	:	Cation Exchange Capacity
CH	:	Certificate Holder
CPO	:	Crude Palm Oil
CR	:	Collection Road
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
DELH	:	Environmental Evaluation Document (<i>Dokumen Evaluasi Lingkungan Hidup</i>)
EFB	:	Empty Fruit Bunch
EHS	:	Environment Health and Safety
EWS	:	Early Warning System
ENT	:	Ear Nose Throat
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, Consent
GA	:	General Affair
GAPKI	:	<i>Gabungan Pengusaha Kelapa sawit Indonesia</i>
GEM	:	General Estate Manager
GHG	:	Greenhouse Gasses
GM	:	General Manager
GRTT	:	<i>Ganti Rugi Tanam Tumbuh</i> (compensation)
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Land Use Title for Building)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title/Right)
HRGA	:	Human Resources General Administration
IPM	:	Integrated Pest Management
ISO	:	The International Organization for Standardization
ISCC	:	International Sustainability & Carbon Certification
ISPO	:	Indonesian Sustainability Palm Oil
K3	:	<i>Kesehatan dan Keselamatan Kerja</i> (OHS)
LA	:	Land Application
LPUP	:	<i>Laporan Perkembangan Usaha Perkebunan</i> (Plantation Business Progress Report)
LSU	:	Leaf Sampling Unit
MR	:	Main Road
MSDS	:	Material Safety Data Sheet
MUSREMBANGDES	:	<i>Musyawaharah Rencana Pembangunan Desa</i> (Village Development Plan Deliberation)
<i>Nagari</i>	:	Village
NGO	:	Non-Government Organization
OHS / OSH	:	Occupational Health and Safety
P&D	:	Pest & Disease
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
PIPPIB	:	<i>Peta Indikatif Penundaan Pemberian Izin Baru</i> (Indicative Map of Delay in Granting New Permits)
PIC	:	Person In Charge

POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan</i> (Environmental Management Plan / Environmental Monitoring Plan)
RSPO	:	Roundtable Sustainable Pal Oil
RTE	:	Rare threatened and Endangered
R & D	:	Research and Development
SCCS	:	Supply Chain Certification System
SEIA	:	Social Environment Impact Assessment
SHM	:	<i>Sertifikat Hak Milik</i> (Ownership Right)
SIA	:	Social Impact Assessment
SMK3	:	<i>Sistem Manajemen Keselamatan dan Kesehatan Kerja</i> (OHS Management System)
SOP	:	Standard Operation Procedure
SPSI	:	Serikat Pekerja Seluruh Indonesia
SSU	:	Soil Sampling Unit
SYB	:	Sasana Yudha Bhakti
UOC	:	Unit of Certification
UPTD	:	<i>Unit Pelayanan Teknis Daerah</i> (Regional Technical Service Unit)
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant
YOP	:	Year of Planting

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used		
		<ul style="list-style-type: none"> Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020. RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. 	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	Satria Palm Oil Mill – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc.	
1.2.2	Contact person	Winetou Budi Satria	
1.2.3	Organisation address and site address	Head Office Gedung Grha Bintang Lantai 1 B-C-D, Jl. Jendral Sudirman No.423, Kelurahan Damai Bahagia, Sub-District of Balikpapan Selatan, City of Balikpapan, Province of Kalimantan Timur, Indonesia Site Office Gunung Sari Village, Tabang District, Kutai Kartanegara Regency, Kalimantan Timur Province	
1.2.4	Telephone	(+62) 542 8524 522	
1.2.5	Fax	-	
1.2.6	E-mail	winetou.satria@rea.co.id	
1.2.7	Web page address	https://www.rea.co.uk/websites/reaholdingsplc/English/1/home.html	
1.2.8	Management Representative who completed the application for certification	Winetou Budi Satria	
1.2.9	Registered as RSPO member	1-0045-07-000-00, 10 November 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Satria POM and Supply Base (Satria 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
			Latitude Longitude
	Satria Oil Mill	Gunung Sari Village, Tabang Sub District, Kutai Kartanegara Regency, Kalimantan Timur Province. Indonesia.	0° 25' 22.947" N 116° 8' 59.475" E
1.4.2	Location of Certification Scope of Supply Base		

	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Satria Estate	Buluq Sen, Gunung Sari, Ritan Baru and Tukung Ritan Village, Tabang Sub District, Kutai Kartanegara Regency, Kalimantan Timur Province. Indonesia.	0° 30' 4.290" N	116° 8' 39.270" E
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		7,388.70 Ha	
	• Community		-	
	Total		3,831.42 Ha	
From the total area of the HGU, there was an area of 3,557.28 Ha excluded from the scope of certifications because it was included in a mining area that was not managed by the company.				
1.5.2	Area Statement			
	Description	Satria Estate (Ha)	Total (Ha)	
	Total area	3,831.42	3,831.42	
	Mature area	1,765.18	1,765.18	
	Immature Area	-	-	
	Roads	124.45	124.45	
	Building Sites	43.25	43.25	
	Mills	26.00	26.00	
	Composting Sites	4.00	4.00	
	To be Developed Area (reserve area)	922.21	922.21	
	Conservation Areas	136.39	136.39	
	Allocated for Plasma Anugerah Sejahtera	257.36	257.36	
	Allocated for Plasma Pekalai Murip	305.00	305.00	
	Transfer to PT Tiwa Abadi (Mining Area)	150.80	150.80	
	Transfer to PT Fajar Saksi Prima (Mining Area)	96.78	96.78	
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Satria Estate (Ha)	Total (Ha)	
	2008	338.73	338.73	
	2010	629.87	629.87	
	2011	796.58	796.58	
	TOTAL	1,765.18	1,765.18	
1.6.2	New Planting area after January 2010	1,426.45 Ha		
1.6.3	Planting Cycle	1st Cycle		
1.7	Description of Mill and Supply Base			

1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Satria POM	80	244,362.16	53,154.20	21.75	13,558.27	5.55
	<i>*Production data source from 12 months before assessment (March 2022 to February 2023)</i>						
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)	%
	Satria Estate	3,831.42	1,765.18	42,344.82	23.99	42,344.82	100.00
	<i>*Production data source from 12 months before assessment (March 2022 to February 2023)</i>						
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 (tones/year)		
	Perdana Estate	Group R.E.A Holdings Plc	-	4,391.96	516.39		
	Sentekan Estate	Group R.E.A Holdings Plc	-	4,733.10	310.95		
	Berkat Estate	Group R.E.A Holdings Plc	-	7,471.70	3,032.72		
	Cakra Estate	Group R.E.A Holdings Plc	-	5,491.00	35,858.49		
	Damai Estate	Group R.E.A Holdings Plc	-	3,517.00	1,801.83		
	Lestari Estate	Group R.E.A Holdings Plc	-	4,526.99	75,974.79		
	Tepian	Group R.E.A Holdings Plc	-	4,382.53	287.76		
	KMS	Group R.E.A Holdings Plc	-	7,321.15	1,424.13		
	CDM	Group R.E.A Holdings Plc	-	8,365.38	65.62		
	Persada Bangun Jaya (PBJ2 Satria)	Group R.E.A Holdings Plc	-	76.86	917.99		
	Plasma Senyur Indah	Smallholder	-	749.00	651.20		
	Plasma K. Kahad Bersatu	Smallholder	-	1,157.10	78.28		
	Plasma Terusan Jaya Mandiri	Smallholder	-	344.64	34.82		
	Plasma K. Etam Bersatu	Smallholder	-	600.03	108.63		
	Plasma K. Etam Sejahtera (PBJ2 Kaltim)	Smallholder	-	2,924.00	22.24		
	Plasma K. Bangun Sari	Smallholder	-	484.00	9,893.76		
	Plasma K. Anugerah Sejahtera	Smallholder	-	257.36	4,071.28		
	Plasma K. Pekalai Murip	Smallholder	-	305.00	2,807.41		
	PPMD & Swadaya	Independent Supplier	-	-	62,489.17		
	External Company	Independent Supplier	-	-	1,777.34		
	TOTAL					202,124.80	
	<i>*Production data source from 12 months before assessment (March 2022 to February 2023)</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (Ton)		Realization (Ton)	
	FFB Processed			-		-	

	CPO Production	-	-					
	Palm Kernel (PK) Production	-	-					
1.8.2	Product selling							
	Type of selling product	Actual selling product for last year (MT)						
	CSPO sold as RSPO certified product	-						
	CSPK sold as RSPO certified product	-						
	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)	Yield (tones/ha/year)				
	Satria Estate	3,831.42	1,765.18	4.87				
	<i>*Projected FFB production for 12 months of certificate</i>							
	<i>** There are area covering 1,426.45 Ha subjected to sanctions due to new planting after 2010 without NPP procedure and the FFB from those area was not claimed as certified product</i>							
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 (%)	
	Satria POM	80	8,600	1,892	22.00	430	5.00	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2008	-						
	ISO 14001: 2015	Certificate Number EMS - 074						
	OHSAS 18001:2007	-						
	ISCC	Certificate Number: EU-ISCC-Cert-DE105-81989309						
	ISPO	Certificate Number SGS-ID-ISPO-0027						
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						
	Perdana POM	2011	Perdana Estate	2011	Kutai Kartanegara district, East Kalimantan Province	Certified		
			Sentekan Estate	2011	Kutai Kartanegara district, East Kalimantan Province	Certified		
			Tepian Estate	2023	Kutai Kartanegara district, East Kalimantan Province	Not Certified		
			Prasetia Utama	2024	Kutai Kartanegara district, East Kalimantan Province	Not Certified		

			Plasma Kahad Bersatu	2023	Kutai Kartanegara district, East Kalimantan Province	Not Certified
	Cakra POM	2011	Cakra Estate	2011	Kutai Kartanegara district, East Kalimantan Province	Certified
			Lestari Estate	2011	Kutai Kartanegara district, East Kalimantan Province	Certified
			Damai Estate	2011	Kutai Kartanegara district, East Kalimantan Province	Certified
			Berkat Estate	2011	Kutai Kartanegara district, East Kalimantan Province	Certified
			Kedaron Estate	2020	Kutai Kartanegara district, East Kalimantan Province	Certified
			Plasma Cipta Davia Mandiri	2024	Kutai Kartanegara district, East Kalimantan Province	Not Certified
			Plasma Etam Bersatu	2023	Kutai Kartanegara district, East Kalimantan Province	Not Certified
			Satria POM	2023	Satria Estate	2023
	Persada Bangun Jaya	2025			Kutai Kartanegara district, East Kalimantan Province	Not Certified
	Plasma Anugerah Sejahtera	2024			Kutai Kartanegara district, East Kalimantan Province	Not Certified
	Plasma Bangun Sari	2024			Kutai Kartanegara district, East Kalimantan Province	Not Certified
	Plasma Pekalai Murip	2024			Kutai Kartanegara district, East Kalimantan Province	Not Certified
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	<p>There are still plasmas that have not been certified, such as:</p> <ul style="list-style-type: none"> • Plasma Kahad Bersatu • Plasma Cipta Davia Mandiri • Plasma Etam Bersatu • Plasma Anugerah Sejahtera • Plasma Bangun Sari • Plasma Pekalai Murip <p>For example for Plasma Kahad Bersatu is currently completing the RaCP process. Current status: FCL has been approved and 3rd Concept Note has been submitted to RSPO. As per communication with RSPO, the Initial certification can proceed on condition that the scheme smallholder/plasma has completed and disclosed the LUCA, while waiting for the finalization of the RaCP's procedure for scheme smallholder. Plasma Kahad Bersatu will be certified as a supply base for Perdana POM with the type of certification being an extension scope during ASA 2.2 in April 2023.</p>					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
IC	<p>1. Haikal Ramadhan Kharismansyah (Lead Auditor). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years' experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001:2015, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS. Did some audit ISPO scheme with aspects best management practices. During this audit, he assigned to verify legal aspect, worker welfare, Transparency land dispute, SCCS, TBP and partial certification aspect.</p> <p>2. Yuniar Mitikauji (Auditor). Master Degree of Environmental Program at Melbourne University and bachelor of Forestry, with silviculture background at Gajah Mada University. She has been worked as assistant of research at Forestry Faculty at Gajah Mada IPM Program, Project Manager of Land Rehabilitation at Samboja Lestari Project, Kalimantan Timur. Selected Training which has been followed, such as wildlife statistical analysis hort course by Cardiff and Sabah University, HCV Training from Mutu Agung, Lead Auditor ISPO, Lead Auditor RSPO endorsed by Proforest and Daemeter, Training IHT Awareness RSPO, Training QMS 19011 ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065 and etc Now she worked at Professional Certification Body. During this assessment, she is assigned to verify of environmental aspect, conservation and HCV</p> <p>3. Kiki Fadli (Auditor). Indonesian citizen. Bachelor of Agricultural Engineering, Agricultural Engineering Study Program. Has experience working in the sustainability department in private and state-owned oil palm plantations. Has attended training on New Refreshment Lead Auditor ISPO, Lead Auditor RSPO, General OHS Expert, ISO 9001:2008, ISO 14001:2015, ISO 17021, ISO 17065, HCV, SMK3 and ISH Lead auditor training conducted by RSPO. During this assessment, he verified the OHS and BMP aspect.</p> <p>4. Ririn Sipayung (Auditor Trainee). Experience working as a Sustainability Assistant for 6 years in several private oil palm plantation companies in Indonesia. The training that has been attended includes Training Lead Auditor 9001: 2015 IRCA, Refreshment New ISPO (PERMENTAN 38 Year 2020), Awareness (ISO 9001, ISO 14001, ISO 45001: 2018, ISO 19011: 2018, ISO 17021: 2015, ISO 17065 : 2012), In House Training (Best Management Practice, Environment, Labor, Social, and Transparency), Prospective Occupational Safety and Health Expert (AK3U) by KEMENAKER RI, ISPO Auditor Certification by LPP and ISPO Commission, Traceability Supply Chain and Smallholder Engagement and so on. Has carried out several audit activities and in this audit, activity verified the aspects of worker welfare and Transparency 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
IC	<p>Number of auditors: 3 auditor and 1 Trainee Number of days for IC onsite audit: 4 days Number of working days for IC onsite audit: 12 Working days</p>
2.2.2	Assessment Process
IC	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Satria POM – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The scope of certification of Satria POM – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc consist of one mill (Satria POM) and one supply base, namely Satria Estate.</p> <p>The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p>

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

Number of units in this certification activity is 1 (one) Mill and 1 (one) supply bases, namely Satria estates. Based on this, the auditor team determined the sampling locations to be one mill (Satria POM) and one supply base, namely Satria estates.

The opening meeting was held on March 13, 2023, at Meeting Room Office. As for the participants who attended the opening meeting included Group Manager, Mill/Estate Manager, Support Team from Jakarta and other staff at Estate and Mill units. Closing meeting was held on March 16, 2023, which was attended by the same participants as the opening meeting. Management Satria POM – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc accept all the IC audit results.

Interviews were conducted with male workers, female workers and staff directly at factory and plantation workplaces in person or via teleconference (if the stakeholders could not be found). Field workers were interviewed informally in small groups in the field. Company officials were not present at internal or external stakeholder interviews. The list of stakeholders contacted is listed in Appendix 1.

The assessment program please find Appendix 2.

2.2.3	Locations of Assessment
IC	<p>The sampling location consider the issue arose from the review documents and stakeholder’s consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Satria POM</p> <ul style="list-style-type: none"> • Security Post. field observation with security regarding employment aspect, OHS aspect and working procedures specified. • Weight Bridge. field observation related SCCS activity, emergency procedure, and safety aspect. • Loading Ramp. field observation with officers sorting FFB. Based on the interview, the officer can explain the criteria FFB decent though, demonstrating how sorting FFB, employment aspect, OHS aspect and working procedures specified. • Boiler Station. field observation with Boiler operator regarding employment aspect, OHS aspect and working procedures specified. • Press Station. field observation with employment aspect, OHS aspect and working procedures specified. • Kernel Station. field observation with employment aspect, OHS aspect and working procedures specified. • Engine Room. field observation with engine room operator regarding employment aspect, OHS aspect and working procedures specified. • Workshop. field observation related workshop activity, OHS, environmental and worker welfare aspect. • Land application. field observation related OHS, environmental and worker welfare aspect. • Water intake. field observation related OHS, environmental and worker welfare aspect. • Hazardous Waste Temporary Store. field observation related hazardous waste management, OHS and environmental aspect. • Chemical Warehouse. field observation related chemical management, OHS, and environmental aspect. • Hydrant simulation. field observation related emergency response, readiness of firefighting equipment • General Storage. field observation related management of mill material, OHS and Environmental. • Fuel Oil Warehouse. field observation related Fuel Oil management, OHS, and environmental aspect.

- **Water Treatment Plant.** Observation regarding to environmental and OHS aspect.
- **Effluent Treatment Plant.** Observation and interviews regarding to environmental and OHS aspect.
- **EFB Stacking Area.** Observation regarding to environmental aspect.
- **Housing complex.** Observation regarding environmental and OHS aspect.

Satria Estate

- **Fertilizer activity. Division 1 Block 7D.** field observation related to Procedure implementation, OSH implementation, workers welfare, wages and complaint mechanism.
- **Harvesting activity. Division 1 Block 2D and Division 3 Block 86D.** field observation related to Procedure implementation, OSH implementation, workers welfare, wages and complaint mechanism.
- **Manual Weeding activity. Division 4 Block 83C.** field observation related to Procedure implementation, OSH implementation, workers welfare, wages and complaint mechanism.
- **Boundaries Poles No 28, 31 and 72.** Field Observations related legal boundaries and potential conflict area.
- **Area to be Develop. Division 1 Block 7D, Division 3 Block 86B and Division 4 Block 83C.** Field Observations related legal boundaries and potential conflict area.
- **Fertilizer storage.** Observation and interview related to OSH, worker welfare and waste management
- **Workshop.** Observation and interview related to OSH, worker welfare and waste management
- **Fire-fighter equipment.** Observation and interview related to emergency response mechanism.
- **Fuel tank.** Observation and interview related to OSH, worker welfare and waste management
- **Landfill.** Observation and interview related to OSH, worker welfare and waste management
- **Daycare.** Observation and interview related to OSH, worker welfare and waste management
- **Clinic.** Observation and interview related to first aid mechanism and workers health service.
- **Agrochemical central storage.** Observation and interview related to OSH, worker welfare and waste management.
- **Rinse House.** Observation and interview related to OSH, worker welfare and waste management.
- **Housing complex.** Observation regarding environmental and OHS aspect.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
IC	<p>Summary of stakeholder consultation process for PT Sasana Yudha Bhakti was held by:</p> <ul style="list-style-type: none"> • Public Notification was made on RSPO and MUTU Website on 8 February 2023. • Public consultation with NGOs (by email) such as WALHI, AMAN, WWF and Sawit Watch on 6 March 2023. • Public consultation meeting with government institution on 14 March 2023. • Public consultation meeting with internal stakeholders and contractor on 14 March 2023. <p>Numbers of input from stakeholders were clarified by PT Sasana Yudha Bhakti</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-1) will be conducted eight (8) months to twelve (12) months after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Satria Palm Oil Mill – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there were three (3) Nonconformities were assigned against Major Compliance Indicators; two (2) nonconformities were assigned against Minor Compliance Indicators; and seven (7) opportunities for improvement were identified.

Further explanation of the non-conformities raised, and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action that had been reviewed and accepted by Auditor in form of documentation evidences e.g. (document record/photographic/etc). Those corrective actions taken that consist of three (3) Major non-conformity and two (2) Minor non-conformity had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Satria Palm Oil Mill – PT Sasana Yudha Bhakti subsidiary of R.E.A Holdings Plc complied with the requirements of *Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governor on 12th November 2020.*

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **issued**

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
<p>1.1.1 The company already has documents available to the public listed in the transparency and information delivery procedures that have been approved by company management such as the president director and are effective on August 27, 2020. The documents consist of:</p> <ul style="list-style-type: none"> • Vision and mission of the company • Company policies and other derivative support policies • RKL-RPL reports, LPUP, employment reports, tax reports, etc • Internal Department Reports (Budget, Annual Work Plan, Monthly, Monthly Reports, etc) • All internal company procedures such as Agronomy procedures, Mill Procedures, FPIC Procedures, Internal Complaints, etc • Reports on the progress of the development of OHS, Environmental and Social programs and employment (Work accident statistics, Environmental management reports, HCV area management reports and community development program reports etc) • Public summary of sustainability certification programs and management systems (RSPO, ISPO, ISCC, ISO 14001 and SMK3) <p>The company has also assigned a GA Department Manager who is responsible for managing requests for information. For example, such as responding to requests for information and or documents to stakeholders through the unit manager under their scope.</p> <p>In addition, the company also determines the timeframe for the process of submitting responses or answers related to requests for information, namely a maximum of 14 (fourteen) working days from the receipt of requests for information and or documents.</p>		

1.1.2

The company already has an SOP on Transparency & Disclosure of information with no. REA.BPO.GA.TPI revision 2 dated 27 July 2020 which explains the mechanism for requesting information and types of information that can be accessed by the public as well as the response period for providing information, which is 14 days.

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

Compliance with Social and Environmental Regulations

- RKL-RPL Semester 2 2022 report for the Satria POM and Satria Estate units (2 reports) to the Environmental Office of Kutai Kartanegara Regency and Kalimantan Timur Province on 20 February 2023.
- RKL-RPL Semester 2 2022 report for Satria POM and Satria Estate units (2 reports) to the Ministry of Environment and Forestry dated 24 January 2023 with proof of ID TTE 1674562423-4212 and 1674470089-7018.
- Satria POM Hazardous Waste Management Report and Land Application Report for Quarter IV 2022 to the Environmental Office of Kutai Kartanegara Regency and Kalimantan Timur Province on 20 February 2023.
- Quarterly 4/2022 Hazardous and Toxic Waste Management Report for Satria POM and Satria Estate units (2 reports) to the Ministry of Environment and Forestry dated 4 February 2023 with proof of ID TTE 1675485516-4569 and 1675078580-7209.
- Forest and Land Fire Control Monitoring Report for Semester 2 of 2022 for all units to the Environment Agency of Kutai Kartanegara Regency and Kalimantan Timur Province on 24 February 2023.
- Report on the results of 2022 HCV management and monitoring submitted to the BKSDA of Kutai Kartanegara Regency and Kalimantan Timur Province on 1 February 2023.

Compliance with Best Management Practices Regulation:

Report on the development of the company's activities in the second semester of 2022 which was reported to the Kutai Kartanegara District Plantation Agency on January 7, 2022.

Compliance with OHS Regulation:

OHS Committee report for the fourth quarter of 2022 which was reported to the Kalimantan Timur Province Manpower and Transmigration Office on 11 February 2022.

Compliance with Legal Regulation:

- Report the utilization of HGU regularly every year to the local land office
- Report investment activities online

Compliance with manpower Regulation:

- Mandatory employee report with reporting number 76114202203270001 which was reported on 27 March 2022 and required to report back on 27 March 2023.
- Contract employee report April 28 2022 number 560/352/PKWT/04/2022 to the Transmigration and Manpower Office of Kutai Kartanegara Regency.

Based on interviews with village officials, it was conveyed that they already knew the procedures for responding to information and documents that could be accessed as well as information presented in the appropriate language. In addition, stakeholders can also access through the company's website to obtain other information.

1.1.3

The company already has documents available to the public listed in the transparency and information delivery procedures that have been approved by company management such as the president director and are effective on August 27, 2020.

The company has assigned a GA Department Manager who is responsible for managing requests for information. Examples include responding to requests for information and/or documents from stakeholders through unit managers under their scope.

In addition, the company determines the timeframe for the process of submitting responses or answers regarding requests for information, namely a maximum of 14 (fourteen) working days from the receipt of requests for information and or documents.

The company can also show evidence of a response to a request for information, for example such as an application for funding for the Easter celebration for youth and youth GKII Sector III, Tabang District, which was received on 05 April 2022 and then the company can show evidence of documentation and realization of funds for the easter celebration for youth with GKII, Umaq Dian Village. which was realized on April 25, 2022.

1.1.4

The company already has documents available to the public listed in the transparency and information delivery procedures that have been approved by company management such as the president director and are effective on August 27, 2020.

The company has assigned a GA Department Manager who is responsible for managing requests for information. Examples include responding to requests for information and/or documents from stakeholders through unit managers under their scope.

In addition, the company also determines the timeframe for the process of submitting responses or answers related to requests for information, namely a maximum of 14 (fourteen) working days from the receipt of requests for information and or documents.

From the results of interviews with agency representatives, information can be obtained that stakeholders already know the procedures for accessing information and the PIC who is responsible for handling it.

1.1.5

The company already has a contact list and detailed stakeholder information which will be updated in 2023, namely:

- 5 village representatives (Lang Lalang Village, Buluq Sen Village, Gunung Sari Village, Ritan Baru Village and Tukung Ritan Village)
- 1 representative from Tabang district
- 11 government agencies
- 11 buyers
- 7 environmental management partners
- 3 contractors
- 18 FFB suppliers

Based on the auditor's verification of random stakeholder contacts, information can be obtained that the stakeholders contacted are in accordance with the information on the list of stakeholders compiled by the company.

Status: Comply

1.2

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

1.2.1

The company shows the business ethics policy listed in the directors' decision letter no. 001/BOD_REA/P/II/2015 which was published on September 14, 2020, which explains, among other things:

- Committed not to give or receive bribes.
- All financial transactions are clearly documented for internal control.
- The company provides all public information to shareholders and related stakeholders.

The company also regularly conducts outreach to employees and stakeholders such as contractors and the surrounding community regarding the company's code of ethics, for example, which was carried out on 15 February 2022 which was attended by 32 people including employees, community representatives and contractor representatives. In addition, based on interviews with harvest workers and contractors, it is known that personnel can explain things that violate the company's code of ethics.

Based on document reviews and interviews with security workers (new employees), it was stated that the recruitment process was carried out through a checking mechanism for administrative completeness such as ide card and other identity documents, then entered the assessment stage either through interviews or interviews. written test and ended with a medical examination and free of charge in the process. Likewise with contractors who work with companies, where the legality check process is carried out and ends with the commitment of both parties.

Based on the explanation above, it is known that an ethical policy has been implemented in terms of recruitment and contracts.

1.2.2

The company has a system to monitor compliance and implementation of these policies, as well as ethical business practices as a whole by conducting internal audits, for example conducted on 12-13 July 2022. Based on the results of the internal audit, it was found that there were 3 discrepancies in Satria POM and 31 discrepancies in Satria Estate that has been fully fulfilled the last on August 2022.

Meanwhile for contractors, the company conducts performance evaluations which include explaining the quality of work, the accuracy of the completion schedule, the completeness and feasibility of human resources, compliance with regulations, level of communication, discipline in using PPE and others.

Based on interviews with sorting workers and contractors, it is known that personnel can explain the reporting mechanism if there is a violation of ethical business practices.

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 Satria POM certification unit has several supply bases. In fulfilling compliance, the company has complied with several relevant regulations, namely by having the following documents:

Compliance with Social and Environmental regulations

Scope of Satria POM

- The company already has the 2019 UKL-UPL Technical Recommendation Document. This document was approved by the Kutai Kartanegara Regency Environment Service with Number 01/REKOM/UKL-UPL/DLHK/2020 on January 14, 2020. The scope of the UKL-UPL study is change in factory capacity from 80 tons of FFB/hour and 100 tons/day of kernels to 130 tons of FFB/hour and 150 tons/day of kernels with a factory area of 29.9 Ha. Through this document, the company has also obtained the UKL-UPL Recommendation Approval Document based on the Decree of the Kutai Kartanegara Regency DPMPSTP Number P-660.2/DPMPSTP/BID.IV.1/001/PPR.UKL-UPL/II/2020 on January 14, 2020.
- The company has a Hazardous and Toxic Waste Management Permit for waste storage activities based on the decision of the Environmental Agency of Kutai Kartanegara Regency Number 660.1/278/BLHD-1/2016 dated 30 December 2016 with a validity period of 5 years. However, due to the change in the hazardous waste management permit to a technical recommendation, the company has consulted with the Ministry of Environment and Forestry and the Environmental Service and stated that the permit document remains valid as long as there are no changes. The results of interviews with the Kutai Kartanegara Regency Environmental Service also stated the same thing, namely the permit remains valid as long as there are no changes in the field.
- The company already has a Land Application Permit based on an Operational Feasibility Letter for a Wastewater Utilization System for Application to Land covering an area of 676.91 Ha which was approved by the Kutai Kartanegara Regency Environmental Service with Number P-0670/DLHK/BID.II.2/660.31/ 09/2021 on September 28, 2021.
- The company already has a Permit for Disposing of Domestic Wastewater for Businesses and/or Activities of Oil Palm Plantations and Palm Oil Mills with Number P-660.41/182/DPMPSTP/IV.3-1/IPAL/12/2018 dated 20 December 2018.
- The company has a Water Resources Exploitation Permit to PT SYB Number 995/KPTS/M/2017 which was ratified on 4 December 2017 by the Ministry of Public Works and Public Housing. The permit is valid for taking water from the Penon River with a budget of 23.15 liters/second or the equivalent of 60,004 m3/month. Permits are valid for 5 years.

Scope of Satria Estate

- The company has a 2009 Environmental Eligibility Document for the scope of oil palm plantations with an area of 7,960.97 Ha which was approved by the Regent of Tenggarong with Number KAKK/12/AMDAL/KELAPASAWIT/2009 on March 16, 2009.
- The company already has a Hazardous and Toxic Waste Management Permit for waste storage activities based on the Decree of the Head of DPMPSTP Kutai Kartanegara Regency dated 31 May 2018 Number 660.4/073/TPS-LB3/DPMPSTP. The license is valid for 5 years or until 31 May 2023.
- The company already has a Water Resources Exploitation Permit to PT SYB Number 1142.7/KPTS/M/2019 which was ratified

on 29 November 2019 by the Ministry of Public Works and Public Housing. The permit is valid for taking water from the Sengidew River for 5 years.

Compliance with Best Management Practices Regulation:

Based on the results of the document review, it is known that the certificate holder has complied with the provisions related to best management practice, including:

- The company does not clear and/or cultivate land by burning, this is in accordance with Law number 39 of 2014 concerning Plantations.
- Using pesticides that are registered and whose distribution permits are still valid in accordance with Minister of Agriculture No. 43 of 2019, for example the use of pesticides with the trademark Inteam 150 SL, the chemical Ammonium Glufosinate, Permit No. RI. 01030120072763 and valid until 19 May 2024.

Compliance with OHS Regulation:

The OHS Committee approval decree issued by the Kalimantan Timur Province Manpower and Transmigration Office No. 566/3327/P2K3/PPK/DTKT/2021 dated 29 December 2021 with the composition of the OHS Committee management including the chairman with the initials AGH, secretary Mill with the initials BPAF and estate secretary with the initials AL. OHS Committee secretaries have also attended general OHS expert training, for example the OHS Committee Mill secretary has certificate No. 5/5670/AS.02.04/X/2020 as well as the General OHS Expert designation letter with No. 5/8864/AS.02.04/X/2020 which was issued on 12 October 2020 which is valid until 12 October 2023. This is in accordance with minister of labor regulations No 4 of 1987.

Compliance with Legal Regulation:

- Own HGU with a total area of 7,388.70 Ha
- Have a Plantation Business Permit in accordance with:
 - Decree of the Regent of Kutai Kartanegara No. 503/51/SK-DISBUN KUKAR/ VII/ 2007 dated 26 July 2007 concerning Business Permits for Cultivating Palm Oil Commodity PT Sasana Yudha Bhakti with an area of 10,710 Ha in Gunung Sari Village, Buluq Sen, Ritan Baru, Tukung Ritan, Tabang District, Kutai Regency Kartanegara.
 - Decree of the Regent of Kutai Kartanegara No. 525.26/002/IUP-P/BID.I/VII/2015/BP2T concerning Plantation Business Permit for Processing (IUP-P) of PT Sasana Yudha Bhakti with a capacity of 80 tons of FFB/hour

Compliance with manpower Regulation:

- Mandatory employee report with reporting number 76114202203270001 which was reported on 27 March 2022 and required to report back on 27 March 2023.
- Contract employee report April 28, 2022, number 560/352/PKWT/04/2022 to the Transmigration and Manpower Office of Kutai Kartanegara Regency.

2.1.2

Unit of certification has SOP *kewajibkan penataan* Compliance obligations, Doc. No. REA.BPO.EMS.COB, issued date November 24, 2017 rev. 01, effective dated on December 25, 2017. And procedure no. REA.BOP.EMS.COB & REA.BPO.EMS.EOC which mentioning how to identification, collect all of related law and regulation through internet, consultation with related official government or related/other source and written information on legal requirements (international, national & local government laws which details the requirements of specific to the mill and estate operation). The procedures have regulated the identification process of law and regulation, the distribution of law and regulation, to communicate the law and regulation, to update the law and regulation and to appoint the person in charge to conduct the identification of the law and regulation.

The procedures and the list of laws and regulations are available in some sections/divisions/departments. For example, the document is in placed at sustainability section, plantation/estate/mill section, conservation section and legal section. some regulatory updates e.g. :

- Government decree number 37-year 2021 related job loss security
- Regulation of the Minister of Manpower No. 4/2022 Regarding Procedures and Requirements for Payment of Old Age Security Benefits
- The district head's regulation regarding the district minimum wage in 2023

Legal compliance verified and also assessed when internal audit of RSPO conduct and/or at the time frequently evaluation (once a

year). Evidence of evaluation of third party legal compliance in more detail is detailed in indicator 2.2.2.

2.1.3

The unit of certification has procedures for monitoring and maintaining HGU boundary markers (code: REA.TSD.SNM.PTB) dated 1 July 2018 which among other things explains:

- Activities to check and maintain the boundary monuments are carried out by the estate periodically at least once a year.
- Cleaning the area around the boundary monument at least in a 1.5 meter radius manually (cutting machetes) and chemically for weeds
- Inspection and maintenance are carried out on sturdiness, construction and paint or colour appearance.
- If the monument in question has been lost or shifted, the reporting process according to the available form must be submitted to the survey and mapping department.

UoC show a HGU benchmark map with a scale of 1: 50,000 accompanied by monitoring results. Based on the companion's explanation, monitoring and maintenance of stakes is carried out once a year. From the results of the last monitoring carried out in the second half of 2022 it was also known that the obstacles to the installation and maintenance of stakes according to the points issued by the National Land Agency were due to an area that overlapped with mining activities. According to the documents issued by the survey department, there should have been 221 HGU stakes installed in the company's operational area.

From the results of a field visit to the HGU SYB markers, it was found that the condition of the stakes was in accordance with the results of the last monitoring. The UoC also shows the plan for the installation and maintenance of stakes which are targeted for completion in 2023. Based on this, the Certification Unit has the opportunity to ensure that the progress of HGU stake installation is carried out in accordance with a predetermined timeframe. **OFI**

2.1.1	Status: Comply
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2.2
All contractors providing operational service and supplying labour, and Fresh Fruit Bunch (FFB), comply with relevant legal requirements.

2.2.1

The company already has a list of contracted parties consisting of 4 contractors, namely:

- PT Persada Dinamika Jaya
- PT Bagong
- PT Surya Harapan Jaya
- CV Sumber Benua Etam

The company can also show a cooperation agreement, for example an addendum to the agreement with the contractor PT Persada Dinamika Jaya regarding the design agreement, procurement, installation, and commissioning of the second increase of 45 tons per hour of fresh fruit bunches of palm oil processing line to a 45/90 tonnage of fresh fruit bunches per hour of palm oil mills. The agreement was signed on November 10, 2022 and is valid until September 30, 2022.

2.2.2

The company can show an addendum to the work agreement, for example with the contractor PT Persada Dinamika Jaya regarding the design agreement, procurement, installation and commissioning of the second increase of 45 tonnes per hour of fresh fruit bunches per hour of palm oil processing line to a 45/90 tonnage of fresh fruit bunches per hour of palm oil mill. The agreement was signed on November 10, 2022, and is valid until September 30, 2022.

The company shows an evaluation of the legal contractor Date October 1, 2022, Document number 01/SPK/SYBBPN/1/2019 for PT Persada Dinamika Jaya with document information:

- Completeness of Legality
- Compliance with K3 regulations in the company

From the results of the evaluation, information can be obtained that the contractor is active and gets priority for the supply of goods/services. The company also shows an internal memo from the Head of HRD & Med which was made on April 8, 2021 regarding compliance with the application of laws and regulations in the field of employment for contractors addressed to Business Units. In

addition, in order to fulfil the legal compliance of contractors, the company conducts audits of cooperation contractors every 2 times a year which is monitored by the Business Unit, Legal and HRD.

Companies can also show audit results from contractor evaluations such as the fulfilment of health insurance for employees, the fulfilment of minimum workers, the existence of agreements with workers and so on.

2.2.3

The company can show an addendum to the work agreement, for example with the contractor PT Persada Dinamika Jaya regarding the design agreement, procurement, installation and commissioning of the second increase of 45 tonnes per hour of fresh fruit bunches per hour of palm oil processing line to a 45/90 tonnage of fresh fruit bunches per hour of palm oil mill.

The agreement was signed on November 10, 2022 and is valid until September 30, 2022.

The company has also regulated the prohibition of child labor in the agreement, namely:

- Does not discriminate against workers, either on the basis of ethnicity, religion, race or gender
- Not employing underage children, forced labor and those originating from human trafficking
- Do not allow minors to be in the work environment or location
- Providing wages/salaries to employees according to government regulations
- Providing occupational health and safety guarantees for workers according to government regulations
- Not using coercion, threats against employees in carrying out work

From the results of interviews with company representatives, that before the two parties signed the cooperation agreement, the company had established a clause prohibiting child labor in the work agreement.

In addition, in order to fulfil the legal compliance of contractors, the company conducts audits of cooperation contractors every 2 times a year which is monitored by the Business Unit, Legal and HRD.

Companies can also show audit results from contractor evaluations such as the fulfilment of health insurance for employees, the fulfilment of minimum workers, the existence of agreements with workers and so on.

Status: Comply

2.3

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

2.3.1

Based on the recap of TBS receipts from Satria POM, it is known that during the last one year period the company received TBS from direct suppliers, namely:

Group Rea Kaltim

- Perdana Estate
- Sentekan Estate
- Berkat Estate
- Cakra Estate
- Damai Estate
- Lestari Estate
- Tepian Estate
- KMS Estate
- CDM Estate
- Persada Bangun Jaya (PBJ2 Satria)

Non Group Rea Kaltim

- Plasma Senyur Indah
- Plasma K. Kahad Bersatu
- Plasma Terusan Jaya Mandiri
- Plasma K. Etam Bersatu
- Plasma K. Etam Sejahtera (PBJ2 Kaltim)
- Plasma K. Bangun Sari

- Plasma K. Anugerah Sejahtera
- Plasma K. Pekalai Murip
- Plasma Alam Daya Berseri Sejahtera (ADBS)

2.3.2

Based on the results of the document review, it is known that Satria POM receives FFB supplies from both direct and indirect suppliers. Direct FFB suppliers include those from plantations owned by other companies that are still in the REA Kaltim group and plasma from that group (can be seen in basic info) so that the legality of the land and coordinates of fruit sources can be ensured, while information on the source of FFB from suppliers does not directly still give up to 3 years from the time the mill gets the certificate.

Some examples of information presented, for example, are for direct suppliers as follows:

- Belayan Sejahtera Cooperative. Muai Village, Kembang Janggut District with coordinates X: 0.272947 and Y: 116.234907 covering an area of 2,739.30 H
- Karya Makmur Cooperative. Gunungsari Village, Tabang District with coordinates X: 0.3665567 and Y: 116.131073 covering an area of 1,411.47 Ha

Status: Comply

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

3.1

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

3.1.1

The company shows a long-term plan contained in the long-term planning document for the period 2023-2027 which contains plantation business information including production projections, plantation and mill operational plans, FFB source plans, projected costs and others, for example:

DESCRIPTION	UNIT	YEAR				
		2023	2024	2025	2026	2027
FFB Production	Ton	52,955	52,955	52,617	52,278	51,309
Smallholders	Ton	69,004	74,166	84,219	84,164	84,125
CPO Production	Ton	46,729	48,535	50,495	50,032	49,555
CPKO Production	Ton	4,063	4,166	4,334	4,295	4,254

3.1.2

The company shows the area statement that informs the year of planting of oil palm which consists of planting years 2008, 2010 and 2011 with a planting cycle of 25 years, so the company does not yet have a replanting plan for the next 5 years.

3.1.3

The company has conducted a management review within the planned time according to the scale and nature of the activities carried out, which was shown in the management review meeting on January 21, 2023, which was attended by the President Director, Commercial Advisor, Estate management, Mill Management, etc. The agenda discussed includes the results of internal audits, evaluation of customer satisfaction, status of preventive and corrective actions, follow-up from previous management reviews, system changes and recommendations for improvement.

From the results of the management review, for example, it was stated that OHS and labor compliance aspects had not been fulfilled, which has been followed up by conducting monitoring of contractor compliance every month with the person in charge of HRD.

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 management unit has developed and implemented an action plan for continuous improvement, and it is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification. such as:

- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable fuels 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, groundwater through, and Hazardous waste is managed and monitored also reported to the related Environmental Agency.
- Greenhouse Gas (GHG) Management. Implement a zero-burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

Best Management Practices Aspect:

Based on the use of pesticides in the 2021-2022 period, it is known that there has been a reduction in the use of chemicals, for example the use of chemicals with the active ingredient glyphosate in 2021 by 872 liters to 630 liters in 2022.

3.2.2

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

Name of RSPO Member	: R.E.A Holding Plc
RSPO Membership Number	: 1-0045-07-000-00
Name of Certified Unit	: Satria POM and Supply Base
Name of Certification Body	: PT Mutuagung Lestari
RSPO Palm Trace ID Number	: RSPO_PO1000006698
Number of Mills	: 1
Number of Estates	: 1
Production Area (ha) - Estate	: 1,765
Certified Area (ha) - Estate	: 7,389
High Conservation Value (HCV) Area (ha)	: 136
Peatlands - Planted (ha)	: -
Peatlands – Unplanted (ha)	: -
Freshwater Usage per PO produced tonne	: 9.41
Total Workers Mill	: 166
Total Workers Estate	: 380

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

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company shows a list of procedures in the REA Group which includes procedures in the Estate and Mill, such as:

Estate

- Oil palm nurseries SOP No. REA.EST.OPP.NOP revision 0 was published on July 1, 2018.
- Land Clearing SOP with No. REA.EST.OPM.LCR revision 0 was issued on July 1, 2018.
- SOP for Planting Oil Palm and Immature Care No. REA.EST.OPP.OPI revision 0 was published on 1 July 2018.
- Pesticide and Weed Control SOP No. REA.EST.OPP.WED revision 0 was issued on July 1, 2018.
- Fertilizer SOP No. REA.EST.OPP.MNR revision 0 was issued on 1 July 2018.

- Integrated Pest and Plant Disease Management SOP No. REA.EST.OPP.IPM revision 0 was published on 1 July 2018.
- SOP for Harvesting and Pruning with No. REA.EST.OPP.HRV revision 0 was published on July 1, 2018.
- Replanting SOP with No. REA.EST.OPP.REP revision 0 was issued on 1 July 2018.
- SOP for Marginal Land Management with No. REA.EST.OPP.MSM revision 0 was published on August 25, 2021.

Mill

- SOP for Control of Non-compliance with No. REA.BPO.ENG.ICC revision 0 published on 25 May 2016.
- Operational SOP of Palm Oil Mill with No. REA.BPO.ENG.PMO revision 0 was published on August 25, 2017.

In addition, the Company also has a supply chain and traceability mechanism which is listed in the document No. REA.BPO.SUS.MRP revision 7 issued on April 7 2018. Based on interviews with weighbridge, sorting and harvesting officers, it is known that personnel can explain the duties and responsibilities of each personnel as well as risk mitigation from their work.

3.3.2-3.3.3

The company has a system that ensures consistent implementation of its SOPs by conducting internal audits of Estate and Mill operations as well as RSPO Internal Audits conducted by the company's internal auditors.

The last operational internal audit, for example, was conducted on 12-13 July 2022. Based on the results of the internal audit, it was found that there were 3 discrepancies at Satria POM and 31 discrepancies at Satria Estate, all of which have been fulfilled, the latest being August 2022.

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.

Status: Comply

3.4

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

3.4.1

The certification unit has several documents related to social and environmental impact assessments which are carried out independently and in a participatory manner, involving affected stakeholders. The document covers the pre-construction activities, the operation stage and the post-operation stage. Some of the documents held by the certification unit include:

Environmental Impact Assessment (EIA)

- Scope of Satria POM, the company already has the 2019 UKL-UPL Technical Recommendation Document. This document was approved by the Kutai Kartanegara district Environment Service with Number 01/REKOM/UKL-UPL/DLHK/2020 on January 14, 2020. UKL study scope The UPL is a change in factory capacity from 80 tons of FFB/hour and 100 tons of kernels/day to 130 tons of FFB/hour and 150 tons of kernels/day with a factory area of 29.9 hectares. Through this document, the company has also obtained the UKL-UPL Recommendation Approval Document based on the Decree of the Kutai Kartanegara Regency DPMPSTSP Number P-660.2/DPMPSTSP/BID.IV.1/001/PPR.UKL-UPL/I/2020 on January 14, 2020.
- Scope of Satria Estate, the company has a 2009 Environmental Eligibility Document for the scope of Palm Oil Plantation with an area of 7,960.97 Ha which has been approved by the Regent of Tenggarong with Number KAKK/12/AMDAL/KELAPASAWIT/2009 on March 16, 2009.

All of the above documents have identified each aspect and parameter that must be monitored with a clear description of the target and implementation time included in the matrix of environmental documents for each unit. The company has 2 units that are included in the scope of certification with 2 environmental documents, so the company has an obligation to make as many as 2 environmental management and monitoring documents each semester.

Social Impact Assessment (SIA)

Certification unit already conducted a Social Impact Assessment (SIA), carried out in 2018 by AKSENTA Consultants. Field data collection was carried out on 17 – 22 May 2018. The scope of the SIA study included Satria POM and Satria Estate units, and the plasma units studied were Plasma Anugerah Sejahtera and Pekalai Murip Cooperative. The social impact assessment activities were

conducted based on discussions with affected parties during the period of 24 May 2018. This study explains the impacts arising from core and plasma activities, including: employment, natural resources, public health, economic development, physical development, population migration, and work safety. Social impact assessment is included as part of Complementary to all environmental impact assessments. The assessment involved all parties affected by both internal and external stakeholders, including employees, workers union, village heads around the plantations and local NGOs. Participatory evidence with affected parties is shown in the form of attendance at FGD meetings and photos during interviews.

Community representatives who became resource persons in this assessment were village heads, village secretaries, village apparatus, hamlet heads, traditional leaders, village midwives, and farmers/fishermen/laborers. The types of data collected were primary and secondary data. Primary data collection for monitoring social impact management was obtained from informants as the affected party as well as local village officials who represented the community and as verifiers. The secondary data or indirect data collection is in the form of evidence, notes, archives or published historical reports as well as references in the form of AMDAL, HCV documents, local government literature, notes on CSR implementation and others. The aspects of the assessment are Economic Life (Natural Potential, Livelihoods, Local Economy, Food Security, Vulnerable Groups, Company Contribution, Plasma Plantation Development) and Social and Cultural aspects. Meanwhile, other secondary data is obtained indirectly through intermediary media in the form of published evidence, records, archives, or historical reports. Retrieval of secondary data through literature studies. Secondary data is obtained from related units in order to document impact management as well as additional data from relevant affected parties. The reading material used is documentation of the implementation of impact management, internal company data, correspondence between the company and affected parties, and so on. Secondary data is also obtained from parties that are not directly related, such as sub-district data or news or pages from the media.

Negative and positive issues were summarized during the assessment including management recommendations. The data collection process was carried out by involving the community and workers as a source of information by using the interview method, focus group discussions (Focus Group Discussion) and distributing questionnaires in the village. In the report, there is also a matrix regarding the Social Management Plan and Social Monitoring Plan and Attachments to the Attendance List of participants in the data collection process in the surrounding villages and within the scope of PT SYB Employees. Some of the social impact management plans listed in the document include mitigating negative impacts, advancing benefits, mitigating and managing issues and risks, and encouraging corporate social contributions.

High Conservation Value (HCV)

Based on management information and review of area statement data, information was obtained that there was no new land clearing in the certification scope area after 15 November 2018, land clearing was only carried out between 2008 and 2011. Regarding this, the Certification Unit has carried out a process of analyzing the history of Land Use Changes (LUCA) and reported the results of the study to the RSPO on 9 December 2019.

The first land clearing was carried out from 2008 to 2011 for the Satria Estate area, the area had an HCV assessment carried out in 2008. Subsequently, the company carried out another inspection which was carried out on 12-16 May 2018, while the field study was carried out on 17-22 May 2018. Further analysis and report writing were carried out until the final document was completed in July 2018. HCV assessment activities were carried out by AKSENTA using the 2008 toolkit. The HCV identification assessment was carried out within the scope of PT SYB, namely based on the operational boundaries of HGU which covers an area of 7,388.70 Ha which includes core plantations and the Anugerah Sejahtera and Pekalai Murip Plasma Cooperatives.

Of the total HCV area of **136.39 Ha**, a portion of the HCV area is in the overlapping area of land with PT APT, which is a coal mining company. Based on the explanation above and the actual conditions when the Stage-2 audit was carried out, the company can only fully manage the HCV area that is in the non-disputed area, while for the disputed area, the company can no longer intervene in any form, including HCV management. Related to this, it becomes OFI on indicator 7.12.4.

A management and monitoring plan is implemented for each type of HCV with the following programs:

- Preserving the physical and biological characteristics of the original landscape.
- Designing land uses to ensure the future of flora and fauna
- Define conservation areas on the banks of rivers, lakes, swamps, in areas with steep slopes or community customary lands
- Ensure the future survival of endangered species, such as Orangutans
- Prevent hunting of protected animals

- Regulate hunting of consumed species in order to achieve wise and sustainable use
- Collaborate with communities in various conservation activities

3.4.2

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

The implementation of environmental management has been carried out in accordance with all RKL-RPL documents and Environmental Permits owned by the company. The certification unit makes RKL-RPL reports based on attachment of Environmental Permit where the matrix is a compilation of all previously owned UKL-UPL Matrix. The environmental management report is carried out every 6 months and submitted to the relevant agency, namely the RKL-RPL Report for Semester 2 of 2022 which was sent to the Environment Agency of Kutai Kartanegara District with proof of receipt dated 20 February 2023 and attached with the stamp, signature and name of the recipient as well as proof of sending documents notes. Based on the report on the implementation of the RKL-RPL in the semester 2 of 2022, it is known there is no negative impact caused by the unit of certification, such as all factory waste quality testing which is carried out periodically and in accordance with the quality standard set by the government.

Meanwhile, the social impact monitoring and management plan has been managed and monitored through several documents in social, environmental and legality documents for the period 2021-2022. Related to reporting documents, it becomes OFI on indicator 3.4.3. Meanwhile, the management plan still refers to the 2018 SIA review document because there has never been an annual review for social management, this has also become an OFI in indicator 3.4.3.

Through the implementation of the SIA program, Satria POM applies the RSPO's 7 principles on responsible new plantation development. For this reason, the company is currently carrying out the stages of the Free, Prior, Informed and Consent (FPIC) PSR program to comply with the 7 RSPO principles. The principle of FPIC which is the basis for the company in carrying out the process of developing oil palm plantations in the CSR program involves women's representatives as community representatives who have an important role. Through this CSR program, it is hoped that it will be able to encourage women to be more active and involved in decision making in villages that are CSR targets in accordance with the FPIC Principles. Referring to the results of the verification of the SIA 2018 study, Satria POM has implemented Free, Prior and Informed Consent (FPIC) in the management of its plantations and palm oil mills. The application of FPIC in every aspect of activities that involve interaction with the community is contained in the company's commitment to sustainability and in the company's obligations as a member of the RSPO. The implementation of FPIC is a manifestation of the company's respect for community rights and other social components related to company activities.

3.4.3

The unit of certification has made efforts to implement the management and monitoring of social and environmental impacts as described in indicator 3.4.2. Some of the programs that have been carried out include:

Environmental Impact Assessment (EIA)

The company has documents, the implementation of the results of the environmental permit including reports to agencies in the form of RKL-RPL documents which are conducted every semester. The company can show proof of reporting in the form of a document affixed with a stamp, the name and signature of the recipient which is sent to relevant agencies that explain in indicator 1.1.2 related to Environmental Aspect. The implementation of environmental management and monitoring is carried out in accordance with the direction of the RKL-RPL as described in indicator 3.4.1. The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis, which can also be seen from the suitability between the management and monitoring plans and their implementation in the field. The RKL-RPL document also shows that the company has managed all the impacts recommended in the UKL-UPL Documents. In general, the forms of evaluation carried out by the company include Trend Evaluation, Critical Level Evaluation and Compliance Evaluation.

Based on the results of field observations, it can be seen that the company has carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas. In addition, there is also marking in the form of stakes and red paint for spray-boundary areas and other chemical applications. Based on the results of interviews with sprayer and fertilizer workers, they also stated that they were aware of the prohibition on applying chemicals to the buffer zone marked in red. In addition, they do not

apply chemicals when they are close to water bodies such as canals, reservoirs or artificial ponds.

Social Impact Assessment (SIA)

The social management and monitoring plan is implemented, monitored and updated periodically in a participatory manner. In general, the social management plan of Satria POM is work programs from companies that are grouped into the social community, strengthening stakeholders, social culture and employment. The planned program is derived from the results of the Focus Group Discussions held in SIA 2018 activities that have been carried out in villages around the company and the workers/employees within the company (already explain in 3.4.1).

Based on the results of the study of the SIA document, the Certification Unit already has documents on the results of the SIA study conducted by Aksenta on 17 – 25 May 2018 with the Final document dated June 2018. The document contains recommendations for the SIA management plan which are determined based on observations field and stakeholder engagement. The company states that it has carried out social impact management which can be proven based on documents on the results of CSR activities, community involvement and surrounding stakeholders. The results of field observations obtained information that there were several social issues such as FFB theft, changes in the reference for setting the price of FFB for independent smallholders, clean water facilities for plasma workers, realization of the MUSREMBANGDES agreement and river pollution due to mining activities which had not been identified in the results of the 2018 SIA study. mentioned, the company has not been able to show evidence that it has conducted a review regarding the results of the 2018 SIA study so that newly emerging social issues have not been documented. Based on this, the Certification Unit has an opportunity for improvement to carry out a Social Impact Assessment Review to identify the latest social issues, as well as develop an integrated SIA management and monitoring plan according to the results of the review. **OFI**

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1

The company has several employment procedures, including:

- Recruitment
 - The company has a recruitment procedure that applies from 25 December 2017 which explains, among others:
 - Equal opportunity for all prospective employees
 - There should be no discrimination based on ethnicity, religion, race and gender
 - In accordance with the strategy, mission, vision with company values and according to the needs of the department
 - Consistent with Indonesian laws and regulations and applicable ILO conventions

Based on the results of the auditor's verification, that the SOP has been communicated in the appropriate language and made available to workers.

In addition, the company also stipulates other employment procedures in company regulations that have been approved by the Head of the Office of Manpower and Transmigration of the Province of East Kalimantan Number KEP.560/2132/B.PHI&JAMSOSTEK/2022 which applies in 2022-2024. These procedures include:

- Promotions
 - If there is a vacancy for a certain position at a higher level, the company will try to fill the vacancy
 - Employees assessed by the company meet the experience, skills, and education and training requirements needed to take the promotion exam
- Work termination
 - Termination of employment is carried out if the company merges or separates companies and the employee is not willing to continue the employment relationship or the company is not willing to accept employees

From the implementation of established employment procedures, the company also shows the following evidence:

- Recruitment
 - Recruitment of employees with US initials with the position of placement maintenance with contract employee status starting December 1, 2022 – May 31, 2023.

- Employee Promotion
 - Employee with the initials WM with ID 50134250 from previously a contract employee to a permanent employee with the position of harvester.
 - Initial AT employee with 50134526 from previously contact employee to permanent employee with harvester position made on February 21, 2023.
- Work termination
 - BL's initial employee with the position of security who was laid off on June 6, 2022 due to consecutive absences.

3.5.2

The company has a recruitment procedure that is effective from December 25, 2017. Recruitment and placement must be carried out in collaboration with line managers to ensure that the placement of prospective employees takes into account the principles consisting of:

- Equal opportunity for all prospective employees
- There should be no discrimination based on ethnicity, religion, race and gender

From the implementation of the established employment procedures, the company also shows evidence of recruitment, for example employees with AS initials with the position of placement maintenance with contract employee status starting December 1, 2022 - May 31, 2023.

From the recruitment procedure, the company can show the recruitment process, such as an application letter sent to the company, photocopies of ID cards, medical examination files and so on.

The company also shows work agreement documents with employees consisting of:

- Employee data
- The status of the employee's employment relationship is as contract employee
- Placement maintenance position
- Work division
- Work placement
- Working time
- Remuneration
- Holiday allowance
- Residence
- Presence incentive
- Paid leave
- Etc

Based on interviews with employees, for example warehouse staff, information was obtained that employees who were accepted to work at the company were not charged recruitment fees, were not discriminated against, employees had been given and signed work agreements and so on.

Status: Comply

3.6

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

3.6.1

The company has an OHS Policy listed in the directors' decision letter No. 004/BOD_REA/P/II/2015 issued on 14 September 2020 which explains that the company is actively working to develop and implement an OSH management system.

The company has procedures regarding hazard identification, risk assessment and determination of controls with no. REA.BPO.HSE.IBP revision 2 on 15 May 2019 which describes the mechanism for risk identification, risk assessment and mitigation/control of risk opportunities that occur.

The company also shows the results of hazard identification, risk assessment and determination of controls listed in the HIRADC document, including the following:

- HIRADC Mill which was published on January 9, 2023, which covers all process activities, starting from the grading station to the CPO and PK storage areas, activities in the warehouse, activities in the office, etc.
- HIRADC Estate, which was published on January 31, 2023, which covers all Estate activities such as employee transportation, warehousing, office activities, harvesting, fertilizer, spraying, FFB transportation, etc.

The results of risk identification and the implementation plan have also been socialized to management and workers, for example what was done on March 4, 2022, which was attended by 25 people. Based on the results of interviews with harvest and boiler workers, 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.

3.6.2

The company shows the OHS program that is planned every year, for example for the 2022 period such as OHS socialization, inspection/monitoring of emergency response equipment, monitoring of land fires, procurement and provision of PPE, employee competency training, etc.

The company shows operators who have special competencies listed in the SIO list document, for example:

UNITS	NAME INITIALS	LICENCE	No. LICENCE	VALIDITY PERIOD
Satria POM	JR	Boilers	10543/BDI-MEDAN/BOILER-III/VI/2016	19 November 2026
	F	Boilers	10539/BDI-MEDAN/BOILER-III/VI/2016	19 November 2026
	AB	Crane	58862.OPK3/PAA/II/2019	25 Januari 2024
	M	Wheel Loader	19741.OPK3/PAA-LT/IX/2018	7 December 2023
	IRG	Electrical OHS Technician	0318181022/F-TLST/64/X/2022	8 Oktober 2027
	YTB	First Aid	566/021/VI/PPK/DTKT/2021	Januari 2024
	YB	Welder	5/1471/AS.02.00/X/2021	-
Satria Estate	YFH	Fire OHS Expert	0440151022/J-AKPK/64X/2022	15 Oktober 2025
	M	P3K	566/020/VI/PPK/DTKT/2021	1 Januari 2024
	L	Electrical OHS Technician	P.18.19522/TK3-LIST/XII/2021	30 December 2024
	HSM	Excavator	191527-OPK3-LT/PAA/VII/2021	23 Juli 2026
	A	Tractor	191527-OPK3-LT/PAA/VII/2021	23 Juli 2026

The company has also periodically inspected the equipment and machinery listed in the equipment and machinery deed documents, for example:

- Lightning conductor installation No. 560/4289/PKK-K3/DTKT-VIII/2022 inspection date 10 August 2022 and will be re-examined on 10 August 2024
- Boilers No. 560/4297/PKK-K3/DTKT-VIII/2022 inspection date 10 August 2022 and will be re-examined on 10 August 2024.

The company also shows evidence that all workers receive adequate OSH training, which is shown in the program documents and the realization of OSH training, such as:

- HIRADC training, which was held on March 4, 2022, which was attended by 25 people.
- Emergency response simulation training conducted on March 7, 2022, which was attended by 35 people.
- Training on the use of PPE which was conducted on 13 September 2022 which was attended by 45 people.

The company also shows the realization of PPE handover in 2022 such as:

- Provision of PPE helmets and boots at Satria Estate on 2 December 2022 for 14 people.
- Provision of PPE safety shoes at Satria POM on May 18, 2022, for 7 people.

Based on interviews and field observations of sorting and fertilizer workers in block 7D, it was conveyed that the personnel knew about the OSH program, such as outreach related to OSH and its application in the field. Socialization is carried out directly with morning meetings/briefings and indirectly with warning boards.

Status: Comply

3.7

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

3.7.1

The company has a training program that is provided to workers which covers aspects of the principles and criteria of the RSPO which are carried out by the head of the division in charge of carrying out the training, including:

- BMP training for harvest foremen which will be held on January 14, 2023, at Satria Estate
- Training of First Aid Officers for the harvest foreman and maintenance foreman which was held on 30 May 2022
- Agronomy SOP training for field assistants which will be held on April 7, 2022

In addition, the company has also conducted training for cooperatives that cooperate with the company. The training and documentation include:

- Occupational safety and health training which was held on 12 April 2022 at the Belayan Sejahtera plantation cooperative.
- Training on fire hazard control which was held on 18 May 2022 at the Belayan Sejahtera cooperative plantation.
- Training on domestic waste processing and processing of B3 and B3 waste which was held on 13 April 2022 at the Belayan Sejahtera plantation cooperative.

Based on the results of interviews with workers in the company unit, information can be obtained that the company has conducted training for workers in a language understood by workers.

3.7.2

The company has kept documentation of the implementation of actual training for employees, including:

- BMP training for harvest foremen which was held on 14 January 2023 at Satria Estate
- Training for first aid officers for harvest foremen and maintenance foremen which was held on 30 May 2022
- Agronomy SOP training for field assistants which will be held on April 7, 2022

Based on the results of interviews with workers in the company unit, information can be obtained that the company has conducted training for workers in a language understood by workers.

3.7.3

At the time the initial certification was carried out, all products were still in the status of non-certified. Officers who handle FFB, such as production clerks, weighbridge officers, and security, know that certified FFB comes from their own plantations or plantations belonging to the REA Group which have received RSPO certificates, while uncertified FFB comes from other sources, such as plasma and independent suppliers. From the results of the document review it is known that awareness about the RSPO and its supply chain has been given, for example according to the activity documentation in February 2023.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

Based on the results of a documents review and Satria POM FFB receipts, it is known that the supply chain module to be used is MB because the mill processes certified and uncertified FFB.

3.8.3

Estimate of Certified FFB Claim

Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)
Satria Estate	7,388.70	338.73	8,600	25.39

Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO		Palm Kernel	
			Out put (tones)	Extraction (%)	Out put (tones)	Extraction (%)
Satria POM	80	8,600	1,892	22.00	430	5.00

Based on documents verifications as well as interview with managements it was known there are new planting after 2010 without NPP Procedure for area covering 1,426.45 Ha and those area subjected to sanctions for next 3 years of the date of license certificate.

3.8.4

PT Sasana Yudha Bhakti (Satria POM) has fulfilled the registration requirements on the RSPO IT platform as follows:

- Member name : PT Sasana Yudha Bhakti (Satria Palm Oil Mill)
- Palm trace account ID : RSPO_AC1000006598
- Palm trace member ID : RSPO_PO1000006698
- Visiting address : Gunung Sari Village, Tabang Sub district

3.8.5

The company has SOP for Supply Chain Mechanism and Traceability of Sustainable Product (RSPO & ISCC) no. REA.BOP.SUS.MRP effective date 1 June 2016. The last revision was on 7 April 2018 and there is information that the reference used by the procedure follows the latest reference issued by RSPO (updated). Procedures include handling certified and non-certified products, handling non-conformances, product records and reports, including job descriptions for personnel involved in product handling.

3.8.6

The company has procedure for internal audit, as presented SOP Sustainability Internal audit, no. REA.BPO.SUS.IAS Rev. 04 effective date 3 January 2019. Based on the procedure, internal audit will carry out twice every year.

3.8.7

Currently, Satria POM is not yet RSPO certified, so verification related to purchases and incoming goods will be carried out during ASA-1

3.8.8

The mill has no certified yet. The minimum information for RSPO certified products on sales will be verify at annual surveillance audit. The minimum information for RSPO certified products that need to be verify are:

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- A unique identification numbers.

3.8.9

The company has not certified yet and there are no certified products, so there is no contract with a third party in handling certified products. This matter will be verified further at initial assessment and annual surveillance audit. In cases where the company outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the company shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill cannot outsource processing activities like refining or crushing.

3.8.10 and 3.8.11

The company has not certified yet and there are no certified products, so there is no contract with a third party in handling certified products. Record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products will be verified further at initial assessment and annual surveillance audit.

3.8.12

The company has not certified yet, so the records of certified products will be verified at annual surveillance audit. The records of supply chain shall maintain accurate, complete, up-to-date and accessible covering all aspects of these RSPO Supply Chain Certification Standard requirements. Retention times for all records and reports shall be a minimum of two (2) years and the site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis or three-monthly basis. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock).

3.8.13 and 3.8.14

The determination of the extraction rate by Satria POM is based on actual monthly calculations from the comparison of processed FFB to the resulting CPO output. From the explanation of the expected extraction management representative, it is > 20% for CPO and > 4% for KER

3.8.15

The supply chain module that will be applied by Satria POM is Mass Balance because the source of FFB that is processed comes from certified FFB and uncertified FFB

3.8.16

The company has not certified yet, so there is no transaction or claim that registered in RSPO IT Platform. This matter will be verified further at annual surveillance audit.

3.8.17

Satria POM has not made any claims because at this stage the mill has not yet received a certificate

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

The company has a policy of respecting human rights as stated in the board of directors' decision letter no. 002/BOD_REA/P/II/2015 issued March 1 2015 concerning human rights policy which explains that REAK Group actively encourages diversity in the workplace and does not tolerate discrimination based on differences in religion, disability, gender, sexual orientation, political persuasion, race, marital status, and prevention of reprisals against human rights defenders, prohibition of intimidation and violence. Its policies include commitments to respect and support the Universal Declaration of Human Rights as well as the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, including prohibiting acts of retaliation against Human Rights Defenders (HRD).

The company has disseminated this policy to all workers and third-party representatives, for example, it was carried out on January 24, 2023, which was attended by 51 people. Based on interviews with stakeholders such as government agencies, local communities, and workers, it is known that there are no indications of human rights violations.

4.1.2

In particular, in point 13 of the Human Rights Policy, it is conveyed that the company ensures protection for the public from discrimination and provides guarantees of legal rights during the planning, negotiation and post-negotiation periods in accordance with applicable laws and regulations.

In addition, the company also does not use security personnel to carry out acts of interference (disturbance) and intimidation outside the law (extra-judicial). Security officers are only used as security guards and handling criminal acts within the operational area.

Status: Comply

4.2

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

4.2.1

The company has an SOP for handling complaints REA.BPO.HRD.TKK dated 25 September 2020. This procedure regulates the stages of complaint resolution. In the complaint resolution stage, it is not yet clear if a complaint cannot be resolved, it can be submitted to the RSPO complaint system. Thus, the company has the opportunity to include in detail the handling of complaints both internally and externally up to the RSPO Complaint System stage. **(OFI)**

To protect the anonymity of complainants, the unit of certification using Human Rights Policy No. 002/BOD_REA/P/II/ 2015 (updated

on April 09, 2020) which giving guarantees the confidentiality/anonymity, protects complainants or whistleblowers. Privacy of parties who submitted the complaint and aspiration were protected if necessary. Procedure also described stages follow up of complaint, problem identification, investigated, addressed, escalation of complaint, and resolved. Where a resolution is not found mutually by means of deliberations between two parties, the problem can be resolved through third-party mediation/authorities, or through the applicable law or brought the RSPO Complaints System. The procedure stated response time to complaints or grievances a maximum of 14 days.

The company also demonstrated the socialization of the complaint mechanism which was participated in by workers, contractors and community representatives on January 18 2023, as many as 27 people.

4.2.2

The company has a complaint mechanism, including:

- The SOP for Handling External Complaints which became effective on July 1 2015, among other things, explains that all forms of complaints from external parties are submitted in writing or received verbally by unit management.
- Internal Employee Complaint Handling reporting mechanism effective 19 August 2019 which informs every plantation/factory support department that receives a worker complaint form must resolve the worker complaint as soon as possible, but if it is not resolved within 6 working days, then the complaint report will be forwarded to HRD.

To ensure that the above system can be understood by affected parties, including illiterate parties, there are procedures in place, namely consultation and communication procedures between the company and related stakeholders, namely Communication Procedure No. 01, REA. BPO.EMS.CIE, Rev.1 dated 12 April 2021, signed by the President Director. This procedure is designed taking into account the use of appropriate mechanisms and local languages. The procedures cover the principles of the FPIC approach, are available in two languages, namely English and Indonesian, and have been communicated to relevant parties.

The company also demonstrated the socialization of the complaint mechanism which was participated in by workers, contractors and community representatives on January 18 2023, as many as 27 people.

From the results of interviews with warehouse officers and village representatives (Buluq Sen Village and Long Lalang Village), information was obtained that personnel already knew the procedures for submitting complaints.

4.2.3

The company already has a complaint and complaint system, including the SOP for Handling External Complaints which was effective on July 1, 2015. Explains, among other things:

- All forms of complaints from external parties submitted in writing or verbally are received by the unit manager (head department, estate/mill manager/department manager which is then forwarded to the DVA Department accompanied by documentation of chronological minutes of complaint submission attached with data documents - other supporting data.
- The company will provide answers to stakeholders/community for complaints no later than 50 working days after the complaint is received.
- If complaints from stakeholders have not been resolved until the first negotiation stage. Mediation can be carried out if there has not been a decision/agreement on the complaint submitted during the first negotiation process, etc
- At any time, the parties can make a decision to stop the settlement efforts set out in this procedure and resolve complaints through legal channels.

To protect the anonymity of complainants, the unit of certification using Human Rights Policy No. 002/BOD_REA/P/III/ 2015 (updated on April 09, 2020) which giving guarantees the confidentiality/anonymity, protects complainants or whistleblowers. Privacy of parties who submitted the complaint and aspiration were protected if necessary. Procedure also described stages follow up of complaint, problem identification, investigated, addressed, escalation of complaint, and resolved. Where a resolution is not found mutually by means of deliberations between two parties, the problem can be resolved through third-party mediation/authorities, or through the applicable law or brought the RSPO Complaints System. The procedure stated response time to complaints or grievances a maximum of 14 days.

Based on the results of interviews with workers, contractors and community representatives, information can be obtained that there were no complaints while working with the company. In addition, from the results of document verification, information can be obtained

that there have been no complaints from stakeholders submitted to the company.

4.2.4

To protect the anonymity of complainants, the unit of certification using Human Rights Policy No. 002/BOD_REA/P/III/ 2015 (updated on April 09, 2020) which giving guarantees the confidentiality/anonymity, protects complainants or whistleblowers. Privacy of parties who submitted the complaint and aspiration were protected if necessary. Procedure also described stages follow up of complaint, problem identification, investigated, addressed, escalation of complaint, and resolved. Where a resolution is not found mutually by means of deliberations between two parties, the problem can be resolved through third-party mediation/authorities, or through the applicable law or brought the RSPO Complaints System. The procedure stated response time to complaints or grievances a maximum of 14 days.

The company also demonstrated the socialization of the complaint mechanism which was participated in by workers, contractors and community representatives on January 18 2023, as many as 27 people.

Status: Comply

4.3

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

4.3.1

The contribution to community development is shown by the CSR program. Based on the results of a document review and interviews with representatives of From the results of interviews with warehouse officers, information can be obtained that employees already know the procedures for submitting complaints if any., it is known that the community has not been fully involved in program development, however, from the SIA document it is known that discussions regarding CSR and identification of community needs have been carried out. The SIA document itself has become an opportunity for improvement as explained in the related indicators. In addition, the community can also submit proposals which are submitted to the partnership/public relations department for requests for assistance

The CSR program in 2022 compiled by the company is as follows:

- Arts, Culture, Social, Youth & Sports
- Education and capacity building
- Celebration of national and religious holidays
- Environmental Health
- Infrastructure
- People Economy Development

While the realization of CSR that has been carried out by the company includes the following:

- Construction of clean water installations for Long Lalang Village and Buluq Sen Village
- Plasma development cooperation, for example for the Pekalai Murip Cooperative
- Cooperation in partnership plantations and purchasing FFB from the community, for example with the Sumber Bumi Jaya Cooperative
- Scholarships for 90 children from elementary to high school levels for villages around the company
- Construction of 3 units of livable houses
- Road maintenance 37 times during the 2022 period for Kembang Janggut Village, Long Beleh Haloq Village, Muai Village, Pulau Pinang Village, Tuana Tuha Village, Benua Baru Village, Long Nah Village, Melan Village, Senyur Village, and Perdana Village

The results of interviews with the traditional head of Buluq Sen Village revealed that the company contributed to the development of the surrounding community, such as job opportunities, assistance with musical equipment and clothing for the preservation of traditional arts, assistance with clean water installations, assistance with the construction and maintenance of roads and other assistance.

From the results of field visits and interviews with community representatives, it can be concluded that the existence of the company has contributed to the development of the surrounding community.

Status: Comply

4.4

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

4.4.1

The certification unit has HGU for an area of 7,388.70 Ha. From this area it is known that there is overlapping with mining companies so that the actual area managed by the company is 3,583.84 Ha with the following details:

Description	Area (Ha)	Information
Manageable Area		
Planted area (All in Mature phase)	1,765.18	HGU areas that can be fully managed by the company
Road	124.45	
Building	43.25	
Mill	26.00	
Composting site	4.00	
Reserve area	922.21	
HCV	136.39	
Allocated to Plasma Anugerah Sejahtera	257.36	
Allocated to Plasma Pekalai Murip	305.00	
Sub Total	3,583.84	
Overlapping areas		
Transfer to PT Tiwa Abadi	150.80	HGU areas that are actually managed by other parties
Transfer to PT Fajar Saksi Prima	96.78	
Overlap with PT APT	3,557.28	
Sub Total	3,804.86	

legality document :

- SK HGU from Head of BPN RI No. 140/HGU/BPN RI/2009 dated 15 October 2009 for PT Sasana Yudha Bhakti in Kutai Kartanegara Regency, East Kalimantan Province with an area of 5,211.29 Ha.
- SK HGU from Head of BPN RI No. 59/HGU/BPN RI/2010 dated 27 September 2010 for PT Sasana Yudha Bhakti in Kutai Kartanegara Regency, East Kalimantan Province with an area of 2,177.41 Ha.
- HGU Certificates No 113 – 121 and 145 – 147 with a total area of 7,388.70 Ha.

Business license owned by the company:

- IUP according to Decree of the Regent of Kutai Kartanegara No. 503/51/SK-DISBUN KUKAR/ VIII/ 2007 dated 26 July 2007 concerning Business Permits for Cultivating Palm Oil Commodity PT Sasana Yudha Bhakti with an area of 10,710 Ha in Gunung Sari Village, Buluq Sen, New Ritan, Tukung Ritan, Tabang District, Kutai Regency Kartanegara.
- IUP (Mill) according to Decree of the Regent of Kutai Kartanegara No. 525.26/002/IUP-P/BID.I/VII/2015/BP2T concerning Plantation Business Permit for Processing (IUP-P) of PT Sasana Yudha Bhakti with a capacity of 80 tons of FFB/hour.

Of the total area of the HGU, there was an area of 3,557.28 Ha released because it was included in a mining area that was not managed by the company.

4.4.2; 4.4.4; 4.4.5

Based on the results of interviews with the customary head of Buluq Sen Village and representatives of Long Lalang Village, it is known that the process of land acquisition and plantation development by the company has gone through socialization and communicated to residents. From the results of the document review, it is known that the company has carried out compensation for growing crops or land acquisition for 261 people with a total land area of 9,137.14 Ha. This area exceeds the HGU owned because it uses a location permit reference. The company itself has a location permit for an area of 10,710.52 Ha. The compensation process was completed in 2011.

Examples of land acquisition documentation shown, for example, are in the name of land owner Yudiansyah with a location in block 55D, 56ABCD covering an area of 60.93 Ha in July 2011 including a statement of waiver, statement of non-dispute, receipt of payment, map of land location, as well as witnesses - witnesses from the village team, the company, to the land owner.

The customary head of Buluq Sen Village and Representatives of Long Lalang Village said that during the land acquisition process, the community had the right to agree or disagree with relinquishing land ownership rights. The price paid in the land acquisition process is also based on the results of negotiations between both parties and without any coercion and all agreements use a language that is understood by the community. The community also represented itself during the negotiation process and was assisted by the village team.

4.4.3

The certification unit has an operational map in which the company's legal rights have been identified, areas within the HGU that are still owned by the community, or company area boundaries based on the HGU. Community involvement in the mapping, for example, is shown by a recap of the GRTT documentation, the presence of an SIA study, or the installation of HGU boundary markers. From the results of interviews with the traditional head of Buluq Sen Village and representatives of Long Lalang Village, it is known that the community already understands the boundaries of the company's area, for example marked by company roads, the existence of boundary markers, or dividing ditches.

4.4.6

The annual review of the implementation of FPIC can be seen in the SIA documents and the implementation of the RKL/RPL. From the results of document reviews and interviews with key stakeholders such as the customary head of Buluq Sen village who knows the flow of the FPIC process, it is known that the agreements that have been realized include the following:

- Labor recruitment
- Development of plasma plantations for the community
- Acceptance of community FFB
- Realization of CSR programs

Based on this, it can be concluded that the unit of certification has conducted an annual review of the FPIC agreement on plantation development

Status: Comply

4.5

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

4.5.1, 4.5.2, 4.5.3, 4.5.4

Based on the results of interviews with the customary head of Buluq Sen Village and representatives of Long Lalang Village, it is known that the process of land acquisition and plantation development by the company has gone through socialization and communicated to residents. From the results of the document review, it is known that the company has carried out compensation for growing crops or land acquisition for 261 people with a total land area of 9,137.14 Ha. This area exceeds the HGU owned because it uses a location permit reference. The company itself has a location permit for an area of 10,710.52 Ha. The compensation process was completed in 2011. In Examples of land acquisition documentation shown, for example, are in the name of land owner Yudiansyah with a location in block 55D, 56ABCD covering an area of 60.93 Ha in July 2011 including a statement of waiver, statement of non-dispute, receipt of payment, map of land location, as well as witnesses - witnesses from the village team, the company, to the land owner.

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boundary markers, or dividing ditches.

4.5.5 and 4.5.6

The customary head of Buluq Sen Village and Representatives of Long Lalang Village said that during the land acquisition process, the community had the right to agree or disagree with relinquishing land ownership rights. The price paid in the land acquisition process is also based on the results of negotiations between both parties and without any coercion and all agreements use a language that is understood by the community. The community also represented itself during the negotiation process and was assisted by the village team.

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Based on the results of interviews with the customary head of Buluq Sen Village and representatives of Long Lalang Village, it is known that the process of land acquisition and plantation development by the company has gone through socialization and communicated to residents. From the results of the document review, it is known that the company has carried out compensation for growing crops or land acquisition for 261 people with a total land area of 9,137.14 Ha. This area exceeds the HGU owned because it uses a location permit reference. The company itself has a location permit for an area of 10,710.52 Ha. The compensation process was completed in 2011.

4.5.7

Based on the results of the document review, it is known that no new land was acquired after November 15, 2018. The land acquisition process has been completed since 2011.

4.5.8

Based on the results of a document review and interviews with the customary head of Buluq Sen Village and representatives of Long Lalang Village, it is known that in the company operational area there are no people who self-isolate voluntarily.

Status: Comply

4.6

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

4.6.1 & 4.6.2

The unit of certification has procedures of identifying legal customary or user rights including identifying people entitled to compensation i.e :

- New land compensation procedure No. REA.BPO.DCA.NLC, March 03, 2020, signed by President Director
- Land conflict handling procedure No. REA.BPO.DCA.PKL, April 03, 2020, signed by President Director
- Land Acquisition Oil Palm Plantations/FPIC procedure No. REA.BPO.DCA.NLC Issue No. 01, February 3rd, 2020, signed by President Director
- Land Disputes Negotiations Procedure No. 01 REA.BPO.DCA.PKL, November 01st 2019, effective on December 1st, 2019, signed by President Director.

The procedure is used for identification, calculation, and distribution of fair compensation for the loss of legal or customary right of the land. Based on interview with community representative of Buluq Sen and Long Lalang known that the community aware of procedures related to land acquisition and its conflict resolution

4.6.3

Based on the results of interviews with representatives of Buluq Sen Village and Long Lalang Village, it is known that both women and men have the same opportunity to own acres of land. This can be seen, among other things, from plasma ownership which is not based on specific gender considerations.

4.6.4

Based on the results of interviews with the customary head of Buluq Sen Village and representatives of Long Lalang Village, it is known that the process of land acquisition and plantation development by the company has gone through socialization and communicated to residents. From the results of the document review, it is known that the company has carried out compensation for growing crops or land acquisition for 261 people with a total land area of 9,137.14 Ha. This area exceeds the HGU owned because it uses a location permit reference. The company itself has a location permit for an area of 10,710.52 Ha. The compensation process was completed in 2011.

Examples of land acquisition documentation shown, for example, are in the name of land owner Yudiansyah with a location in block 55D, 56ABCD covering an area of 60.93 Ha in July 2011 including a statement of waiver, statement of non-dispute, receipt of payment, map of land location, as well as witnesses - witnesses from the village team, the company, to the land owner.

The customary head of Buluq Sen Village and Representatives of Long Lalang Village said that during the land acquisition process, the community had the right to agree or disagree with relinquishing land ownership rights. The price paid in the land acquisition process is also based on the results of negotiations between the two parties and without any coercion. The community also represented itself during the negotiation process and was assisted by the village team.

Status: Comply

4.7

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

4.7.1 & 4.7.2

The unit of certification has procedures of identifying legal customary or user rights including identifying people entitled to compensation i.e :

- New land compensation procedure No. REA.BPO.DCA.NLC, March 03, 2020, signed by President Director
- Land conflict handling procedure No. REA.BPO.DCA.PKL, April 03, 2020, signed by President Director
- Land Acquisition Oil Palm Plantations/FPIC procedure No. REA.BPO.DCA.NLC Issue No. 01, February 3rd, 2020, signed by President Director
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The procedure is used for identification, calculation, and distribution of fair compensation for the loss of legal or customary right of the land. Based on interview with community representative of Buluq Sen and Long Lalang known that the community aware of procedures related to land acquisition and its conflict resolution

4.7.3

UoC is not undertaking plantation expansion or planning to apply for permits to open new plantations.

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; 4.8.4

Based on the results of a document review and field visit, it is known that legally the HGU of the company's operational area is 7,388.70 Ha. From this area it is known that there is overlapping with mining companies so that the actual area managed by the company is 3,583.84 Ha (details of land use can be seen in 4.4.1). Regarding the overlap with mining companies, there is some information regarding the agreement between the two parties as follows:

- Agreement for land use rights between PT Sasana Yudha Bhakti; PT Ade Putra tanrajeng; and PT Jaya Prima Sentosa on August 10, 2017
- Joint Land Use Agreement – Mine Plan and Land Access Plan between PT Sasana Yudha Bhakti; PT Persada Bangun jaya; PT Brian Anjat Sentosa; PT Tiwa Abadi; and PT Fajar Sakti Prima

The agreement stated among other things the agreement of the parties to be able to make optimal use of the overlapping area,

especially for infrastructure, mining plans, and land access plans. At the time the initial certification was carried out of the total area of the HGU, there was an area of 3,557.28 Ha released because it was included in a mining area that was not managed by the company.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

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

5.1.1

The price used in the payment of plasma FFB uses the price of the Kalimantan Timur Province Plantation Office, which can be accessed openly by related parties. In meeting FFB needs, certification units are supplied by plasma plantations, one of which is the Pakalai Murip Cooperative with an agreement signed by both parties on August 27 2017, valid for 1 cycle (25 years) or until replanting. The company shows an example of payment for the period January - March 2023 which is paid directly to the Cooperative's account according to the Provincial Plantation Service price. Before payment is made, checking the correctness of the payment calculation has been checked by both parties in the document Calculation of sale and purchase of plasma FFB, so that all complaints and confirmations related to payment have been completed before payment is made.

The current and previous FFB prices are publicly available and can be accessed by farmers online. The SPK contains that the price of Plasma FFB is determined based on a decision of the governor or government, which has the duty and responsibility to set the plasma FFB price every 2 weeks. Currently, the FFB price is determined by the Kalimantan Timur Provincial Plantation Office. The company shows the Minutes of the Meeting Results of the FFB Purchase Price Determination Team for January – February 2023, and based on verification of the price comparison between the Plantations Service and the documents resulting from the payment of FFB to plasma, it can be concluded that the company has made payments according to what has been determined by the Office.

5.1.2

Based on document reviews, field observations and interviews with staff and management, it is known that Satria POM also purchases FFB from third parties/FFB suppliers. Satria POM accepts FFB from the own estate, own plasma, and from TBS suppliers as described in indicator 2.3.1. Information about FFB prices was obtained that all documents related to pricing issued by the Plantation Agency can be accessed by suppliers directly from the Plantation Office or communication media (handphones). In addition, the unit of certification regularly explains the FFB pricing to suppliers, the company also has a mechanism to convey prices. Based on the results of interviews with suppliers, it was stated that the price set by the company was in accordance with some considerations in determining the price of FFB such as CPO prices, transportation costs, and the proposed price from the supplier.

5.1.3

The company has made a fair price determination that has been agreed upon with the external supplier, which is documented in the Letter of Agreement, in the document there is a statement that the price set to determine the FFB selling price is the price set by the Plantation Office Pricing Team, so that the parties hereby declare that they will obey the price fixing so that one party and the other party are not entitled to request an increase or decrease in price. There are also specifications and implementation requirements as well as sanctions that must be met by the second party.

As for cooperation with Plasma, the Partnership Cooperation Agreement document has been agreed upon. The document also explains that the proceeds from the sale of FFB are deducted between the company and the cooperative. Proof of payment of FFB yields can be seen in the FFB sale proceeds document for plasma plantations, information in the document includes operational costs, gross yields, net proceeds before tax, net proceeds after tax, PPM, PPh 23 deductions, insurance and others. Based on the results of interviews with companies and cooperatives, it was stated that all plasma cooperatives that are incorporated within the scope of certification are currently going through the credit/investment settlement stage so that the distribution of the proceeds from the sale of FFB as stated in the contract is no longer valid.

In addition, to purchase FFB from external suppliers, the company provides subsidies to independent smallholders and middlemen in the form of a Value Added Tax (VAT) payment of 10% of total sales. The results of verification of the proof of sale and purchase of FFB to 2 samples of external suppliers for the period January-March 2023 shows that the company has made the tax payments, and the prices paid have also been in accordance with those set for that period. The results of interviews with external suppliers stated

that the company had cooperated well and there were no complaints regarding payment. The company routinely submits the latest FFB price every morning if there is a price change. FFB payments are also made every 1 – 2 days after the process of sending FFB is done. Based on this, the company has entered into a form of cooperation with smallholders, both plasma and independent, at a price that is fair and mutually agreed upon.

5.1.4

The company can show evidence that parties from the organization's representatives have been involved in the decision-making process and understand the contents of the contract. This is stated in the document Letter of Agreement (SPK) signed by all representatives of the cooperative management and farmer groups. The Letter of Agreement (SPK) contains the FFB sale and purchase agreement to independent smallholders, as well as an agreement on a scheme partnership with plasma farmers.

The company has made improvements to the welfare of the communities around the plantations by building and fully managing plasma plantations. The company assigns Managers and Assistants to help manage plasma. All cooperation that joins in the scope of certification supplies all FFB to Satria POM in accordance with the contract agreed by both parties, its members consist of farmers from surrounding villages, where members consist of all members who want to be involved, not limited to men or women. Women who are members of the cooperative are also involved in the company's operational activities such as the results of field visits to fertilizer and weeding workers who are all women. In addition, for positions such as foreman in cooperatives, the chairperson of labor unions and gender associations is a woman. They are also involved in determining the agreement between the two parties.

5.1.5

The company cooperates with several cooperatives around its operational area, with 2 of these cooperatives included in the scope of certification but as non-certified areas. The signing was carried out by both parties (certification unit and cooperative management) and an independent representative, namely the District Head. Based on Indonesian regulations, the determination of smallholders is determined at the government level (Village, District, District and Provincial Officials). The following is evidence of the cooperation agreement that the company has with cooperatives, including:

- Cooperation Agreement for Plasma Plantation Management between PT SYB and the Pakalai Murip Cooperative Number 014/LGL-SYB/IX/2017 dated 21 August 2017.
- Cooperation Agreement for Plasma Plantation Management between PT SYB and Anugerah Sejahtera Cooperative Number 006/SPK/SYB-SMD/V/2014 amendment date 7 June 2017.

Based on a review of the contractual agreement, as well as consultation with the Cooperative Official, the agreement has been set and the Official has understood the provisions of finance, FFB pricing, management, management fees, loans, disputes, etc. The agreement has been made legally, fairly, transparently, and has a time frame, which is one cycle and can be extended if agreed by both parties.

5.1.6

The company every month conducts a presentation related to the results and an explanation of the costs of producing plasma plantations. This is indicated by the minutes of results presentation and explanation of the operational costs of plasma plantation products from January to February 2023 which were attended by representatives from cooperatives and companies. Payment has been made and can be proven via receipt of payment receipt. The results of interviews with cooperatives stated that currently all cooperatives that are members of the scope of certification are independent and have no debt ties with companies, but currently they are working with companies in future plans to carry out replanting activities which will be carried out in stages from 2023 to finished. The resource person also explained that while working with PT SYB there had never been a delay in payment, and the price given was always in accordance with the agreement made, namely referring to the price of the Plantation Service. The price is considered higher and profitable when compared to selling to collectors.

5.1.7

The company has tested the electronic weigh bridge which was carried out on June 14, 2022 for Satria POM by the Head of UPTD Metrology legal, Kutai Kartanegara Regency and valid until June 13, 2023 with evidence, among others:

- Test Result Certificate number 510.63/444/DISPERINDAG/METROLOGI/VI/2022 for serial number P5M210309 with a maximum capacity of 50,000 Kg
- Test Result Certificate number 510.63/445/DISPERINDAG/METROLOGI/VI/2022 for serial number P5M210048 with a maximum capacity of 50,000 Kg

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

5.1.8

The company has conducted socialization related to RSPO certification to cooperatives/plasma farmers through annual meetings between the company and cooperative members. The company shows the Minutes of the annual meeting on December 23, 2022 at the Cooperative Office which was attended by the company, village government, community representatives and plasma farmers. The results of the meeting stated that the plasma smallholders from the Plasma Cooperative could not take part in the company's initiation to include their land in RSPO certification due to constraints on the legality of the land they owned. The results of interviews with company management also stated that until now, the process being carried out was still constrained by land legality, but the company continued to assist the plasma farmers.

5.1.9

Based on the results of interviews with the company's plasma department, that related to the mechanism for handling complaints still refers to the Procedure for Handling External Complaints with SOP Number REA.BPO.DVA.PKE and active since July 1, 2015 and SOP regarding Communication Number REA.BPO.EMS.CIE and active since October 13, 2022. These procedures as a technical guidance in receiving various complaints raised by stakeholders or other parties and way to process of completion. Community complaints can also be submitted at the annual meeting by filling out the complaint form provided by the company and then pouring it into the Minutes of the Annual Meeting. There is no complaint from smallholders during 2022.

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; 5.2.3; and 5.2.4

The company has conducted outreach regarding RSPO certification and BMP implementation (including pesticide handling) to cooperatives/plasma farmers through annual meetings between the company and cooperative members. The company showed the Minutes of the Annual Meeting on December 23 2022 at the Cooperative Office which was attended by the company, village government, community representatives and plasma farmers. The results of the meeting stated that plasma farmers from the Plasma Cooperative could not take part in the company's initiative to include their land in RSPO certification because they were constrained by the legality of the land they owned. The results of interviews with company management also stated that up to now the process carried out is still hampered by land legality, but the company continues to provide assistance to plasma farmers.

5.2.2

The company has made improvements to the welfare of the communities around the plantations by building and fully managing plasma plantations, which has created prosperity since 2014. The company assigns Managers and Assistants to help manage plasma. All cooperation supplies all FFB to Satria POM in accordance with the contract agreed by both parties, its members consist of more than 100 farmers from surrounding villages, where members consist of all members who want to be involved, not limited to men or women. Further explanation regarding the assistance that has been provided by the company to farmers and surrounding communities can be seen in indicator 4.3.1 related to CSR.

5.2.5

The unit of certification can show evidence that it has reported the support program for farmers, especially plasma farmers publicly regarding its progress which is carried out on a regular basis. The evidence shown is based on the receipt of the Semester 2 2022 LKUP submission documents to the Kutai Kartanegara District Agriculture Service on 20 February 2023 as well as the 2022 CSR Report which can be accessed publicly.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

The company has a policy of non-discrimination and equal opportunity as stated in the recruitment procedure which took effect on 25

December 2017 which explains, among others:

Recruitment and placement must be carried out in collaboration with line managers to ensure that the placement of prospective employees takes into account the principles consisting of:

- Equal opportunity for all prospective employees
- There should be no discrimination based on ethnicity, religion, race and gender

Human Rights Policy Number 002/BOD_REA/P/II/2015 concerning Equal Opportunity which explains that REA actively promotes diversity in the workplace and does not tolerate discrimination based on differences in religion, disability, gender, sexual orientation, political persuasion, race, marital status, ethnicity or age in hiring, firing and promotion.

This policy has been made available to the public which is contained in the transparency and information delivery procedures that have been approved by company management such as the president director and became effective on August 27, 2020. The company has carried out socialization of this policy, for example for internal companies on April 13, 2021 which was attended by 101 employees.

From the results of a review of employee list documents for the period January and February 2023, it can be obtained that employees who work vary from ethnicity, religion, region, etc.

6.1.2

The company shows examples of job vacancies for drivers explaining worker qualifications, mechanic qualifications and paramedic qualifications.

To ensure its implementation, the auditor has reviewed the manpower list document and found that the workers recruited have diverse educational, ethnic and religious backgrounds. In addition, based on field observations, it is known that workers come from various ethnicities, religions, races and genders.

From the results of interviews with the management of the LKS Bipartite, information can be obtained that there are no migrant workers in the company's area and during recruitment the company does not charge recruitment fees to workers.

6.1.3

The company has shown several documentaries evidences, including:

Recruitment

Employees with AS initials with the position of placement maintenance with contract employee status starting December 1, 2022 – May 31, 2023. From the recruitment procedure, the company can show the recruitment process, such as an application letter sent to the company, photocopies of ID cards, medical examination files and so on.

- The company shows work agreement documents with employees consisting of:
 - Employee data
 - The status of the employee's employment relationship is as contact employee.
 - Job placement maintenance
 - Division of work
 - Job placement
 - Working time
 - Recruitment
 - Holiday allowance
 - Residence
 - Attendance incentives
 - Leave
 - Etc
- **Employee Promotion**
 - Employee with the initials WM with ID 50134250 from previously a contract employee to a permanent employee with the position of harvester.
 - Initial AT employee with ID 50134526 from previously a contract employee to a permanent employee with harvester position

made on February 21, 2023.

• **Training**

- BMP training for harvest foremen which will be held on January 14, 2023, at Satria Estate
- Training for first aid officers for harvest foremen and maintenance foremen which was held on May 30, 2022
- Agronomy SOP training for field assistants which will be held on April 7, 2022

6.1.4

The company has procedures for recruitment, selection, recruitment, promotion, retirement and dismissal of workers which refer to the Recruitment and Selection SOP with No. REA.BPO.HRD.RnS dated 25 December 2017 which informs the stages of employee acceptance from selection, health examination and appointment as employees and there is no requirement for a pregnancy test to determine graduation.

Based on the results of interviews with workers, there was no pregnancy test at the time of recruitment. For female workers who are pregnant, they will be transferred to jobs that are lighter and not related to chemicals.

6.1.5

The company has developed a gender committee organizational structure consisting of women and men consisting of:

- Chairman: Eko Didik
- Vice Chairman: Sudarto
- Secretary: Misrani
- Field of Documentation: 4 people
- Field of complaints and protection: 4 people
- Trauma Center/Counselling and health: 6 people
- Education/socialization sector: 6 people
- Members: All employees of PT SYB

The committee formed includes all company employees. The company carried out a socialization of the gender committee on January 21, 2023, which was attended by 92 workers.

From the results of interviews with the chairman of the gender committee, information can be obtained that there are no cases of harassment or violence in the company's operations.

6.1.6

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

- Salary slips for employees with the initials MAN (male) who work as harvesters get a wage of IDR 3,394,514 with details of other income normal harvest premiums 1,316,743, loose ends, bonuses, BPJS Health and Employment deductions
- Salary slips for employees with the initial SH (female) who work as nurses get a wage of IDR 3,394,514 with other income details such as loose ends, bonuses, BPJS Health and Employment deductions

Based on the results of interviews with harvesting workers (men) and maintenance workers (women) in the plantations, it is known that workers get the same basic wage.

Status: Comply

6.2

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

6.2.1

The company already has regulations in the field of employment in a language understood by workers, namely company regulations. This document is contained in the decision of the head of the East Kalimantan province manpower and transmigration office number KEP.560/2132/B.PHI&JAMSOSTEK/2022 concerning the ratification of PT. Sasana Yudha Bhakti in 2022-2024 which was ratified on July 12, 2022.

The company regulations consist of:

- Recruitment
- Appointments
- Mutation
- Promotions
- Reward system
- Working time
- Work overtime
- etc

From the results of interviews with the Office of Manpower, information can be obtained that employees who work in company units are recruited directly and do not use outsourced employees.

From the results of the document review, information can be obtained that the employees working in the company unit consist of permanent employees, including harvesters, security, drivers and contact employees for the type of care and maintenance work.

From the results of a sampling study of employee wage slips for the period February 2023, information can be obtained that the company has paid wages in accordance with the provisions, for example:

- Salary slips for employees with the initials MAN who work as harvesters get wages of IDR 3,394,514 with details of other income normal harvest premiums 1,316,743, loose ends, bonuses, BPJS Health and Employment deductions
- Payslips for employees with the initial SH who work as care workers get a wage of IDR 3,394,514 with details of other income such as loose ends, bonuses, BPJS Health and Employment deductions.

From the results of interviews with workers in the field, information can be obtained that workers have understood the details of the wages paid by the company.

The company has arranged work contracts in a language understood by employees, for example, such as the initial D employment contract with work agreement number 022/HRD/SPK/SYB/II/2023. The work agreement is valid from 01 February 2023 – 31 July 2023 and signed by employees and management representatives on 27 January 2023.

The employment contract explains, among other things:

Job location at Satria Estate

- Working time
- Remuneration
- Holiday allowance,
- Housing area
- Provision of rice
- Paid leave
- Social Security (BPJS Labor and Health)
- Termination of the agreement
- Procedures for dispute resolution

From the results of a review of wage documents for the January 2023 and February 2023 periods, information can be obtained that the company has paid wages in accordance with the minimum wage set by the government for the 2023 period.

From the results of interviews with employees in the field, for example for harvesting and maintenance employees, information can be obtained that there are no employees who receive wages under the stipulated conditions. In addition, employees have also signed a work agreement in a language they understand.

6.2.2

The company has arranged work contracts in a language understood by employees, for example, such as the initial D employment contract with work agreement number 022/HRD/SPK/SYB/II/2023. The work agreement is valid from 01 February 2023 – 31 July 2023 and signed by employees and management representatives on 27 January 2023.

The employment contract explains, among other things:

Job location at Satria Estate

- Working time
- Remuneration
- Holiday allowance,
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- Paid leave
- Social Security (BPJS Labor and Health)
- Termination of the agreement
- Procedures for dispute resolution

From the results of a review of wage documents for the January 2023 and February 2023 periods, information can be obtained that the company has paid wages in accordance with the minimum wage set by the government for the 2023 period.

From the results of interviews with employees in the field, for example for harvesting and maintenance employees, information can be obtained that there are no employees who receive wages under the stipulated conditions. In addition, employees have also signed a work agreement in a language they understand.

6.2.3

The company already has regulations in the field of employment in a language understood by workers, namely company regulations. This document is contained in the decision of the head of the East Kalimantan province manpower and transmigration office number KEP.560/2132/B.PHI&JAMSOSTEK/2022 concerning the ratification of PT. Sasana Yudha Bhakti in 2022-2024 which was ratified on July 12, 2022.

Companies can show proof of compliance with labor regulations, including:

- Overtime
 - Approval of overtime for employees with the initial S with ID 10033524 who work 3 hours overtime on December 1, 2022
 - Approval of overtime for employees with the initials YES with ID 10031469 who work 3 hours overtime on December 29, 2022
- Annual leave
 - Employee with the initials PS with ID 10018071 takes annual leave on April 25, 2022
 - Employee with the initials K with ID 10047927) takes annual leave April 2, 2022, August 12, 2022
- Maternity leave
 - Initial employees SH with ID 10020203 take maternity leave for 90 days from 20 May 2022 to 25 August 2022
- Work termination
 - Initial employee BL with the position of security who was laid off on June 6, 2022 due to consecutive absences.

6.2.4

Based on the results of field visits and interviews at division 2 and division 5 employee housing at Satria Estate and Satria POM, the following facts were obtained:

- Not all employees' houses are equipped with MCK facilities.
- Employees build sanitation facilities privately and some housing employees use the river around the employee's housing for MCK facilities.
- Accompanying information from 54 houses in division 2 Satria Estate 20 buildings are facilities provided by the company while the other 34 are buildings built privately by employees.
- In Division 5 of Satria Estate there are 43 residents.
- There are animals that are kept (chickens and dogs) but have not been managed properly so that they pose a risk to the health of the housing environment. In addition, in residential areas there are warnings about the prohibition of keeping chickens and dogs
- SOM employees find it difficult to get clean water because water flows only 1 or 2 hours per day and not all houses have a water reservoir

Related to some of these facts the company has shown the following documentation:

- SPK with housing contractors for the 2022 period for the construction of 6 units of G6 and 1 unit of G12 (48 doors).
- Application for payment of work results for the construction of employee housing for the period February 2023 for 2 units of G6 houses.
- Summary of capital expenditure SOM 2023 priority I which informs the budget for water reservoirs and accessories and replacement of residential water pipes with 6" galvanized pipes.
- Housing development budget for the period 2024 – 2028 for a total of 78 doors made by the manager on 15 March 2023.
- Information from the companion will be gradually relocated housing occupants.

However:

- The development budget for the period 2024 – 2028 has not been approved by the competent authorities and was only made on 15 March 2023.
- The houses that are currently available are not sufficient for the needs of employees (especially division 2 Satria Estate).
- In the 2024 – 2028 period, it is not certain that all employees will receive proper sanitation facilities, especially for MCK needs.

This become Non-conformity No. 2023.01 with major category

6.2.5

The results of interviews with the management of LKS Bipartite, it is known that there are sellers of basic necessities who enter the plantation area on a regular basis. The company also provides an employee cooperative that provides workers with daily needs including food.

In addition, based on the results of field visits to housing, it was found that there were employees who sold several basic needs at prices that were quite affordable for the employees.

6.2.6

The company has determined wages based on Governor's Decree Number 561/K.855/2022 dated 6 December 2022 concerning the Minimum Wage for Kutai Kartanegara Regency for 2022. The applicable minimum wage is IDR. 3,394,513.77 effective January 1, 2023.

The company has calculate prevailing wage for the 2022 period which will be given to workers which explains, among others:

- Base wage
- Leave allowance
- Premiums (production and/or non-production) are earned during standard working hours at normal work speed and do not include overtime calculations.
- Provision of housing facilities including water & electricity utilities
- Food rations/food commodities are provided free of charge, eg. rice allowance
- Work transportation
- School for working children
- Medical services at the Service point (excluding health insurance)
- Health Insurance
- Social security

The calculations of prevailing wages refer to RSPO Guidance on Calculating Prevailing Wages (11 November 2019) which included in the calculation of main wage, worker status, housing facility, education, electricity, water sources, healthcare, and others. The results of these calculations it was known that the in kind of benefit that currently given / simulated by the certification unit is 28.37 % - 44.55 % above the stipulation of the minimum wage

6.2.7

From the results of the document review, information can be obtained that the employees working in the company unit consist of permanent employees, including harvesters, security, drivers and contract employees for the type of care and maintenance work.

At the time of the audit, the company did not employ casual workers or BHL, similar to what was stated by the union that there were no casual employees in the company unit.	
6.2.4	Status: Non-conformity No. 2023.01 with major category
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.	
<p>6.3.1 The company already has a statement acknowledging the freedom of association contained in its human rights policy in the Directors Decree No. 002/BOD_REA/P/II/2015 which was enacted on 09 April 2020. The policy clarifies that REA respects the rights of employees and contract workers to form or join trade unions and bargain collectively, in accordance with national and international regulations.</p> <p>From the results of interviews with harvest workers, fertilizer workers and other employees who work in the Satria Estate unit, information can be obtained that employees do not know about freedom of association in the company unit.</p> <p>Based on this explanation, companies have the opportunity to socialize freedom of association to employees in a language they understand. (OFI)</p>	
<p>6.3.2 The company does not have a labor union, but rather a Bipartite LKS because workers do not yet have plans to form a labor union. The company has minutes of meetings with LKS Bipartite representatives made on January 30, 2023, regarding the formation of new LKS Bipartite management for the period 2023 – 2025. The meeting activities were also reported to the Kutai Kartanegara District Transmigration and Manpower Office on January 24, 2023.</p>	
<p>6.3.3 The company does not have a labor union, but LKS Bipartite. The company already has a bipartite cooperation institution registered with number 500/03/TK.2/01/2023 which was stipulated on 09 February 2023 valid for the period 30 January 2023 – 30 January 2026 which was stipulated by the Transmigration and Manpower Office of Kutai Kartanegara Regency.</p> <p>The administrators consist of:</p> <ul style="list-style-type: none"> • Chairman: Dedy Liza • Vice Chairman: Misrani • Members: 8 people <p>Based on interviews with workers and representatives of the Bipartite LKS, it was stated that the workers did not have plans to form a labor union and the company did not intervene in the formation of the Bipartite LKS. Workers can also explain the mechanism for reporting complaints through the Bipartite LKS.</p>	
Status: Comply	
6.4 Children are not employed or exploited.	
<p>6.4.1 The company already has a child protection policy which is contained in the human rights policy in the Board of Directors Decree No. 002/BOD_REA/P/II/2015 which was stipulated on April 9, 2020. The policy explains that REAK Group strictly enforces a policy of not employing employees under the age of 18 in any matters related to work. REAK Group will convey matters related to the policy of employing children to contractors and related parties in the work process and become an integral part of the contract section.</p> <p>The company can also show an addendum to the work agreement, for example with the contractor PT Persada Dinamika Jaya. The agreement was signed on November 10, 2022 and is valid until September 30, 2022.</p> <p>The company has also regulated the prohibition of child labor in the agreement, namely:</p> <ul style="list-style-type: none"> • Does not discriminate against workers, either on the basis of ethnicity, religion, race or gender • Not employing underage children, forced labor and those originating from human trafficking 	

- Do not allow minors to be in the work environment or location

6.4.2

Based on the results of a review of documents for the period January 2023 and February 2023, information can be obtained that there are no employees younger than 18 years of age.

This is in accordance with the child protection policy contained in the human rights policy in the Directors' Decree No. 002/BOD_REA/P/II/2015 which was stipulated on April 9, 2020. The policy explains that REAK Group strictly enforces a policy of not employing employees under the age of 18 in any matters related to work.

6.4.3

Based on the results of a review of documents for the period January 2023 and February 2023, information can be obtained that there are no employees younger than 18 years of age or young people.

Apart from that, from the results of the field visit, it was concluded that there were no young workers in the company.

6.4.4

The company already has a child protection policy which is contained in the human rights policy in the Board of Directors Decree No. 002/BOD_REA/P/II/2015 which was stipulated on April 9, 2020. The policy explains that REAK Group strictly enforces a policy of not employing employees under the age of 18 in any matters related to work.

The company also conducts audits twice a year for contractors to ensure that there is no child labor in the company's operations.

From the results of interviews with the PT Persada Dinamika Jaya contractor, information can be obtained that the company has submitted a child protection policy.

Status: Comply

6.5

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

6.5.1

The company already has a policy to prevent harassment and violence which is contained in the human rights policy in the Decree of the Board of Directors No. 002/BOD_REA/P/II/2015 which was stipulated on 09 April 2020. The policy clarifies that all employees have the right to work in an environment free from harassment of any kind, including harassment based on religion, gender disability, sexual orientation, race, marital status, ethnicity or age. All reports of discrimination or harassment are handled properly and kept confidential in order to get a fair resolution to reduce the risk of harm.

From the results of interviews with LKS Bipartite management, gender committee officials and employees working in the field, information was obtained that there was no disturbance of harassment or violence in the company's operational units.

6.5.2

The company already has a policy related to workers' reproductive rights which is contained in the human rights policy in the Directors Decree No. 002/BOD_REA/P/II/2015 which was stipulated on 09 April 2020. The policy clarifies that the company follows all applicable regulations relating to reproductive rights, including the right to maternity leave, and that pregnant and lactating women are given tasks that pose a minimum risk to their health.

The company also shows an example of maternity leave, namely initial employee SH with ID 10020203 for 90 days from 20 May 2022 to 25 August 2022

From the results of interviews with the management of the gender committee and employees working in the field, information can be obtained that the company has submitted a policy related to reproductive rights.

6.5.3

The company has carried out a needs assessment for young mothers, which was carried out on December 2 2022. In this identification, the company made recommendations and plans for the 2023 period, for example:

- The company's clinic has prepared a schedule for examining pregnant women for the 2023 period.

- The company clinic has prepared a posyandu schedule for the 2023 period.

The company also shows that it is implementing the needs of young mothers, for example on January 25 2023 a posyandu was carried out. The company also has an internal memo regarding provision for female employees to provide breast milk, which was stipulated on October 1, 2020, which states that employees are obliged to return to work after it is appropriate to provide breast milk to their babies.

From the results of interviews with clinic staff, information was obtained that the company provides a breastfeeding room located in a daycare.

6.5.4

The company already has a Whistleblowing System policy made on January 12, 2021

- Whistleblower (reporter) will be guaranteed confidentiality by having the right to choose not to reveal his identity or be anonymous during the reporting or investigation process
- Whistleblower (reporter) guaranteed protection by the company from retaliation that might happen to him

From the results of interviews with the PIC of the company, it is the personnel who will be responsible for receiving and managing complaints received from the workforce.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

Based on the results of interviews with LKS Bipartite management and a review of employee list documents for the period January 2023 and February 2023, it was found that there were no migrant workers in the company's operational units.

From the implementation of established employment procedures, the company also shows evidence of recruitment, for example employees with AS initials in the position of placement maintenance with contract employee status starting December 1, 2022 - May 31, 2023.

From the recruitment procedure, the company can show the recruitment process, such as an application letter sent to the company, photocopies of ID cards, diplomas, medical examination files and so on.

Based on interviews with employees, for example warehouse staff, information was obtained that employees who were accepted to work at the company were not charged recruitment fees, identity documents were not withheld, employees had been given and signed work agreements in a language understood by workers.

6.6.2

Based on the results of interviews with LKS Bipartite management and a review of employee list documents for the period January 2023 and February 2023, it was found that there were no migrant workers in the company's operational units.

Status: Comply

6.7

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

6.7.1

The company shows Kepdisnakertrans Kalimantan Timur Province No. 566/3327/P2K3/PPK/DTKT/2021 dated 29 December 2021 concerning ratification of PT Sasana Yudha Bhakti's OHS Committee, which explains that the composition of the OHS Committee board includes a chairman with the initials AGH, secretary Mill with the initials BPAF and estate secretary with the initials AL.

The OHS Committee Secretary appointed in the management structure has attended the General OHS Expert training conducted by the Occupational Safety and Health Service Company organizers, such as the OHS Committee Mill Secretary who has certificate No. 5/5670/AS.02.04/X/2020 as well as the General OHS Expert designation letter with No. 5/8864/AS.02.04/X/2020 which was issued on October 12, 2020, which is valid until October 12, 2023.

Based on management information, it was conveyed that the personnel with the initials AL (OHS Committee estate secretary) had resigned, so that the company had the opportunity to be able to propose changes to the OHS Committee structure approval. **(OFI)**

The OHS Committee meetings have been held regularly every month with discussions of OHS issues and their follow-ups, for example the OHS Committee meeting on 27 January 2023 with discussions including SIO completeness, work accidents, harvesting equipment for tall trees, etc. the OHS Committee reporting is also carried out periodically, for example reporting for the fourth quarter of 2022 which is reported to the Kalimantan Timur Province Manpower and Transmigration Office on 11 February 2022.

6.7.2

The company shows the SOP for Control and Management of Building and Facilities Fire No. REA.BPO.HSE.PKB which was published on September 25, 2016, which explains point 6.3.10 letter F, namely the APAR is placed in a position that is easy to see and ready to use at any time. Based on the field visit it was found that:

- There are fire extinguishers that are not pressurized (the indicator is red), including 1 unit at the security post, 2 units at the thresher and 1 unit at the boiler.
- Field visits to Satria Estate housing in Division 2 and Division 5 found that the housing conditions were not permanent/barracks, but there were no fire extinguishers/other fire controllers in the housing complex to handle fires.

The company also shows First Aid Facility SOP No. REA.BPO.HSE.FPK which was published on March 25, 2017, which explains in point 6.3, namely the availability of adequate contents and first aid boxes/bags in buildings and foremen according to the area, type of work and potential hazards that occur. Based on the field visit it was found that:

- Alcohol and distilled water were not found in the first aid kit at storage area for hazardous and toxic waste materials Satria POM.
- In the first aid bag at Division 3 Satria Estate, alcohol was found which had expired in September 2022 and betadine was refilled/without having clear information about the feasibility of its use.

Based on interviews with Mill and Estate workers, it can be concluded that workers have not been able to explain some of the functions of the contents of the first aid kit/bag.

During the audit activities, the Certification Unit has shown several corrections such as completing fire extinguishers in the Mill area and adding first aid contents in the Mill and Estate, but the Certification Unit has not analysed the root causes and preventive measures that can ensure that things found during field visits do not happen again at a later time.

Based on this, the Unit of Certification has not been able to provide sufficient evidence that the emergency response facilities and infrastructure, including first aid facilities, are ready to use at any time. **This becomes the No. non-conformity. 2023.02 with minor category.**

6.7.3

The company shows SOP for Personal Protective Equipment No. REA.BPO.HSE.APD revision 1 which was issued on May 18 2018 which describes the mechanism for providing PPE, the matrix for scheduling PPE replacement and PPE procurement.

The company also shows PPE handover documents, for example for the 2022 period, such as:

- Provision of PPE helmets and boots at Satria Estate on 2 December 2022 for 14 people.
- Provision of PPE safety shoes at Satria POM on May 18, 2022, for 7 people.

Based on interviews and field observations of sorting and fertilizer workers in block 7D, it is known that personnel receive PPE free of charge by the company and understand the mechanism for replacing PPE if PPE is damaged. The PPE used by workers is currently in good condition and ready to use.

The company also has 3 spray teams for weed control in each division. Based on a field visit to Division 4, it was found that there was a rinse house used for the sanitation of spray workers, while on a field visit to Division 2, only a place was found for storing spray power equipment. The company has also planned the construction of sanitation facilities in 2 other units, as evidenced by the start of construction in Division 1 while for Division 2, it will be planned for 2024. Thus, the company has the opportunity to be able to ensure the availability of sanitation facilities for workers who use pesticides. **(OFI)**

The auditor also made observations at the storage warehouse, it was found that the company had provided spare PPE, such as:

- 20 pairs of PPE safety shoes.

- 45 pairs of PPE helmets.
- 17 pairs of PPE aprons and rubber gloves.

6.7.4

The company has proof of BPJS Employment and Health payment data for all workers, including:

- Social Security Administrator for Employment
 - Payment on January 16, 2023 for 406 people for Satria Estate units
 - Payment on January 16, 2023 for 148 people for POM units
- Social Security Administrator for Health
 - Payment on December 9, 2022 for Satria estate units and POM units
 - Payment on January 10, 2022 for Satria estate units and POM units

Based on interviews with workers, the Bipartite LKS and the Transmigration and Manpower Office of Kutai Kartanegara Regency, it was stated that the workers had been registered with Social Security Administrator.

6.7.5

The company has a mechanism for recording work accidents as stated in the SOP for Accident Reporting and Investigation with No. REA.BPO.HSE.PIK dated 25 October 2016 which provides information on the mechanism for reporting potential hazards and work accident incidents.

The company shows the recording of work accidents in each unit, for example for the 2022 period, they are as follows:

- Satria POM → LTA : 3, IR : 5.66, FR : 5.66 and SR : 3.78
- Satria Estate → LTA : 17, IR : 14.32, FR : 22.13 and SR : 57.27

Based on work accident records, it is known that the most work accidents occurred at Satria Estate, namely 17 incidents. From these incidents, there were 2 incidents with a loss of 8 working days each, for example what happened on June 13, 2022, where a worker suffered a sprain while transporting FFB, so the company referred employees on June 14 2023 for treatment at the hospital whose costs are borne by insurance / Social Security Agency.

6.7.2	Status: Non-conformity No. 2023.02 with minor category.	
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PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

7.1

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

7.1.1

The company implements integrated pest management (IPM) as outlined in several documents, including the following:

- Pesticide and Weed Control SOP No. REA.EST.OPP.WED revision 0 was issued on July 1, 2018.
- Fertilizer SOP No. REA.EST.OPP.MNR revision 0 was issued on 1 July 2018.
- Integrated Pest and Plant Disease Management SOP No. REA.EST.OPP.IPM revision 0 was published on 1 July 2018.

The company shows records of monitoring and controlling pests, including:

- Based on the monitoring document of beneficial plants, it is known that the company has utilized beneficial plants as one of the implementations of integrated pest control, including Antigonon leptopus and Turnera subulata. As a result of field visits, for example, in Division I Block 004A-004D, useful plants of the type Antigonon leptopus were available which were planted by the roadside and were in good condition.
- The company has carried out a census of plant pests and diseases which are known to have rat attacks of 0.20% (criteria for mild attack below 5%), caterpillar attack of 0.67% (criteria for mild attack below 5%) and no attacks Ganoderma and oryctes.

The company also has a commitment to reducing the use of chemicals as stated in Directors' Decree No. 003/BOD_REA/P/II/2015 in September 2021 regarding Environmental Policy and Biodiversity Conservation which informs point 10 that the company does not

use the active ingredient paraquat and minimizes the use of chemicals by implementing an Integrated Pest Management program.

One of the methods or plans carried out by the company in integrated pest management is planting beneficial plants which function as a growth medium for natural predators, for example what has been realized in blocks 73A-D, 82A, 83A Division 4 by planting *turnera subulata*.

7.1.2

Based on the results of a review of useful plant monitoring documents and interviews with company management, it is known that the company uses antigonon and Cassio tora plants as biological control agents. Based on the regulations in force in Indonesia, it is known that this species is not an invasive species.

Based on field visits, for example Division 3 block 83C Satria Estate, no invasive plants were found.

7.1.3

Based on document review, field observations, and interviews with workers and stakeholders, it is known that the company does not use fire to control pests.

Status: Comply

7.2

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

7.2.1

The company shows Pesticide and Weed Control SOP with No. REA.EST.OPP.WED revision 0 was published on July 1, 2018, which describes the observation and control of Plant Disturbing organisms in the mature and immature areas and briefly includes EWS (detection & census), Integrated pest control (biological, manual, chemical), economic threshold value, justification for pesticide use, pesticide management.

The company shows records of monitoring and controlling pests, including:

- Based on the monitoring document of beneficial plants, it is known that the company has utilized beneficial plants as one of the implementations of integrated pest control, including *Antigonon leptopus* and *Turnera subulata*. As a result of field visits, for example, in Division I Block 004A-004D, useful plants of the type *Antigonon leptopus* were available which were planted by the roadside and were in good condition.
- The company has carried out a census of plant pests and diseases which are known to have rat attacks of 0.20% (criteria for mild attack below 5%), caterpillar attack of 0.67% (criteria for mild attack below 5%) and no attacks *Ganoderma* and *oryctes*.

The company also shows a list of pesticides used by the company including:

Merk	Active Ingredients	No. Permission	Validity period
Kenfosat 290 SL	<i>Glyphosate</i>	RI. 01030120103757	10 December 2025
Trendy 20 WG	<i>Methyl Metsufuron</i>	RI.01030120072693	10 December 2024
Starane 480 EC	<i>Fluroxypir</i>	RI. 01030120083155	19 Mei 2024

Based on the document review, it is known that the company has used registered pesticides and has not used restricted pesticides. As a result of field visits to chemical/pesticides storage warehouses, it is known that chemical storage areas have been equipped with symbols of hazardous and toxic substances, warnings for the use of PPE and emergency response facilities.

7.2.2

The pesticide application program is contained in an annual work plan which is then translated into a monthly work plan and a daily work plan. Documentation for recording the use of pesticides in monitoring the use and toxicity of pesticides for the January-December 2022 period, among others, is as follows:

Active Ingredients	Unit	Material Use	Application Area (Ha)	Total a.i/ Ha	Total a.i/ Ton FFB
Glyphosate	Litre	630	2,371	0.0000002	0.00000001
Methyl Metsufuron	Kg	36	3,048	0.0000018	0.00000013

7.2.3

The company shows records of pesticide use for 2021-2022, including the following:

Active Ingredients	Unit	2021		2022	
		Application Area (Ha)	Use	Application Area (Ha)	Use
Glyphosate	Litre	1,355	872	2,371	630
Methyl Metsufuron	Kg	1,016	22	3,048	36
Fluroxypir	Litre	339	11	-	-

Based on the review of pesticide use documents, it was found that there was a reduction in the use of pesticides. Based on the results of document review and field visits, it is known that the company has utilized beneficial plants and natural enemies of pests as a method of reducing pesticide use.

7.2.4

Based on the results of virtual field visits, review of pesticide uses documents, and monitoring of pests and diseases, it is known that the company does not use pesticides in a preventive manner. The use of pesticides must be based on actual field conditions and the results of pest and disease censuses.

7.2.5

The company shows the environmental and biodiversity conservation policies listed in the directors' decision letter no. 003/BOD_REA/P/II/2015 which was published in September 2021 which explains in point 10 that the company is committed to using the minimum amount of chemicals and not using pesticides that are listed in the World Health Organization (WHO) Class 1A or 1B or included in the Convention Stockholm or Rotterdam, as well as paraquat.

Based on verification of pesticide use documents for 2021-2022, it is known that the company does not use pesticides with the active ingredient paraquat and WHO class 1A and 1B pesticides, as well as interviews with spray workers, it is stated that workers have not applied pesticides with the active ingredient paraquat.

7.2.6

The company has procedures for OHS and environmental handling of pesticides listed in SOP No. REA.BPO.EMS.K3LP revision 2 issued on September 13, 2022, which describes the mechanism for storing, handling and mixing chemicals as well as first aid for poisoning.

The company also periodically conducts chemical application training for employees, as shown on 16 September 2022 which was attended by 9 participants. Based on interviews with workers, it can also be concluded that workers understand the technicalities of chemical applications as well as the hazards and risks associated with chemicals. In addition, workers were found to have fully used the free PPE provided by the company, in accordance with the identification and understanding of mechanisms to replace PPE if there is damage.

Based on field visits to rinse houses and warehouses, it was found that there were already product labels and MSDS in Indonesian for each chemical and chemical placement had been arranged based on trade name and type of chemical. In addition, the rinse house also has PPE and sanitation facilities for chemical applicators such as bathrooms, washing areas and clothesline.

7.2.7

Based on the results of field observations in the hazardous materials warehouse as a storage place for pesticides, it is known that the storage of all chemicals is in accordance with recognized best practices, namely referring to PP No. 74 of 2001 concerning Management of Hazardous and Toxic Materials. This can be proven based on the results of field observations which show that the storage area has been equipped with hazard symbols and labels, MSDS, ventilation, channels to accommodate pesticide spills, eyewash and showers, fire extinguishers, OHS Boxes, emergency handling pathways, shelves for the preparation of appropriate packaging and more.

In addition, the location of the pesticide storage warehouse is also far enough from watercourses and employee settlements so as to avoid contamination of the environment and the health of workers. Based on the results of interviews with the manager of the chemical

storage warehouse, it was shown that the respondent was able to explain regarding first aid in accidents, good pesticide preparation techniques, logbook inventory of types of pesticides used, use of personal protective equipment and so on. Based on this, the company has been able to manage pesticide storage properly.

7.2.8

Companies can show SOP for Waste Management REA.BPO.EMS.WMS Revision 01 dated 14 March 2020 and SOP regarding Handling of Hazardous Waste Storage dated 1 October 2016. The SOP explains the mechanism for storing used pesticide packaging in special warehouses including a place for mixing pesticide ingredients to be used in the field in a special place that is isolated so that 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 waste and then sent to a licensed collector. The company also socialized the ban on the use of hazardous waste packaging on October 13, 2022.

Based on field visits to the pesticide warehouse and the temporary storage area for Hazardous Waste, it is known that the pesticide storage areas are well managed, oil traps are available, sufficient air ducts and isolated so that there is no potential for exposure of pesticides to leaving the warehouse. Pesticide waste such as used pesticide packaging which is classified as Hazardous Waste is also found stored in a well-monitored Hazardous Waste temporary storage warehouse which is then collected to a licensed collector. Based on interviews with employees and pesticide application foremen at Satria Estate, it is known that all used pesticide packaging containers were returned and sent to the Hazardous Waste Warehouse and not used for any other purpose than pesticide application activities. Used packaging containers, work tools and work clothes are all stored in a special storage area so that no contaminated items are brought home.

However, based on the results of observations in Satria Estate division 2 employee housing, it is known that there are still used pesticide packages used as water reservoirs, this is a non-conformity in indicator 7.3.1.

7.2.9

Based on document verification, interviews with spray workers and field visits, it was found that there was no aerial spraying of pesticides.

7.2.10

The company has procedures for monitoring and examining employee health listed in SOP No. REA.BPO.CLC.PKK revision 1 which was issued on March 25, 2021, which describes the mechanism for employee health checks consisting of initial health checks, general health checks and special health checks and their implementation period.

Special examinations are carried out every semester, for example for the 2nd semester of 2022 which will be carried out on December 20, 2022, by the Indomec Medical Clinic with spirometry and cholinesterase parameters for pesticide workers, fertilizer workers, boiler operators, generator operators and land application operators. From the results of these examinations, it is known that the worker's condition is normal and there is no need to be referred for further treatment.

Meanwhile, general examinations are carried out once a year, for example for the 2022 period which will be carried out on May 31, 2022, by internal medical personnel for all employees in stages. From the results of the inspection, it is known that the condition of the workers is fit and fit with a record. For the condition of workers in a fit condition with a record, the company recommends several things to workers such as reducing smoking, reducing alcohol consumption, using glasses, etc. The company also periodically evaluates the recommendations that have been given.

7.2.11

The company has a human rights policy listed in the directors' decision letter no. 002/BOD_REA/P/II/2015 issued on 14 September 2021 which explains the protection of women's reproductive rights such as giving tasks with minimal risk to pregnant and lactating women.

Based on the verification of pregnancy information monitoring documents through monthly pregnancy checks, it is known that there are no pregnant workers carrying out pesticide application activities. The results of interviews with spraying workers, it was stated that if there were pregnant workers, these workers would be transferred to low-risk jobs and were not allowed to apply chemicals.

Status: Comply

7.3**Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.****7.3.1**

The company has identified the waste contained in the PT SYB 2023 Waste Identification and Waste Management Plan documents made by Estate and POM. The identification is grouped by activities that produce waste, waste name, waste code, solid or liquid type, and its management. Determination of the waste code based on PP number 101 of 2014. For the scope of Satria Estate units, identification of waste generated from plantation activities and for the scope of Satria POM, identification of waste sources is listed in the Waste and Pollution Source Identification document which contains the results of identification of waste sources for each location, for example loading ramp stations, sterilizers, threshers, presses, clarifications, kernels, boilers, engine rooms, water treatment plans, and POM housing.

The certification unit has procedures for managing waste generated by the company, including:

- SOP number REA.BPO.EMS.LCP concerning Procedures for Handling Palm Oil Mill Effluent.
- SOP number REA.BPO.EMS.WSM regarding Waste Management.
- SOP number WI.REA.BPO.EMS.PLB concerning Handling of Hazardous and Toxic Waste Storage.
- SOP number WI.REA.BPO.EMS.PPL concerning Handling of Hazardous and Toxic Waste Transportation.

All waste management has been explained in the SOP above, for example SOP number REA.BPO.EMS.WSM regarding Waste Management explains several matters related to waste management, including:

- Point 6.2.1.a Every housing, office, canteen, contractor's camp must be provided with adequate trash bins
- Point 6.2.1.b Solid domestic waste generated, collected and then disposed of in Landfill (TPSA)
- Point 6.3.2.a All types of hazardous waste are managed in accordance with applicable laws and regulations, namely temporarily stored in a storage area that already has a permit

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

Hazardous and Toxic Waste

The company has 2 licensed hazardous and toxic waste storage areas, including:

- Scope of Satria POM, the Company has a Hazardous and Toxic Waste Management Permit for waste storage activities based on the decision of the Environmental Agency of Kutai Kartanegara Regency Number 660.1/278/BLHD-1/2016 dated 30 December 2016 with a validity period of 5 years. However, due to the change in the hazardous waste management permit to a technical recommendation, the company has consulted with the Ministry of Environment and Forestry and the Environmental Service and stated that the permit document remains valid as long as there are no changes. The results of interviews with the Kutai Kartanegara Regency Environmental Service also stated the same thing, namely the permit remains valid as long as there are no changes in the field.
- Scope of Satria Estate, the Company already has a Hazardous and Toxic Waste Management Permit for waste storage activities based on the Decree of the Head of DPMPTSP Kutai Kartanegara Regency dated 31 May 2018 Number 660.4/073/TPS-LB3/DPMPTSP. The license is valid for 5 years or until 31 May 2023.

Based on this permit, it is known that the types of hazardous and toxic waste that are allowed to be stored are used oil, used filters, used batteries, pesticide packaging, spill kit waste, used cartridges, TL lamps, and clinical waste. Companies are also required to provide occupational safety and health equipment, including fire extinguishers, eyewash, and other emergency response facilities. Regarding the transportation of hazardous and toxic waste, the company cooperates with the official waste collection contractors, namely PT Karunia Lumasindo Pratama with MoJ number 005/SPK/SYB/ENV/II/2023 dated 31 January 2023 which is valid for 1 year. The carrier also has a legal permit from the Ministry of Environment and Forestry with number S.1339/VPLB3/PPLB3/PLB.3/11/2019 dated 27 November 2019.

The company has and can show documents for storing and handling Hazardous and Toxic Waste in accordance with SOPs for storing and handling waste and Government Regulation Number 101 of 2014. These documents include balance sheets, logbooks and Hazardous and Toxic waste manifests. Based on the results of the document review by comparing the balance sheet and logbook, it can be seen that the delivery of waste to Satria POM and Estate waste warehouse in January - March 2023 was appropriate and there was no difference in the amount submitted. Similarly, the comparison between the balance sheet and Manifest waste transportation carried out on November 11, 2022, shows that the balance document states the amount of waste in the month after transportation (December 2022) starting from empty. The company has kept records properly so that waste management data can

be traced easily and there are no recording differences. The company also records incoming and outgoing hazardous and toxic waste in every warehouse, this is also regulated and according to the company's SOP.

Thus, it can be concluded that there are no recording errors and differences based on the Balance Sheet, Logbook and Manifest documents, this shows that the company has properly documented the storage and handling of Waste. In addition to waste that is contaminated with chemicals, clinical waste is also classified in this section, clinical waste is given special treatment that is directly transported to a licensed container. The company can show all licensing documents for the transporters, processors and users of hazardous and toxic waste as well as medical waste, from the results of document verification it can be concluded that PT SYB has collaborated with all waste management parties who have permits and are still valid until the next surveillance is carried out.

However, based on the results of field visits in several locations, the following information was obtained:

- There is a lot of unmanaged domestic waste/waste around the housing areas for Division 2 and Division 5 workers
- There are several traces of open burning activities around the housing areas for Division 2 and Division 5 workers
- There are traces of oil spills in the Division 2 Genset Warehouse area.
- The results of interviews and field observations obtained information that there is no form of sustainable domestic waste management, such as temporary waste bins to separate types of waste, use of landfills as a place for storing waste, transporting domestic waste and prohibition of burning waste.
- There are used Pesticide packaging and Lubricant (Oil) packaging which are reused for water storage.

Based on the above information, some evidence of non-compliance is obtained when referring to the procedures owned by the company, as well as several applicable laws, including:

- PP RI Number 74 of 2001 concerning Management of Hazardous and Toxic Materials
- PP RI Number 81 of 2012 concerning Management of Household Waste and Similar Waste
- PermenLHK Number 12 of 2020 concerning Storage of Hazardous and Toxic Waste

Based on the evidence obtained, this is a non-compliance because the Certification Unit has not been able to implement waste management as stipulated in company procedures and applicable laws and regulations. **This become Non-conformity No. 2023.03 with minor category.**

7.3.2

Based on interviews with company management and the Head of the Hazardous and Toxic Waste Warehouse at the sampling location, it was found that they had an understanding of handling waste disposal, especially hazardous waste and domestic waste, and managing hazardous waste according to procedures owned by the management unit. In addition, respondents also stated that these regulations were strictly enforced and there were sanctions for those who violated them. The resource person really understands how to separate the types of waste they produce.

However, based on the results of field observations in the Satria Estate division 2 residential area, it is known that domestic waste management has not been carried out optimally, this is a non-compliance with indicator 7.3.1.

7.3.3

Based on the results of field observations at the Satria Estate Division 2 and Division 5 housing, it shows that there are burnt trash in several locations, this has become one of the types of evidence of non-compliance with Indicator 7.3.1.

7.3.1	Status: Non-conformity No. 2023.03 with minor category
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7.4 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

7.4.1 and 7.4.4

The company shows documents related to land management procedures contained in several documents, as follows:

- SOP for Fertilizer No. REA.EST.OPP.MNR revision 0 was issued on 1 July 2018.
- SOP for Sampling of Leaves, Soil and others with No. REA.EST.OPP.LSS revision 0 was published on July 1, 2018.
- SOP for Marginal Land Management with No. REA.EST.OPP.MSM revision 0 was published on August 25, 2021.

The company also shows reports on recommendations and realization of fertilization for the 2022 period, including the following:

FERTILIZER TYPE	RECOMMENDATION		REALIZATION	
	TON	AREA (Ha)	TON	AREA (Ha)
Urea	298.45	431	298.45	431
RP	197.57	866	197.57	866
MOP	367.12	868	367.12	868
Kieserite	68.82	435	68.82	435
Dolomite	148.20	436	148.20	436

Based on the review of the data on the realization of the fertilization, it is known that the fertilizer has been fully realized (100%). Based on the results of field visits in block 7D, it is known that the planting area and plants are in a well-maintained and well-maintained condition.

7.4.2

The company periodically conducts soil analysis and leaf analysis to monitor and manage changes in soil fertility and plant health, such as:

- Soil Analysis for the 2020 period published by Citra Borneo Indah with 23 samples. The parameters analysed include texture, acidity (pH), content of C, N, P, K, Mg, Ca, Na, BS, CEC, Al and H.
- Leaf Analysis with the 2022 period published by the Team Service Department for a total of 152 samples. The parameters analysed include CU, Zn, P, K, Mg, Ca, N and B.

7.4.3

The company has a nutrient recycling strategy which includes the use of empty fiber, shell and liquid waste (POME) fiber, for example, for the 2022 period, it is as follows:

- Implementation of 51,073 tonnes of empty stubs in the field.
- Use of 13,890 tons of shells and 30,461 tons of fiber used for boiler fuel.

In addition, the company also applies liquid waste (POME) to the field, for example in the 2022 period as many as 236,494 M³.

Status: Comply

7.5

Practices minimize and control erosion and degradation of soils.

7.5.1

The company showed a land survey study conducted by the service department team in September 2019 which included a slope classification map at Satria Estate, including the following:

DESCRIPTION	SLOPE CLASS (%)	AREA (Ha)
Undulating	4-12	48,2
Rolling	12-24	1204,6
Hilly	24-38	691
Somewhat Steep	38-50	662,6
Steep	50-60	302,2

Based on the foregoing, the company has a map that identifies marginal and fragile soils, including land with steep slopes.

7.5.2-7.5.3

The company showed an area statement that stated the year of planting of oil palm which consisted of planting years 2008, 2010 and 2011 with a planting cycle of 25 years, so there has been no replanting on steep land.

Some of the plantings that have been carried out are Somewhat Steep and Steep areas with a slope of 38-60%. In this regard, the company manages the planting and maintenance of Mucuna as land cover and the creation of terraces in the area in order to prevent erosion.

	Status: Comply	
<p>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.</p>		
<p>7.6.1, 7.6.2 and 7.6.3 Based on management information and review of area statement data, information was obtained that there was no new land clearing in the certification scope area after 15 November 2018, land clearing was only carried out between 2008 and 2011. The company showed a land survey study conducted by the team service department in September 2019 which stated that the Satria estate area does not have organic or peat soil types, but the entire area is mineral soil types such as kandic, agrilic, etc.</p> <p>Based on field visits, it is known that the company area has steep topography in several areas. Furthermore, the company has carried out land management to prevent erosion, such as creating drainage channels, irrigation and individual terraces.</p>		
	Status: Comply	
<p>7.7 No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.</p>		
<p>7.7.1-7.7.8 The company showed a land survey study conducted by the team service department in September 2019 which stated that the Satria estate area does not have organic or peat soil types, but the entire area is mineral soil types such as kandic, agrilic, etc.</p> <p>So based on the above, this indicator is not applicable.</p>		
	Status: Comply	
<p>7.8 Practices maintain the quality and availability of surface and ground water</p>		
<p>7.8.1 Based on the RKL-RPL 2019 document for Satria POM and SKKL 2009 document for Satria Estate, document identification of HCV 2018, as well as maps of river flows and water sources it can be seen that there are several water sources points in the operational area of PT SYB, namely the Peno'on River (Satria POM) and Belayan, Pomet, Peleu and Peno'on River (Satria Estate), as well as tributaries that around the company's management area. Based on the document, it is also known that the management plan for water sources is to test the quality of surface water every 6 months and monitor wells every 6 months. All tests are carried out by a KAN accredited laboratory (LP-013-IDN). Regarding this, the company shows the results of surface water quality testing for all identified water sources contained in all RKL and RPL reports for the semester 2 of 2022. The company conducted a surface water test with 33 indicators in accordance with the matrix request in the RKL-RPL 2019 which was carried out in 2 sample locations for Satria POM namely the Upstream and Downstream of Peno'on River, and 6 samples for Satria Estate namely the Upstream and Downstream of Belayan, Pomet and Peleu River. The Quality standards based on Regulation Government Number 22 of 2021, class 2. Based on the test results for all these locations indicate that there is no parameter value that is above the applicable quality standard. The results of testing on monitoring wells carried out for semester 2 of 2022 also show that there is no test result value above the applicable quality standard, namely Permenkes No. 32 Year 2017. All of these tests were carried out on 14 October 2022.</p> <p>The unit of certification also does not limit access to clean water, and workers also have adequate access to clean water. Based on the results of field observations in the Estate housing area as well as interviews with fertilizer workers, spraying workers, and harvest workers, information was obtained that clean water facilities for housing were obtained from drilled wells provided by the company and for factory workers who lived in factory housing, the water source came from rivers. The unit of certification has consistently had a water management plan for mills and plantations that is stated in the Environmental Management and Monitoring document as well as river bank management programs and other water sources. Testing for drinking water is also carried out by the company to see the quality and quantity of ground water taken from monitoring wells and drilled wells. The guidelines used in measuring and testing drinking water quality use the Minister of Health Regulation Number 492 of 2010, concerning Environmental Health Quality Standards and Water Health Requirements and it appears that all parameters are below the standard quality standards. The tests are carried out by a KAN accredited laboratory (LP-013-IDN) on October 14, 2022.</p> <p>The company also has a procedure Number REA.EST.OPP.REP, date 01 August 2018 approved by the President Director. For those with river and tributary status, they follow the law and will not do replanting in various areas, guidance to measure a distance using BMP Riparian Guidance. The realization of water quality improvements that have been carried out by the company include:</p> <ul style="list-style-type: none"> • Conduct socialization to all employees and the surrounding community not to use the water for consumption activities. 		

- Maintain a hygienic environment around water sources so that sources of pollutants can be minimized.
- Create a program to gradually improve water quality with the provisions of the applicable laws.
- Report the results of the examination in accordance with the provisions of the applicable laws.
- Testing the quality of river water and boreholes listed in the RKL/RPL report
- Management of surface water erosion and runoff, water management in low-lying areas and monitoring of surface.
- Management of river banks and water sources in the form of reservoirs.
- Waste water management using WWTP and utilizing it in licensed application areas as well as monitoring the quality of wastewater and monitoring wells.
- Monitoring the use of water for palm oil processing and evaluating its use.
- Recording of flow meters in WTP

7.8.2

The company already has a river riparian management procedure Number 005 /BOD_REA/P/II/2015, as amended September 2021 related to protected of riparian areas. The document explains that the protection of the riverbank zone which is a natural vegetation support will be maintained on both sides of the natural river flow. This buffer zone will be at least 10 meters wide on each side of the tributary in accordance with applicable RSPO guidelines. The company also has a procedure Number REA.EST.OPP.REP, date 01 August 2018 approved by the President Director. For those with river and tributary status, they follow the law and will not do replanting in various areas, guidance to measure a distance using BMP Riparian Guidance.

Besides that, the Certification unit also has a riparian restoration program which is planting a local forestry species in the riparian areas. Based on field observations at the HCV area in Satria Estate, it can be seen that the Certification Unit has already planted a local tree such as Bamboo, etc. Based on monitoring results, there is a 5-meter border from the right and left of the river. At a distance of up to ± 300 m, residual standing vegetation with a diameter of up to 50 cm is still found. Based on verification of the border restoration data that has been carried out by the company for the 2021-2023 period, it can be seen that the company has carried out nursery activities with a total seed stock of 40,064 of 22 types of forest and fruit plants and procured 2,840 seed stocks. The results of field observations also showed that there was no potential for damage or pollution to the riverbanks by the company. The results of interviews with Buluq Sen village stated that river pollution that occurred around the company area was caused by coal mining activities in the upper reaches of the river.

7.8.3

The company has a Wastewater Treatment Plant (WWTP) as a form of liquid waste management resulting from FFB processing before being discharged to Land Applications. The WWTP consists of 6 ponds consisting of Cooling Pond, Mixing Pond, Anaerobic Pond, Aerobic Pond1, Aerobic Pond2, Methane Capture Pond. With a total volume (wastewater production January-December 2022) of 236,808 m³ or an average of around 648 m³/day per day. Based on these data, and when compared with the obligation to own the waste pond contained in the document for Extension of Permit for Utilization of Oil Palm Processing Wastewater on PT SWB's Oil Palm Plantation Land, it shows that the company has fulfilled the obligations in the permit. Based on the WWTP plan shown by the company, the liquid waste that flows to the land application comes from the output pool which is in pool number 6.

The results of field observations at the WWTP pond at Satria POM show that the company already has a well-functioning flow meter. The results of interviews with WWTP managers also showed that the interviewees had a good understanding of liquid waste management in waste management installations. Based on this explanation, the company already has an adequate Wastewater Treatment Plant (WWTP) to meet wastewater quality standards.

The company already has a Liquid Waste Utilization Permit for Land Application based on an Operational Feasibility Letter for a Wastewater Utilization System for Application to Land covering an area of 676.91 Ha which was approved by the Kutai Kartanegara Regency Environmental Service with Number P-0670/DLHK/BID.II.2 /660.31/09/2021 dated 28 September 2021. The quality standard used is in accordance with Ministerial Decrees 28 and 29 of 2003 concerning Utilization of Wastewater in oil palm plantation land. Before being used, the liquid waste is processed until it reaches the quality standards for wastewater utilization in oil palm plantations, namely pH 5-9 and BOD less than 5000 mg/l. Wastewater from the IPAL pool outlet is then pumped and flowed to the location designated as the location for the utilization of wastewater on land (LA).

In this regard, companies can show documents on the results of measuring the quality of liquid waste applied to land, namely documents on the results of testing liquid waste for the period January - December 2022 and the RKL-RPL Report for semester 2 of

2022. Tests are carried out by laboratories that have been accredited by KAN (LP -013-IDN) which was carried out on December 26, 2022, with reference to KepmenLH regulation Number 29 of 2003. Based on the results of the analysis of the test documents, it showed that all the parameters tested were in accordance with the applicable quality standards.

Based on the results of field observations to WWTP, it shows that the company has managed POME well, which can be shown from the POME that is discharged into water bodies, which has a bright colour and does not smell. In addition, there is also no potential for WWTP to overflow or runoff, the boundary between the body of the embankment and the surface of the wastewater is around 50 cm. The company also maintains a reserve pool which is used in case POME volumes increase.

7.8.4

The company has a Water Resources Exploitation Permit for PT SYB Number 995/KPTS/M/2017 which was ratified on 4 December 2017 by the Ministry of Public Works and Public Housing. The permit is valid for taking water from the Penon River with a budget of 23.15 liters/second or the equivalent of 60,004 m3/month. The coordinates for the location of surface water extraction are 116° 10' 49" East Longitude and 0° 29' 11.9" South Latitude, with the validity period of the permit being 5 years after the date of stipulation.

Companies can also show documents recording daily water use, as well as the results of recapitulation of water use for palm oil processing units every month, for example for the period January - December 2022. Based on data on surface water utilization, if the average water use for processing FFB is taken, that is equal to 13,191 m3/month. However, when calculating the overall use of water (domestic and washing) for the scope of Satria POM, the total water use is 25,057 m3/month, which value is still below the permitted quota.

The company has also carried out its obligations as a user of surface water and groundwater, namely paying monthly water usage fees for the entire scope of certification which is paid separately by each management unit. The evidence shown is proof of payment of fees for the use of surface water and underground water every month, records of proof of invoice for surface water tax, local tax assessment letters for underground water, as well as proof of transactions for payment of fees by bank transfer for January to December 2022.

The results of field observations at the Water Treatment Plan (WTP) and Water Intake also show that the flowmeter used is still functioning properly. The results of interviews with officers responsible for WTPs also show that operators are very knowledgeable about how WTPs work and record flowmeter data. Officers can also show data entering and exiting water which is recorded every day.

Status: Comply

7.9

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

7.9.1

The Unit of Certification has made efforts to increase the efficiency of using fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a document Converting Biofuels to Solar at Satria POM Period 2022. The biofuels in question are solid waste in the form of shells and fibers used for substitution fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization for the period January - December 2022 shows that of the 243,686 tonnes of processed FFB, 13,890 tonnes of shells and 30,460 tonnes of fiber can be produced biofuel, all of which are used for the combustion process in boilers or equivalent to 19% of the total processed FFB. The company also utilizes 100% of the EFB produced to be used as a substitute for fertilizer and applied to the field with a total of 51,176 tons of EFB applied in 2022.

Based on an analysis of data on the use of diesel fuel for FFB processing, information on the estimated diesel needed to generate electricity in the factory area for the period January - December 2022 is obtained, namely 1,253,240 liters/year or 5.14 liters/ton FFB. However, due to the efficient use of diesel fuel, which is substituted with biofuel and biogas, it can reduce the use of diesel fuel to only 88,629 liters/year or the equivalent of 0.36 liters/ton of FFB. This shows that the use of Biofuels and Biogas can reduce by 99% the use of diesel.

The results of interviews with the company stated that this efficiency is very beneficial because it can reduce diesel consumption. Currently it is needed only to turn on the generator as an initial power generator. This energy efficiency is also applied to all of the company's operational activities by minimizing the use of fuel by contract workers, including all machinery and transportation operations. The total utilization of diesel for Semester 2, 2022 is 190,953 liters where there is a decrease in the use of diesel from

Semester 1, 2022 of 256,624 liters which proves that the company has succeeded in minimizing the use of fossil fuels.

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

The Certification Unit has carried out a GHG inventory contained in the 2022 Greenhouse Gas Emission Mitigation Program document, based on document analysis it can be concluded that the company has identified the source of GHG produced by the Satria POM unit and its suppliers. Identification of significant sources of GHG emissions identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include changes in land use, processing of POME, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plan includes, among other things, the correct dosage of fertilizer uses, and application as recommended, reducing reuse and recycling actions, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. Companies can also show the results of GHG calculations which are submitted to the RSPO GHG website. However, because the company has just carried out the certification process at Stage-2, the GHG data shown has not been based on the results of calculations for certified products, so the calculation results are ignored.

Related to this, it can be concluded that the company already has an RSPO PalmGHG Calculator account and has filled in the data needed for the calculation of the GHG Calculator and publicly reported the company's GHG data. Based on the verification results of the GHG Calculator data, all components have been filled in and are in accordance with the data in the Basic Info and Area Statement. In addition, the company also has an SOP related to GHG management with the number REA.BPO.SUS.GRK dated 25 August 2016 which explains the inventory, estimation, and mitigation of greenhouse gases.

7.10.2

The Unit of Certification did not carry out any new developments after 2014. However, the company has carried out GHG management by conducting an inventory of emission sources. Companies can show identification documents for activities that produce emissions for the 2022 period for Factories and Plantations. This is done to estimate the carbon stock in the management area along with the potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is developed and implemented. The plan made by the unit of certification has determined what actions will be taken to reduce GHG emissions, for example adopting good low emission management practices for mills such as better POME management, efficient boilers and others. Likewise for the scope of plantations such as optimal use of fertilizers, energy efficient transportation, good water management, application of compost and restoration of peatlands and conservation areas. This criterion includes plantations, mill operations, roads and other infrastructure (including canals and access roads and outer boundaries).

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel fuel, carrying out maintenance on operational equipment on a regular basis. Companies can show records of GHG mitigation for Estate and Mill units, for example the use of fertilizers according to the dosage, routine maintenance of operational vehicles, socialization on the prohibition of burning waste, application of efficient use of electricity and integrated pest control to minimize the use of pesticides as well as activities for planting local forestry plants in river border areas.

7.10.3

The unit of certification has identified sources of pollution and mitigation plans contained in the Greenhouse Gas Identification and Mitigation and Monitoring documents for the 2022 period. The company has also carried out management and monitoring related to the results of the identification and mitigation plans as evidenced through the RKL-RPL document for semester 2 of 2022. Based on the document verification, it shows that in the management of air pollution, the unit of certification has conducted air emission tests on boilers and generators as well as ambient air. The test was carried out by a KAN-accredited Laboratory (LP-013-IDN) on November 21, 2022. Based on the analysis of the value of the test results, it can be concluded that no value is above the applicable quality standard, namely PermenLH Number 07 of 2007 for Boilers, PermenLH Number 13 2009 for Generators and PPRI Number 22 of 2021 for air ambient.

In addition, the company has also managed disturbances from immovable sources. Tests were carried out by a KAN-accredited Laboratory (LP-013-IDN) on November 21, 2022. Tests carried out by the company included testing for smell, vibration and noise in

work and residential areas. Based on the results of document verification, it shows that all test results comply with the quality standards set for each applicable law, namely KepmenLH Number 48 of 1996 for noise, KepmenLH number 49 of 1996 for vibration, and KepmenLH Number 50 of 1996 for Odor.

Status: Comply

7.11

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

7.11.1

PT SYB shows the procedures related to zero burning in the document Number REA.BPO.HSE.PKL, Revision 01 which was ratified by the President Director, coming into force on 25 November 2019. The document explains compliance with implementing land and plantation fire control in accordance with laws and regulations stipulated by the Government for companies, including carrying out a Zero Burning Land Preparation policy. In addition, R.E.A as the parent company of PT SYM also has Directors Decree Number 003 /BOD_REA/P/III/2015, as amended September 2021 concerning environmental policies and biodiversity conservation, in the document stating that the use of fire for land clearing or other purposes anything inside the REA HGU area and in areas that are sources of FFB from third parties is strictly prohibited and this is actively monitored and implemented by REA.

Until the field observation activities were carried out in 2023, the certification unit did not carry out any replanting activities for 2022-2023 period. Based on the results of the document review, it is known that until 2023 there is no plan for replanting activities within the scope of PT SYB. Based on the results of interviews with management and the Environment Agency, it was also stated that the company is committed not to carry out burning activities for land clearing. Based on the results of field visits at Satria Estate, it was found that there were no signs or evidence of land clearing by burning, all land clearing was done mechanically by the company. The results of field visits to the area also prove that the company does not clear land by burning, all land clearing is done mechanically.

7.11.2

The company already has procedures related to fire prevention and control that have not undergone changes, which are presented in several documents, for example procedure Number REA.BPO.HSE.PKL, dated 25 November 2019. Based on the review of the documents above, it is known that the fire control technique owned by the company has been refers to the laws and regulations in force in Indonesia, including Law no. 18 of 2004, Law no. 32 of 2009, PermenLHK No. 32 of 2016 and Minister of Agriculture No. 5 of 2018. The fire control and prevention program has been included in PT SYB's OHS program, for example, monitoring of fire extinguishers, monitoring of firefighting equipment and fire simulation. The company has also managed and monitored the prevention and control of land and forest fires, including the following:

- Procurement of Equipment Technical Requirements for Infrastructure for Prevention and Control of Land and Estate Fires (Based on Minister of Agriculture Regulation No.05/KB.410/1/2018).
- Installation of signs for prevention & control of land and estate fires posted at predetermined points throughout the unit locations and around the company area.
- Implementation of Land and Estate fire hazard control, in this case the assessment and mapping of fire-prone points, fire towers and reservoirs, (Based on the Decree of the Director General of Plantations in 2010) which will be realized in stages.
- Daily monitoring of hotspots using the LAPAN Fire Hotspot web which is overlaid with the company's concession map as an early detection of fire incidents that occur in the company's area and around the company.
- Conduct daily routine patrols by company personnel as early detection of hotspots in operational areas based on the Decree of the Director General of PHKA Number 248/Kpts/Dj-VI/94.
- Coordinate with the Department of Agriculture on the initiative to establish a Fire Care Farmers Group (KTPA) referring to the mandate of the Minister of Agriculture Regulation No. 47 of 2014.
- Outreach to employees and the surrounding community, and involve them in firefighting simulations.

Companies can also show a list of facilities and infrastructure owned by referring to standardization of equipment in Permentan 5 of 2018. The results of field observations at the Fire Fighting Warehouse show that all facilities and infrastructure are in good condition and well maintained, firefighting simulation activities are also running well and the equipment used to function optimally. The company already has complete facilities and infrastructure as shown in the document List of Fire Fighting Equipment and Other Equipment with the latest update in November 2022. Based on field visits and at the location of fire towers and reservoirs it shows that the company manages these facilities and infrastructure well, the results of interviews with several employees also stating that the company had made efforts to prevent and control fires through installing signboards, outreach, and fire simulations by the Satria POM and Estate firefighting teams.

7.11.3

The company shows the Minutes of Training and Simulation of Land and Forest Fire Fighting on 6 August 2022. The training was attended by representatives from surrounding villages, cooperatives, Estate and POM at the Satria Estate Office. The company has also shown a joint commitment between PT SYB and the surrounding village community regarding fire prevention.

The company also has a firefighting team at each estate and POM which has a total of 19 people for Satria Estate and 39 people for Satria POM. In managing fires, the company monitors hotspots with a radius of 5 km from the company area so that it can cover the surrounding villages. Based on the Fire Management report for Semesters 1 and 2 of 2022, it shows that there has never been a fire incident in the last 1 year. The company then provides assistance and outreach in the prohibition of land burning activities to minimize the risk of greater fires. The company also conducts fire monitoring in collaboration with the community and the surrounding Fire Department using drones to speed up prevention measures.

Status: Comply

7.12

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

7.12.1

Based on management information and review of area statement data, information was obtained that there was no new land clearing in the certification scope area after 15 November 2018, land clearing was only carried out between 2008 and 2011. Regarding this, the Certification Unit has carried out a process of analyzing the history of Land Use Changes (LUCA) and reported the results of the study to the RSPO on 9 December 2019.

The first land clearing was carried out from 2008 to 2011 for the Satria Estate area, the area had an HCV assessment carried out in 2008. Subsequently, the company carried out another inspection which was carried out on 12-16 May 2018, while the field study was carried out on 17-22 May 2018. Further analysis and report writing were carried out until the final document was completed in July 2018. HCV assessment activities were carried out by AKSENTA using the 2008 toolkit. The HCV identification assessment was carried out within the scope of PT SYB, namely based on the operational boundaries of HGU which covers an area of 7,388.70 Ha which includes core plantations and the Anugerah Sejahtera and Pekalai Murip Plasma Cooperatives.

7.12.2

Land clearing was first carried out in 2008 to 2011 for the scope of Satria Estate, the area had an HCV assessment carried out in 2008 but the document shows that there are no measurable targets yet. because management and monitoring activities are not yet based on a well-documented plan. Management recommendations are still generic in nature and need to be translated into a management and monitoring plan with measurable targets. For example, institutional elements, number and competency of personnel are not included in the management and monitoring.

Therefore, the company again conducted a review which was conducted on 12-16 May 2018, while the field study was carried out on 17-22 May 2018. Further analysis and report writing was carried out until the final document was completed in July 2018. HCV assessment activities were carried out by AKSENTA using the 2008 toolkit. The drafting team from AKSENTA consisted of Idung Risdiyanto (ALS Assessor) and the team. The HCV assessment was carried out in a participatory way through participatory mapping and public consultation which was carried out on May 24, 2018. The HCV identification assessment was carried out for the scope of PT SYB, namely based on the HGU operational boundaries covering an area of 7,388.70 Ha which includes the nucleus estate and the Anugerah Sejahtera Plasma Cooperative and Pekalai Murip. The results of these observations, among others:

Location	Type of HCV	HCV area	HCVMA area	Total Area
Sanmunai River and its banks	HCV 4	-	1.33	1.33
The Kejanan River and its Banks	HCV 4	6.88	19.86	26.74
Pok Med Dan River	HCV 4	-	3.64	3.64
Paleo river and its banks	HCV 1, 4 and 5	68.77	-	68.77
Jidoon River and its banks	HCV 4	10.25	0.94	11.19
Paleo Dan River	HCV 4	0.39	3.03	3.42
Buthole Springs	HCV 5	0.01	-	0.01
Luah Puith Kiri River	HCV 4	-	1.13	1.13
Luah Putih Kanan River	HCV 4	-	2.97	2.97

Senget River Dew Dan	HCV 4	1.42	15.77	17.19
Indicative Area for HCV & HCVMA		87.71	48.67	136.39

Of the total HCV area of **136.39 Ha**, a portion of the HCV area is in the overlapping area of land with PT APT, which is a coal mining company. Based on the explanation above and the actual conditions when the Stage-2 audit was carried out, the company can only fully manage the HCV area that is in the non-disputed area, while for the disputed area, the company can no longer intervene in any form, including HCV management. Related to this, it becomes OFI on indicator 7.12.4.

7.12.3

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

7.12.4

Based on the results of HCV identification, it is known that there is an HCV area within the company's Managed area of 136.39 Ha with several types of RTE species consisting of mammals, Aves and reptiles. The company has compiled and determined the HCV management plan in the 2022 HCV Management Program Matrix document with the scope of Management for each Unit. The integrated management plan was developed in consultation with relevant stakeholders and covers the areas that are directly managed and takes into account the relevant wider landscape level carried out in conjunction with the Realization and Review of PT SYB HCV Plant Management Document for each Unit. The HCV is still maintained and cared for by the company by providing boundary stacks, signboards and providing a border marking the boundaries of the HCV area. A management and monitoring plan is implemented for each type of HCV with the following programs:

- Preserving the physical and biological characteristics of the original landscape.
- Designing land uses to ensure the future of flora and fauna
- Define conservation areas on the banks of rivers, lakes, swamps, in areas with steep slopes or community customary lands
- Ensure the future survival of endangered species, such as Orangutans
- Prevent hunting of protected animals
- Regulate hunting of consumed species in order to achieve wise and sustainable use
- Collaborate with communities in various conservation activities

The company also has several procedures related to the management of HCV areas, including:

- REA.BPO.CON.IPP concerning HCV Management Identification and Monitoring Procedures
- REA.BPO.CON.IMK concerning Biodiversity Inventory and Monitoring Procedures
- REA.BPO.CON.PGK concerning Procedures for Handling Security Disturbances in Conservation Areas
- REA.BPO.CON.PBK regarding Community Based HCV Area Management Procedures
- REA.BPO.CON.PKO concerning Procedures for Handling Human-Orangutan Conflict
- REA.BPO.CON.ATP regarding Remedial Limited Activity Procedures

The implementation of HCV management and monitoring for 2022 is carried out in accordance with the 2022 HCV management plan where the implementation time and intensity are also appropriate, which can be shown based on the following documents:

- Plantation Ecology includes nursery activities with a total stock of 40,064 seeds from 22 types of forest and fruit plants, and for 2022, the company will procure 3,768 seeds from the target of 3,000 seeds (100%), so that in the future the restoration activities budgeted for in 2023
- In 2022 conservation outreach activities will be carried out at Satria Oil Mill (SOM) and establishing partnerships through gathering information on local wisdom and understanding of conservation in Ritan Baru Village.
- Outreach to employees as was done on 19 August 2022 and 22 November 2022.
- Survey of mammals using the Camera Trap method and direct observation.
- Bird survey using Point Count Survey, Mist-net and periodic direct observation in conservation areas.
- Herpetofauna surveys are carried out by systematic collection and inventory of herpetofauna from rivers, streams, and forests within conservation areas. Besides that, it also uses the pit-fall trap method and direct observation.
- Insect survey using net traps and specifically for the order Lepidoptera (butterflies) and direct observation.
- Inventory of woody plants in conservation areas with permanent plots and phenology.

However, based on the results of observations in several HCV areas, it was shown that there were no warning boards, HCV area

marking boards or HCV area boundaries, although no damage or pollution was identified in those areas. In addition, based on the comparison between the HCV map and the operational map, it shows that there are several HCV areas that are included in the land overlapping area with PT APT. The HCV area that enters the area is a river riparian area which is in the vicinity of PT APT's coal mining activities. The results of interviews with the people of Buluq Sen Village and the Kutai Kartanegara Environmental Service stated that river pollution often occurs as a result of mining operations. This has the potential to cause damage to PT SYB's HCV area. The results of interviews with the Certification Unit stated that the HCV area was beyond PT SYB's control.

Based on this, the Certification Unit has an opportunity for improvement to re-delineate to ensure the area of HCV areas that is still possible to be fully managed under the management of PT SYB, as well as implementing HCV management in the field, for example by installing HCV Signboards and/or HCV area boundary markers. **(OFI)**.

7.12.5

The company has identified the needs of the community and the areas needed by affected communities to meet their basic needs, taking into account the potential for positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the existence of springs in the HCV area which are still used by the community as a source of clean water during the dry season. This condition has been optimally managed by the company which can be proven from the 2022 HCV area Management and Monitoring report documents where the company has identified all management components and carried out activities to minimize risks and impacts.

The unit of certification has also considered various land tenure and management options to protect HCV management areas in a way that also protects the rights and livelihoods of local communities. Because the area managed by the company has all become oil palm plantations both by the company and the local community, areas that have been managed by the community but still have potential HCV areas are carried out with the option of co-management. In addition, because most of the community's oil palm land is a plasma area which is fully managed by PT SYB, HCV management still refers to the company's procedures.

As a result of field visits to HCV areas managed by the company, no HCV 6 areas were found where rights to culture and important places for the surrounding community were not identified in the company area. The environmental conditions of the company both within the scope and in the community, area is almost entirely oil palm planted areas. The company also has a joint agreement with the community who are members of the plasma not to damage the HCV areas that have been determined by the company. The results of interviews with the community from Buluq Sen Village stated that there was water pollution, which was an HCV area, but this was caused by coal mining activities in the upper reaches of the river.

7.12.6

The Unit of Certification already has a policy contained in procedures related to the protection of endangered species, namely SOP for Handling Disturbance in Conservation areas number REA.BPO.CON.PGK which was ratified on 25 February 2017 and SOP for handling conflicts between humans and orangutans Number REA.BPO.CON. PKO which was ratified on April 25, 2017. In addition, R.E.A as the parent company of PT SYM also has a Board of Directors Decree Number 003 /BOD_REA/P/II / 2015, as amended September 2021 concerning environmental policies and biodiversity conservation. All of these documents contain procedures consisting of preventive and repressive measures in an effort to protect protected wild animals and plants such as the principle of sustainability, all employees are advised not to hunt, catch, kill and sell protected animals and plants that are threatened with extinction and to report any of these activities. Protect and not disturb the designated HCV areas and report any illegal actions. Employees who do not comply will be subject to sanctions in accordance with applicable laws and regulations. The company also put up no-hunting boards with photos of the species and sanctions for those who violate government regulations in all HCV areas.

Regarding socialization regarding the existence of endangered plants and animals to employees and the surrounding community, this cannot be demonstrated as explained in indicator 7.12.4. However, the company has carried out indirect outreach by placing information boards and brochures warning signs regarding conservation areas and the presence of protected rare plants and animals in places that are easily visible, such as entrances, area roads that are frequently passed by the community, and places -other strategic places such as offices and other public facilities. However, signboards and markers in the HCV area could not be found, so this became an opportunity for improvement on indicator 7.12.4.

7.12.7

Monitoring of protected areas in 2022 is carried out periodically every month to ensure the security of the area. The monitoring

activities were carried out at several river border locations. This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current conditions. The results of field visits to several conservation areas show that the company has carried out management of protected areas such as replanting local species, not logging, not using chemicals, and installing Protected Area signs and prohibiting hunting. Avoid and prevent illegal hunting and/or encroachment of HCV areas that have been determined by PT. SYB, several warning boards have been installed regarding the prohibition of poaching and encroachment. Routine monitoring of HCV areas is carried out by several personnel appointed by the company. The results of field observations also indicate that there are signs that prohibit hunting of protected animals, burning, and marking the boundaries of conservation areas.

The company also conducts annual monitoring and evaluation for the management of HCV areas where these activities are aimed at identifying risks and impacts on conservation areas and enhancing protection efforts. The company also carries out an HCV area management plan which is made every year by involving all relevant stakeholders in the company's operational areas. In its evaluation activities, the company also involves local communities, especially landlords and law enforcement. Several activities are proposed based on the results of 2022, including:

- The Department of Conservation's HCV management process at PT SYB in 2022 is in accordance with the Annual Work Plan in general in the form of: nursery, distribution of seedlings, restoration, HCV marking and maintenance of HCV signboards.
- Monitoring detected a total of 31 species of fauna, namely one species from the mammal class, 27 species from the aves class and three species from the *insecta (lepidoptera)* class. 13 species of flora have been detected, based on IUCN status there is one species with Endangered status, namely *Castanopsis argentea*.

7.12.8

Based on management information and analysis of areal statement data, information was obtained that there was no new land clearing in the area covered by certification after 15 November 2018, land clearing was only carried out between 2008 and 2011. In this regard, the Unit of Certification has conducted a process of Analysis of the History of Land Use Change (LUCA) and has reported the results of the study to RSPO on 9 December 2019. Based on the verification of the communication process between the Certification Unit and RSPO it shows that the LUCA document review process has been completed on 19 March 2020 via email from RSPO stating that the LUCA status for the unit Satria Estate has received PASS status, with Final Conservation Liability (FCL) covering an area of **129.22 Ha**, and Environmental Remediation covering an area of 0 ha.

Because there is an FCL covering an area of 129.22 Ha, the Certification Unit has an obligation to carry out the Compensation stages. In this regard, the Certification Unit has sent a Compensation Concept Note to PT SYB-Satria Estate on 28 February 2021. Based on verification of the communication process between the Certification Unit and RSPO indicates that the Concept Note verification process "has been approved by the compensation panel (Endorsed)" on December 22, 2022. However, the Endorsed Concept Note only covers **20.12 Ha** FCL. So that there is still a Concept Note covering an area of **109,107 Ha** FCL that has not been approved/endorsed. Regarding the Concept Note for the area of **20.12 Ha**, the RSPO stated that the Certification Unit is welcome to be able to prepare it for the next RaCP stage, namely the Annex 8 Remediation Plan and send it to the Compensation team.

Based on some of the evidence presented regarding the RaCP stage, the management unit stated that the Remediation Plan document had been sent on 9 March 2023 for the **20.12 Ha** FCL area and until the time the Initial Certification audit was carried out, there had been no response from the RSPO regarding this matter. Meanwhile, for an area of **109,107 Ha**, the Certification Unit has sent back the Concept Note on December 23, 2022 and has not obtained Endorsed status until the Initial Certification audit is conducted.

Referring to the RaCP Guidance regarding the Procedural Steps and Decisions Flow Chart, the certification unit has only reached stage 5 (for an area of **109.107 Ha**) and stage 6 (for an area of **20.12 Ha**) of a total of 7 Stages, where in the 7th stage it states that "i if the full compensation plan is approved by the RSPO compensation panel, certification on units with liability can proceed".

Based on this explanation, it becomes a non-compliance because the Certification Unit has not been able to show evidence that it has a compensation plan document for an area of **129.22 Ha** that has been approved by RSPO. **This become Non-conformity No. 2023.04 with major category.**

7.12.8	Status: Non-conformity No. 2023.04 with major category	
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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 √
IC	PT. SYB were not use the certificate and trademark whether on-product or off-product	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or √
IC	PT. SYB were not use the certificate and trademark whether on-product or off-product	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
IC	PT. SYB were not use the certificate and trademark whether on-product or off-product	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
IC	PT. SYB were not use the certificate and trademark whether on-product or off-product	√
	Status: Comply	

*Will be verified at ASA-1

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of RSPO Member against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

RSPO Member Time Bound Plan (TBP) is explained in table 1.10. RSPO Member has 17 management units with 3 mills. RSPO Member has informed the TBP progress, MUTU has considered that RSPO Member is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by RSPO Member on date of last update.

MUTU has verified partial certification for un-certified unit's subsidiary of RSPO Member based on their Time Bound Plan. There are 1 uncertified mills and 10 uncertified estates of RSPO Member. 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 follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
5.5.1.	The parent organization or one of its majorities owned and/or managed subsidiaries is a RSPO member.	PT REA Kaltim Plantation is subsidiary under R.E.A Holdings, Plc, and this parent company has registered as RSPO membership, with RSPO member number 1-0045-07-000-00, since 10 November 2007.
5.5.2.	A challenging time-bound plan for certifying all its relevant entities is submitted to the Certification Body (CB) during the first certification audit. The time bound plan should contain a list of subsidiaries, estates and mills. Any revision to the time-bound plan or to the circumstances of the company shall cause the plan to be reviewed. for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organization can demonstrate that they are justified.	R.E.A Holdings, Plc has revision the time-bound plan. This revision has submitted to RSPO, and obtained the RSPO approval by email on 29 March 2023 from Certification Helpdesk (certification@rspo.org) with reasonable reasons, were: 1. Tepian estate is currently completing the RaCP process. Current status: FCL has been approved and the 2nd Concept Note has been submitted to RSPO. The Tepian Estate will be certified as a supply base for Perdana POM with the type of certification being an extension scope during ASA 2.2 in April 2023. 2. Praselia Utama was acquired by REA in September 2017. In 2018 the ALS HCV assessment was carried out and the ALS HCV assessment was satisfactory in February 2021 https://www.hcvnetwork.org/reports/laporan-penilaian-highconservation-value-pt-praselia-utama-kabupaten-kutaiartanegara-provinsi-kalimantan-timur-indonesia . Sub- mission NPP was approved in October 2022 https://rspo.org/certification/new-planting-procedure/publiccomments). Currently, it is still in the plantation development stage and the initial certification is scheduled for 2024 after the plantation development process is completed in accordance with the ICLUP timeline.

	<ol style="list-style-type: none"> 3. Plasma Kahad Bersatu is currently completing the RaCP process. Current status: FCL has been approved and 3rd Concept Note has been submitted to RSPO. As per communication with RSPO, the Initial certification can proceed on condition that the scheme smallholder/plasma has completed and disclosed the LUCA, while waiting for the finalization of the RaCP's procedure for scheme smallholder. Plasma Kahad Bersatu will be certified as a supply base for Perdana POM with the type of certification being an extension scope during ASA 2.2 in April 2023. 4. Cipta Davia Mandiri is currently completing the RaCP process. Current status: FCL and Concept Note has been approved and the 1st of Compensation Plan has been submitted to RSPO. PT CDM will be certified as a supply base for Cakra POM with the type of certification being an extension scope during ASA 2.2 in June 2024. 5. Plasma Etam Bersatu is currently completing the RaCP process. Current status: FCL has been approved and 3rd Concept Note has been submitted to RSPO. As per communication with RSPO, the Initial certification can proceed on condition that the scheme smallholder/plasma has completed and disclosed the LUCA, while waiting for the finalization of the RaCP's procedure for scheme smallholder. Plasma Kahad Bersatu will be certified as a supply base for Cakra POM with the type of certification being an extension scope during ASA 2.1 in May 2023. 6. Satria estate is currently completing the RaCP process. Current status: FCL and Concept Note has been approved and now preparing to 1st submission of Compensation Plan. Satria Estate will be certified as a supply base for Satria POM with the type of certification being an initial certification (new certification) in June 2023. 7. Persada Bangun Jaya is a new plantation (there are no activities yet), the NPP will be submitted at the end of 2023 (after all the NPP assessment and verification stages are completed). The delay in submitting the NPP was due to overlapping issues with PT Tiwa Abadi as mining concessions. 8. Plasma Anugerah Sejahtera Initial audit certification for Plasma Anugerah Sejahtera is planned in 2024 after Satria POM is completed as a certified unit. 9. Plasma Bangun Sari Initial audit certification for Plasma Bangun Sari is planned in 2024 after Satria POM is completed as a certified unit. 10. Plasma Pekalai Murip Initial audit certification for Plasma Pekalai Murip is planned in 2024 after Satria POM is completed as a certified unit.
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<p>5.5.3</p>	<p>(a). No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12. Any new plantings since 1 January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB.</p>	<p>Based on self-assessment result, the uncertified management unit has carried out the HCV assessment to prove that the management unit did not replace the primary forest areas or any areas identified as HCVs or HCS. The HCV assessment information such as:</p> <ol style="list-style-type: none"> 1. PT Sasana Yudha Bhakti (Satria estate & Tepian estate): HCV assessment was conducted by Stephan Wulffraat - WWF Indonesia in July 2008. 2. PT Kutai Mitra Sejahtera (Kedaron estate): HCV assessment was conducted by The Malaysian Environment Consultants (MEC) between August 2010 and May 2011. 3. PT Cipta Davia Mandiri (Long Mesangat estate, Kelinjau estate & Tamaring estate): HCV assessment was conducted by The Malaysian Environment Consultants (MEC) between August 2014. 4. PT Prasetia Utama: HCV assessment has conducted on year 2014 and it has updated and reviewed by PT Gagas Dinamiga Aksenta on July 2018. 5. PT Persada Bangun Jaya (Site of Kembang Janggut & Tabang): HCV assessment has conducted by Malaysian Environment Consultant (MEC) on year 2013. 6. Cooperative of Kahad Bersatu: HCV assessment has conducted by PT Gagas Dinamiga Aksenta on October 2018. 7. Cooperative of Etam Bersatu: HCV assessment has conducted by PT Gagas Dinamiga Aksenta on October 2018. 8. Cooperative of Pekalai Murip & Anugerah Sejahtera: HCV assessment was conducted by Stephan Wulffraat - WWF Indonesia in July 2008. 9. Cooperative of Bangun Sari: HCV assessment was conducted in July 2008. <p>The New Planting Procedure has applied in one (1) company, and the rest is still under preparation, i.e.:</p> <ol style="list-style-type: none"> 1. Prasetia Utama. The Submission NPP was approved in October 2022 (https://rspo.org/certification/new-planting-procedure/publiccomments). Currently, it is still in the plantation development stage and the initial certification is scheduled for 2024 after the plantation development process is completed in accordance with the ICLUP timeline. 2. Persada Bangun Jaya One of the companies on behalf the NPP will be submitted at the end of 2023 (after all the NPP assessment and verification stages are completed). The delay in submitting the NPP was due to overlapping issues with PT Tiwa Abadi as mining concessions. <p>Due to land clearing was conducted by several companies under</p>
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		<p>R.E.A Holdings, Plc, the RaCP process applied, and current status was in positive progress, such as:</p> <ol style="list-style-type: none"> 1. Tepian estate is currently completing the RaCP process. Current status: FCL has been approved and the 2nd Concept Note has been submitted to RSPO. 2. Plasma Kahad Bersatu is currently completing the RaCP process. Current status: FCL has been approved and 3rd Concept Note has been submitted to RSPO. As per communication with RSPO, the Initial certification can proceed on condition that the scheme smallholder/plasma has completed and disclosed the LUCA, while waiting for the finalization of the RaCP's procedure for scheme smallholder. 3. Cipta Davia Mandiri is currently completing the RaCP process. Current status: FCL and Concept Note has been approved and the 1st of Compensation Plan has been submitted to RSPO. 4. Plasma Etam Bersatu is currently completing the RaCP process. Current status: FCL has been approved and 3rd Concept Note has been submitted to RSPO. As per communication with RSPO, the Initial certification can proceed on condition that the scheme smallholder/plasma has completed and disclosed the LUCA, while waiting for the finalization of the RaCP's procedure for scheme smallholder. 5. Satria estate is currently completing the RaCP process. Current status: FCL and Concept Note has been approved and now preparing to 1st submission of Compensation Plan.
5.5.3	(b). 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>The organization has established mechanism document REA.BPO.DCA.PKL regarding land dispute handling; and REA.BPO.DCA.NLC regarding new land compensation.</p> <p>The organization has carried out land compensation process activities as shown in the list of person/party which has received land compensation payment, record of land compensation payment & agreement of handover land, minute of meeting regarding land compensation process and map of land compensation or inventory land on behalf uncertified management unit.</p> <p>In general, all REA uncertified management unit have got non-significant land conflict issue with community and are being resolved through a mutually agreed process in accordance with Land Compensation and Village Claims Standard Operating Procedure. This SOP applies to all plantation subsidiary companies within REA Kaltim Plantations Group. The SOP is subject for any further updates and modification relevant to the needs.</p>
5.5.3	(c). Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2.	<p>Based on self-assessment result against uncertified management units, no significant labour issues found. Even though, the company has established the mechanism to handling if any labour dispute. The company also established</p>

		<p>the Human Rights policy as management commitment to protect the workers rights. The Human Rights policy was stated in document no. 002_BOD_REA P II 202020 – Human Rights Policy Rev 200413; and internal complaint handling as established in the Peraturan Perusahaan (Company Regulation) Chapter XV; Clause 44.</p>
5.5.3	<p>(d) Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1.</p>	<p>In order to ensure all the applicable law and regulations, all the un-certified management units have listed the applicable law and regulations based on business activity. Moreover, the company has established document no. REA.BPO.EMS.EOC regarding evaluation regulation compliance and document no. REA.BPO.EMS.COB regarding compliance obligations.</p> <p>The management unit has identified the non-compliance activity/condition based on applicable law and regulations and put as priority to solved, such as overlapping planted areas with mining concession company in Persada Bangun Jaya, and indication of Plasma planted areas was located inside the forest designated areas (small part)</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 IC Assessment

NCR No.	: 2023.01	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 16 March 2023	Time Limit	: 15 March 2024 (Recommendation December 16, 2023)
NC Grade	: Major	Date of Closing	: 16 October 2023
Standard Ref. & Requirement	<p>6.2.4 The unit of certification provides adequate housing. Sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.</p>		
<p>Evidence observed (filled by auditor): Based on the results of field visits and interviews at division 2 and division 5 employees housing Satria Estate and Satria POM, the following facts were obtained:</p> <ul style="list-style-type: none"> • Not all employees' houses are equipped with toilets facilities. • employees build sanitation facilities privately and some housing employees use the river around the employee's housing for toilets facilities. • Accompanying information from 54 houses in division 2 Satria Estate 20 buildings are facilities provided by the company while the other 34 are buildings built privately by employees. • In Division 5 of Satria Estate there are 43 residents. • There are animals that are kept (chickens and dogs) but have not been managed properly so that they pose a risk to the health of the housing environment. In addition, in residential areas there are warnings about the prohibition of keeping chickens and dogs. • SOM employees find it difficult to get clean water because water only flows for 1 or 2 hours each day and not all houses have a water reservoir. <p>Related to some of these facts the company has shown the following documentation:</p> <ul style="list-style-type: none"> • Work agreement with housing contractors for the 2022 period for the construction of 6 units of G6 and 1 unit of G12 (48 doors). • Application for payment of work results for the construction of employee housing for the period February 2023 for 2 units of G6 houses. • Summary of capital expenditure SOM 2023 priority I which informs the budget for water reservoirs and accessories and replacement of residential water pipes with 6" galvanized pipes. • Housing development budget for the period 2024 – 2028 for a total of 78 doors made by the manager on 15 March 2023. • Information from the companion will be gradually relocated housing occupants. <p>However:</p> <ul style="list-style-type: none"> • The development budget for the period 2024 – 2028 has not yet been approved by the competent authorities and was only made on 15 March 2023. • The currently available houses are not sufficient for the needs of employees (especially division 2 Satria Estate). • In the 2024 – 2028 period, it is not certain that all employees will receive proper sanitation facilities, especially for toilets needs. <p>Non-Conformance Description (filled by auditor): The company has not been able to show sufficient evidence that it has provided decent housing facilities, good sanitation and sufficient clean water for all employees.</p>			

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

1. Identification of toilet construction has not been carried out due to plans to move the temporary housing Division 05 to a new location (Housing Division 01). Permanent houses with standard toilet facilities for Division 05 employees, according to plans and realization, were moved and combined with Division 01. Meanwhile for Division 02: toilet identification was carried out at the same time as plans to build new houses. In parallel with the toilet identification activities in new housing, two communal toilet doors were built per building in two buildings according to needs in the field.
2. The housing needs for all employees have not been identified because the Estate has not yet calculated the output of each job. For example, harvester output per hectare averages 1:15 Ha and Maintenance 1:12 Ha. So the ratio of actual labor requirements cannot be ascertained as adequate, which has an impact on the identification of housing needs for all employees has not been carried out.
3. The Estate's lack of commitment in implementing the policy of prohibiting keeping poultry and dogs is due to:
 - a. Socialization of the policy of prohibiting keeping poultry and dogs has not been fully carried out at the foreman and employee level.
 - b. There is no effective monitoring system in the field to implement the policy of prohibiting keeping poultry and dogs because the main focus is on certified units.
4. There is damage to the water distribution pipe, so the time for water distribution is shorter because so far there have been no cases or complaints about water distribution and the HDP pipe connection in the ground coming loose. During the initial installation it was not connected properly or did not use the claim system.

Correction *(filled by organization audited):*

- Submitting Minutes of house transfer from Division 05 to Division 01.
- Show toilet Division 02 expenditure budget plan and evidence of construction of toilet 02.
- Identify housing needs contained in the expenditure budget plan
- Communicate harvester labor output, maintenance and overall labor requirements

Corrective Action *(filled by organization audited):*

- Minutes of the implementation of socialization regarding the prohibition on keeping poultry and toxic waste to the foreman and employee level
- Submit a check list document for periodic inspection of water distribution lines from WTP to Emplacement.

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

Auditor Verification 16 October 2023:

The company sends the following documentary evidence:

- Minutes document prepared by Askep Satria regarding the Employee Transfer which was carried out on 11 September 2023 for division 5 employees from the Division Camp (Wooden Barracks) to the Satria Estate Emplacement in Division 1 (Concrete Barracks) which informs:
 - The total number of families in Camp Division 5 (Wood Barracks) is 24 families (heads of families)
 - The total number of families that have been transferred to Division 1 is 16 families (heads of families)
 - The number of families still occupying wooden barracks is 8 families (heads of families)

And for the 8 families who still live in Camp Division 5, the planned relocation will be carried out on the 4th Sunday of October 2023 because construction progress is currently still at 95%.
- Photo documentation of employee transfers to housing units that have been completed and can be occupied by workers
- Building department document Making 1 unit of Communal MCK (2 toilets) + Clean Water + Sanitation Installation which provides a summary of the costs of making a Communal MCK, Clean Water and Sanitation Installation for 2 units of the Satria Estate location in division 02 which was prepared and signed by the Building Manager, SR Manager Lestari & Satria, Approved by SR. EC North Area and known by GM Estate Operations and Documentary evidence that 2 Communal Toilet units have been built in the Division 02 housing complex
- Cost Budget plan document (Plan for Fulfillment of House Buildings, Public Facilities and Infrastructure for Satria Estate PT Sasana Yudha Bhakti) related to the Construction Time Period/Estimated Price for the construction of employee housing in the

period 2023 – 2026 prepared and signed by the Building Manager and Sr. Manager Lestari & Satria Estate on September 30 2023, Approved by Sr. EC North Area on September 30 2023 and known to GM. Estate Operations on 02 October 2023.

- Apart from that, there is a site plan document which informs the location of the Satria Estate Housing Division 01 and Division 02 which consists of:
 - Development Plan in 2023 (P1)
 - Development Plan in 2024 (P2)
 - Development Plan in 2025 (P3)
 - Development Plan in 2026 (P4)
- Document for employee housing needs at Satria Estate which informs the total labor requirements for harvesters and maintenance, supervision, harvest clerks and division clerks, traction and so on.
- Minutes document of the Implementation of Poultry and Dog Raids at the Satria Estate Housing Complex with document number 002/Rajia/Satria/VI/2023 which was made on 05 April 2023 that a poultry, dog and Toxic Waste raid had been carried out. From the results of the raid there was an agreement that Birds obtained from raids were handed over to the owners to be eliminated or transferred with the agreement that if they were found later by security officers they would be confiscated.
- The document also informs that raids are carried out once a month by security and reported to the Division Assistant and Estate Manager.
- The minutes document for the implementation of socialization on Satria Estate's environmental management with document number 001/Socialization/Satria/III/2023 which was carried out on March 29 2023 stated that socialization had been carried out at Satria Estate regarding the prohibition on keeping poultry and handling LB3 in housing with the target of socialization:
 - There are no more employees who raise poultry and store toxic waste
 - Domestic and LB3 waste can be managed according to procedures
 - Creation of a clean environment and sustainable commitment
- Minutes of Clean Water Distribution Pipe Repair Document for Satria Oil Mill Housing Number 004/Maintenance/SOM/IV/2023 made on April 14 2023 by the HSE & Sustainability Officer and Approved by the Sr.Mill Manager regarding water distribution pipe repairs which explains the following: other:
 - Repair of clean water distribution pipes to housing
 - Cause of leak: The HDP pipe connection in the ground is loose
- Pet inspection checklist document (fowl, dogs, etc.) which informs inspections in residential premises, including housing managers, staff, foremen and employees, made by the Assistant and Approved by Askep Incharge
- Periodic inspection checklist document for the water distribution line from the WTP to the emplacement, for example for the July 2023 period, which informs that the condition is good and there are no leaks made by the Maintenance Assistant.
- Periodic inspection program document for water distribution lines from WTP to Emplacement for the 2023 period which informs inspection locations at factories and housing locations made by the Maintenance Assistant and known to Sr. MM HR
- PT Sasana Yudha Bhakti – Satria Palm Oil Mill water tank procurement program document created on March 27 2023 by Sr. Mill Manager who informed, among other things, the installation of water reservoirs and structures in the first week of June 2023 with PIC Assistant MR/Assistant General.

Based on this, the discrepancy in this indicator is declared **fulfilled by observation in the next assessment.**

Follow up on next audit (filled by auditor):

Verified by	:	Kiki Fadli
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<i>NCR No.</i>	: 2023.02	<i>Issued by</i>	: Kiki Fadli
<i>Date Issued</i>	: 16 March 2023	<i>Time Limit</i>	: ASA-1
<i>NC Grade</i>	: Minor	<i>Date of Closing</i>	:
<i>Standard Ref. & Requirement</i>	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): Fire Prevention and Fighting <ul style="list-style-type: none"> The company shows the SOP for Control and Management of Building and Facilities Fire No. REA.BPO.HSE.PKB which was published on September 25 2016 which explains point 6.3.10 letter F, namely the APAR is placed in a position that is easy to see and ready to use at any time. Based on field visits it was found that: <ul style="list-style-type: none"> There are fire extinguishers in an unpressurized condition (the indicator is red), including 1 unit at the security post, 2 units at the thresher and 1 unit at the boiler. Field visits to Satria Estate housing in Division 2 and Division 5 found that the housing conditions were not permanent/barracks, but there were no fire extinguishers/other fire controllers in the housing complex to handle fires. First Aid Facility <ul style="list-style-type: none"> The company shows First Aid Facility SOP No. REA.BPO.HSE.FPK which was published on March 25 2017 which explains in point 6.3, namely the availability of adequate contents and first aid boxes/bags in buildings and foremen in accordance with the area, type of work and potential hazards that occur. Based on field visits it was found that: <ul style="list-style-type: none"> Alcohol and distilled water were not found in the first aid kit at temporary storage of hazardous and toxic waste materials Satria POM. In the first aid bag at Division 3 Satria Estate, alcohol was found which had expired in September 2022 and betadine was refilled/without having clear information about the feasibility of its use. Based on interviews with Mill and Estate workers, it can be concluded that workers have not been able to explain some of the functions of the contents of the first aid box/bag. <p>During the audit activities, the Certification Unit has shown several corrections such as completing fire extinguishers in the Mill area and adding first aid contents in the Mill and Estate, but the Certification Unit has not analysed the root causes and preventive measures that can ensure that things found during field visits do not happen again at a later time.</p> Non-Conformance Description (filled by auditor): The Unit of Certification has not been able to show sufficient evidence that the emergency response facilities and infrastructure, including first aid facilities, are ready to use at any time.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			

<i>Follow up on next audit (filled by auditor):</i>	
<i>Verified by</i>	:

<i>NCR No.</i>	:	2023.03	<i>Issued by</i>	:	Yuniar Mitikauji
<i>Date Issued</i>	:	16 March 2023	<i>Time Limit</i>	:	ASA-1
<i>NC Grade</i>	:	Minor	<i>Date of Closing</i>	:	
<i>Standard Ref. & Requirement</i>	:	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.			
<p>Evidence observed (filled by auditor): The Unit of Certification already has several procedures related to waste management, for example SOP Number REA.BPO.EMS.WSM Revision 1 dated 14 February 2020 concerning Waste Management. The SOP explains several things related to waste management, including:</p> <ul style="list-style-type: none"> Point 6.2.1.a Every housing, office, canteen, contractor's camp must be provided with adequate trash bins Point 6.2.1.b Solid domestic waste generated is collected and then disposed of in a landfill (TPSA) Point 6.3.2.a All types of hazardous waste are managed in accordance with applicable laws and regulations, namely temporarily stored in a storage area that already has a permit <p>However, based on the results of field visits in several locations, the following information was obtained:</p> <ul style="list-style-type: none"> There is a lot of unmanaged domestic waste/waste around the housing areas for Division 2 and Division 5 workers There are several traces of open burning activities around the housing areas for Division 2 and Division 5 workers There are traces of oil spills in the Division 2 Genset Warehouse area. The results of interviews and field observations obtained information that there is no form of sustainable domestic waste management, such as temporary waste bins to separate types of waste, use of landfills as a place for storing waste, transporting domestic waste and prohibition of burning waste. There are used Pesticide packaging and Lubricant (Oil) packaging which are reused for water storage. <p>Based on the above information, some evidence of non-compliance is obtained when referring to the procedures owned by the company, as well as several applicable laws, including:</p> <ul style="list-style-type: none"> PP RI Number 74 of 2001 concerning Management of Hazardous and Toxic Materials PP RI Number 81 of 2012 concerning Management of Household Waste and Similar Waste PermenLHK Number 12 of 2020 concerning Storage of Hazardous and Toxic Waste <p>Non-Conformance Description (filled by auditor): Based on the evidence obtained, this is a non-compliance because the Certification Unit has not been able to implement waste management as stipulated in company procedures and applicable laws and regulations.</p>					
Root Cause Analysis (filled by organization audited):					
Correction (filled by organization audited):					

<i>Corrective Action (filled by organization audited):</i>	
<i>Assessor Evaluation and Conclusion (filled by auditor):</i>	
<i>Follow up on next audit (filled by auditor):</i>	
<i>Verified by</i>	:

<i>NCR No.</i>	:	2023.04	<i>Issued by</i>	:	Yuniar Mitikauji
<i>Date Issued</i>	:	16 March 2023	<i>Time Limit</i>	:	15 March 2024 (Recommendation December 16, 2023)
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	22 September 2023
<i>Standard Ref. & Requirement</i>	:	7.12.8 Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies.			

Evidence observed (filled by auditor):

Based on management information and analysis of areal statement data, information was obtained that there was no new land clearing in the area covered by certification after 15 November 2018, land clearing was only carried out between 2008 and 2011. In this regard, the Unit of Certification has conducted a process of Analysis of the History of Land Use Change (LUCA) and has reported the results of the study to RSPO on 9 December 2019. Based on the verification of the communication process between the Certification Unit and RSPO it shows that the LUCA document review process has been completed on 19 March 2020 via email from RSPO stating that the LUCA status for the unit Satria Estate has received PASS status, with Final Conservation Liability (FCL) covering an area of **129.22 Ha**, and Environmental Remediation covering an area of 0 ha.

Because there is an FCL covering an area of 129.22 Ha, the Certification Unit has an obligation to carry out the Compensation stages. In this regard, the Certification Unit has sent a Compensation Concept Note to PT SYB-Satria Estate on 28 February 2021. Based on verification of the communication process between the Certification Unit and RSPO indicates that the Concept Note verification process "has been approved by the compensation panel (Endorsed)" on December 22, 2022. However, the Endorsed Concept Note only covers **20.12 Ha** FCL. So that there is still a Concept Note covering an area of **109,107 Ha** FCL that has not been approved/endorsed. Regarding the Concept Note for the area of **20.12 Ha**, the RSPO stated that the Certification Unit is welcome to be able to prepare it for the next RaCP stage, namely the Annex 8 Remediation Plan and send it to the Compensation team.

Based on some of the evidence presented regarding the RaCP stage, the management unit stated that the Remediation Plan document had been sent on 9 March 2023 for the **20.12 Ha** FCL area and until the time the Initial Certification audit was carried out, there had been no response from the RSPO regarding this matter. Meanwhile, for an area of **109,107 Ha**, the Certification Unit has sent back the Concept Note on December 23, 2022 and has not obtained Endorsed status until the Initial Certification audit is conducted.

Referring to the RaCP Guidance regarding the Procedural Steps and Decisions Flow Chart, the certification unit has only reached stage 5 (for an area of **109.107 Ha**) and stage 6 (for an area of **20.12 Ha**) of a total of 7 Stages, where in the 7th stage it states that "if the full compensation plan is approved by the RSPO compensation panel, certification on units with liability can proceed".

Non-Conformance Description (filled by auditor):

Based on this explanation, it becomes a non-compliance because the Certification Unit has not been able to show evidence that it

has a compensation plan document for an area of 129.22 Ha that has been approved by RSPO.	
Root Cause Analysis <i>(filled by organization audited):</i> RSPO delay in feedback review of the compensation plan that has been submitted to the RSPO.	
Correction <i>(filled by organization audited):</i> Indicates compensation plan approval from RSPO.	
Corrective Action <i>(filled by organization audited):</i> Ensure that after receiving feedback from the RSPO the internal team has a measurable time target to provide clarification to the RSPO, so it is hoped that the time targets will be in sync.	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor Verification dated September 22, 2023 The company shows proof of improvement in the form of: <ul style="list-style-type: none"> The company presented the Compensation Plan Evaluation Report for FCL with an area of 20.12 Ha which was approved by the RSPO on 17 July 2023 with "Satisfactory" status. The company showed the Compensation Plan Evaluation Report for FCL with an area of 109,107 Ha which was approved by the RSPO on 21 September 2023 with "Satisfactory" status. Based on this, the discrepancy in this indicator is declared fulfilled by observation in the next assessment.	
Follow up on next audit <i>(filled by auditor):</i>	
Verified by	: Kiki Fadli

NCR No.	: 2023.05	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 16 March 2023	Time Limit	: 15 March 2024 (Recommendation December 16, 2023)
NC Grade	: Major	Date of Closing	: 4 April 2023
Standard Ref. & Requirement	: RSPO Certification System 5.5.2 Time-bound plan: A time-bound plan for certifying all its management units and/or entities, including the units where the organisation has management control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills.		
Evidence observed <i>(filled by auditor):</i> <ul style="list-style-type: none"> Based on the results of the document review, it is known that there is the latest TBP revision for the REA Kaltim group which was sent to the RSPO secretariat on 21 January 2023. In the TBP there are several units that are planned to be certified past 2023 such as PT Praselia Utama (2024) and PT Persada Bangun Jaya (year 2025). In accordance with the RSPO Announcement for Time Bound Plan Revision dated 21 December 2021, among others stated "As mentioned in Clause 4.5.3 of the P&C Certification System (14 June 2017) and recently revised with Clause 5.5.2 of the P&C Certification System (12 November 2020), the TBP shall contain a current list of all estates and mills and as a minimum, all estates and mills shall be certified within five (5) years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year time frame. Any deviations from these maximum periods require approval by the RSPO Secretariat". The time frame for TBP that does not require approval when revisions are made is until June 2023. There is company communication with the relevant RSPO secretariat 			

<ul style="list-style-type: none"> - January 21, 2023 : Submission of the revised TBP REA Kaltim group from the Head of sustainability & HSE to the RSPO secretariat - 13 February 2023 : The RSPO Secretariat responded and requested additional data - 16 February 2023 : Head of sustainability & HSE responds to the request of the RSPO secretariat - 24 February and 14 March 2023 : Email from the Head of sustainability & HSE to the RSPO secretariat regarding the status update of the TBP revision submission <ul style="list-style-type: none"> • Regarding the communication made by the company, there is not enough evidence of approval from the RSPO secretariat 	
<p>Non-Conformance Description <i>(filled by auditor):</i> There is no evidence yet that the revision of the TBP REA Kaltim group dated 21 January 2023 has received approval from the RSPO secretariat</p>	
<p>Root Cause Analysis <i>(filled by organization audited):</i> RSPO delay in reviewing feedback on TBP that has been submitted to RSPO.</p>	
<p>Correction <i>(filled by organization audited):</i> Improve communication and coordination with RSPO to accelerate TBP approval.</p>	
<p>Corrective Action <i>(filled by organization audited):</i> Ensure that after receiving feedback from the RSPO the internal team has a measurable time target to provide clarification to the RSPO, so it is hoped that the time targets will be in sync.</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> The unit of certification presented corrective evidence, while the revision of TBP has been approved by RSPO on 29 March 2023</p>	
<p>Auditor's Conclusion: Based on the root cause analysis, corrections and corrective actions submitted, the nonconformity is declared fulfilled.</p>	
<p>Follow up on next audit <i>(filled by auditor):</i></p>	
<p>Verified by :</p>	<p>Haikal Ramadhan Kharismansyah</p>

3.4.2. Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.3	<p>Evidence of legal area boundaries is shown with clear and maintained boundaries and no planting exceeds these boundaries.</p> <p>The company has the opportunity to ensure that the installation of HGU stakes is carried out in accordance with a predetermined timeframe.</p>
2	3.4.3	<p>Social and environmental management and monitoring plans are implemented, monitored and updated periodically in a participatory manner.</p> <p>The Certification Unit has documents on the results of the SIA study conducted by Aksenta on 17 – 25 May 2018 with the Final document dated June 2018. The document contains recommendations for the SIA management plan which are determined based on field observations and stakeholder engagement. The company states that it has carried out social impact management which can be proven based on documents on the results of CSR activities, community involvement and surrounding stakeholders. The results of field observations obtained information that there were several social issues such as FFB theft, changes in the reference for setting the price of FFB for independent smallholders, clean water facilities for plasma workers, realization of the MUSREMBANGDES agreement and river pollution due to mining activities which had not been identified in the results of the 2018 SIA study. mentioned, the company has not been able to show evidence that it has conducted a review regarding the results of the 2018 SIA study so that newly emerging social issues have not been documented. Based on this, the Certification Unit has an opportunity for improvement to carry out a Social Impact Assessment Review to identify the latest social issues, as well as develop an integrated SIA management and monitoring plan according to the results of the review.</p>
3	4.2.1	<p>(K) There is a system that is mutually agreed upon, open to all affected parties, able to resolve disputes in an effective, timely and appropriate manner, and ensures the protection of the identity (anonymity) of the complainant, human rights defenders, community representatives, case whistleblowers, if requested, as long as the report is supported by sufficient preliminary evidence. This system ensures there is no risk of retaliation or intimidation and follows RSPO policy on respect for human rights defenders.</p> <p>The company has an SOP for handling complaints REA.BPO.HRD.TKK dated 25 September 2020. This procedure regulates the stages of complaint resolution. In the complaint resolution stage, it is not yet clear if a complaint cannot be resolved, it can be submitted to the RSPO complaint system. Thus the company has the opportunity to include in detail the handling of complaints both internally and externally up to the RSPO Complaint System stage</p>
4	6.3.1	<p>There is a published statement, recognizing freedom of association and the right to draft collective agreements, in the national language. The statement is explained to all workers in a language they understand and can be proven to be implemented.</p> <p>The company already has a statement acknowledging the freedom of association contained in its human rights policy in the Directors Decree No. 002/BOD_REA/P/III/2015 issued on 09 April 2022. The policy clarifies that REA respects the right of employees and contract workers to form or join trade unions and bargain collectively, in accordance with national and international regulations.</p> <p>From the results of interviews with harvest workers, fertilizer workers and other employees who work in the Satria Estate unit, information can be obtained that employees do not know about freedom of association in the company unit.</p> <p>Based on this explanation, companies have the opportunity to socialize freedom of association to employees in a language they understand.</p>
5	6.7.1	<p>Person in charge of Occupational Safety and Health (OHS) is identified. Records of periodic meetings between the person in charge and the workers are available. The interests of all parties regarding safety, health and welfare were discussed at the meeting. Any issues that arise are recorded.</p>

		<p>The company shows Kepdisnakertrans of Kalimantan Timur Province No. 566/3327/P2K3/PPK/DTKT/2021 dated December 29, 2021 concerning ratification of OHS Committee PT Sasana Yudha Bhakti, which explains the composition of the management of OHS Committee with the secretary of OHS Committee Satria Estate is with the initials AL and the secretary of OHS Committee Satria POM is with the initials BPAF. Based on management information, it was conveyed that the personnel with the initials AL had resigned, so that the company had the opportunity to be able to propose changes to the OHS Committee structure approval.</p>
6	6.7.3	<p>Workers use appropriate Personal Protective Equipment (PPE), which is provided free of charge to all workers at the workplace, as protection in all potentially hazardous operations, such as pesticide application, machine operation, land preparation and harvesting. Sanitation facilities are available for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes.</p> <p>The company has 3 spray teams for weed control in each division. Based on a field visit to Division 4, it was found that there was a rinse house used for the sanitation of spray workers, while on a field visit to Division 2, only a place was found for storing spray power equipment.</p> <p>Thus, the company has the opportunity to ensure the availability of sanitation facilities for workers who use pesticides</p>
7	7.12.4	<p>HCV and HCS forest after 15 November 2018, identified, protected and/or enhanced peatlands and other conservation areas. Integrated management plans to protect and/or enhance HCVs and HCS forests, peatlands and other conservation areas are developed, implemented and adapted where necessary, and complemented by monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and covers areas that are directly managed and takes into account the relevant wider landscape level (if such landscapes have been identified).</p> <p>The company already has documents on the results of an HCV study conducted in 2018 with the results of identifying an HCV area of 136.39 Ha. The results of observations in several HCV areas showed that there were no warning boards, HCV area marker boards or HCV area boundaries, although no damage or pollution was identified in those areas. In addition, based on the comparison between the HCV map and the operational map, it shows that there are several HCV areas that are included in the land overlapping area with PT APT. The HCV area that enters the area is a river riparian area which is in the vicinity of PT APT's coal mining activities. The results of interviews with the people of Buluq sen Village and the Kutai Kartanegara Environmental Service stated that river pollution often occurs as a result of mining operations. This has the potential to cause damage to PT SYB's HCV area. The results of interviews with the Certification Unit stated that the HCV area was beyond PT SYB's control.</p> <p>Based on this, the Certification Unit has an opportunity for improvement to re-delineate to ensure the area of HCV areas that is still possible to be fully managed under the management of PT SYB, as well as implementing HCV management in the field, for example by installing HCV Signboards and/or HCV area boundary markers. .</p>

3.4.3. Noteworthy Positive Components

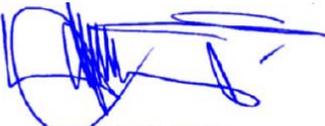
No	Description
1	Commitment to apply the principles of sustainable palm oil management
2	Has got ISPO certificate
3	Teamwork and good presentation of documents
4	Disclosure of information to the auditor team

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Manpower Agencies of Kutai Kartanegara Regency Labor Inspector and Industrial Relations</p> <ul style="list-style-type: none"> • There is no use of casual daily labour. • Determination of the minimum wage refers to the Minimum Wage of Kalimantan Timur Province. • The company has registered BPJS for workers. • The use of contract labor has been recorded. • There is no issue related to worker union or labour. • Based on issue form internet related to complain, there's happen in R.E.A group, not specifically for PT SYB, and it's happened in different company under R.E.A group. 	<p>Verification has been carried out on indicators related to complaints and remuneration.</p>
<p>Plantation Agencies of Kutai Kartanegara Regency</p> <ul style="list-style-type: none"> • The company has made progress in plasma development and no issue related to that. • The FFB price refers to the price set by the pricing team. • There is input from the community to cooperate in selling FFB to companies. • There were no incidents of fire in the company's area and the fire prevention and monitoring facilities owned by the company were adequate. • There is no peat area in PT SYB scope of certification. 	<p>There are no negative issues that require further verification.</p>
<p>Environment Agencies of Kutai Kartanegara Regency</p> <ul style="list-style-type: none"> • Environmental documents including permits owned by the company are complete and still valid. • So far there have been no complaints regarding environmental disturbances due to the company's operational activities. • The company has conducted environmental monitoring and management including regular reporting. • There is an issue of pollution caused by a mining company upstream from PT SYB. Related to this, PT SYB communicated several times with the Environment Agency to assist in mediation between the company, the community and PT SYB. • There were no incidents of fire or conflict with protected animals in the company's area. 	<p>There are no negative issues that require further verification.</p>
<p>National Land Agencies of Kutai Kartanegara Regency</p> <ul style="list-style-type: none"> • Out of the three contact numbers from the Kutai Kartanegara Land Service, none of the informants want to provide information because they were busy. 	<p>There are no negative issues that require further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Local Contractor – PT Persada Dinamika Jaya</p> <p>The company has had a good cooperative relationship and there were no problems during the collaboration.</p>	<p>There are no negative issues that need further verification by the auditor</p>
<p>CPO transport – BUMDES Tuana Tuha Sejahtera</p> <ul style="list-style-type: none"> • Payment went smoothly and in accordance with the agreement. • The company periodically provides outreach regarding PPE, company policies, etc 	<p>There are no negative issues that need further verification by the auditor</p>
<p>Gender Committee Representative</p> <p>There are no negative issues such as discrimination and sexual harassment or child labour. The management of the gender committee has programs related to sexual harassment policies and the protection of reproductive rights.</p>	<p>There are no negative issues that need further verification by the auditor</p>
<p>Bipartite LKS</p> <ul style="list-style-type: none"> • Bipartite LKS registration has been approved by the Manpower Office • PPE can be replaced if damaged by showing evidence of damage • Wages according to the 2023 provincial minimum wage • Company regulations still apply • There are no employee issues related to work or negative issues within the company 	<p>There are no negative issues that need further verification by the auditor</p>
<p>Representatives of Buluq Sen Residents (Customary Heads and Community Leaders)</p> <p>In early 2012 the company provided outreach to the community regarding the planned construction of an oil palm plantation. The company provides information on the benefits gained by the community, including the development of plasma plantations and assisted independent plantations. There was history of GRIT, but the source said he was not the owner of the land.</p> <p>Until now plasma has been realized while for assisted independent plantations it has not yet been implemented. The company provides employment opportunities to the community even though most of the young workers are more interested in working in the mines.</p> <p>Some of the community's complaints include difficulty accessing clean water because the river, which used to be a water source, has been damaged and cannot be used as a water source. Currently, the community's access to clean water uses rain-collected water. For other issues such as land disputes, there</p>	<p>In general, there are no specific issues that require further verification. Regarding the need for clean water, the company has provided assistance with the installation of clean water supply, but the current conditions are not optimal because the beneficiary communities are not taking care of the installation</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>have been but have been resolved</p> <p>The community expects CSR in the field of education such as scholarships and community empowerment, especially the procurement of certified oil palm seeds/seeds for local farmers</p>	
<p>Representative of KSU Pekalai Murip (company-assisted Plasma)</p> <p>Cooperation with the company has been established since 2013 and 280 Ha was realized. The management pattern is full managed and so far, it has been managed transparently. There are no complaints about the price because it uses a discount price. Complaints related to the price of FFB are felt more by independent smallholders because the price is lower than the plasma determination.</p> <p>KSU expects more intense handling of fruit and information theft when funds are used for building bridges, for example or repairing access roads. At present the plasma land is within the HGU and when the HGU expires it is hoped that it will become SHM</p>	<p>There are no specific issues related to plasma management. Meanwhile for independent smallholders, according to a letter of agreement, the price is determined by the buyer and the FFB supplier has the right not to send the FFB if the price is deemed inappropriate.</p>
<p>FFB Supplier (Kopbun Sumber Bumi Jaya)</p> <p>So far, the cooperative relationship has been going well, but since September 2022 the price for FFB, which follows the stipulation by the Plantations Service, has changed to a commercial price/factory stipulation. This is a complaint of FFB supplying farmers. The SPK addendum has been submitted but the FFB supplier has yet to sign it. For now the cooperative continues to supply FFB to Satria POM and receives payment according to the commercial team's pricing</p>	<p>Communication related to the determination of the price of independent smallholder FFB is still routinely communicated to suppliers. there is no compulsion for independent smallholders to send FFB to Satria POM.</p>
<p>Head of Long Lalang Village</p> <p>Coordination and communication need to be improved. Waiting for the realization of ambulance assistance and the rice field printing program as agreed in the MUSREMBANGDES.</p>	<p>It became OFI in SIA indicator</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Sasana Yudha Bhakti Management Representative</p>  <p><u>Winetou Budi Satria</u> Monday, 16 October 2023</p> </div> <div style="text-align: center;"> <p>PT Mutuagung Lestari Tbk Lead Auditor</p>  <p><u>Haikal Ramadhan Kharismansyah</u> Monday, 16 October 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Department of Manpower and Transmigration Office of Kutai Kartanegara District	Kalimantan Timur Province	-	Communication by Phone	14 March 2023	✓	
2	Environmental Services of Kutai Kartanegara District	Kalimantan Timur Province	-	Communication by Phone	14 March 2023	✓	
3	Plantation Service of Kutai Kartanegara District	Kalimantan Timur Province	-	Communication by Phone	14 March 2023	✓	
4	Gender Committee	Kalimantan Timur Province	-	Direct Interview	14 March 2023	✓	
5	Bipartite LKS	Kalimantan Timur Province	-	Direct Interview	14 March 2023	✓	
6	CPO Transporter – BUMDES Tuana Tuha Sejahtera	Kalimantan Timur Province	-	Communication by Phone	14 March 2023	✓	
7	Local Contractor – PT Persada Dinamika Jaya	Kalimantan Timur Province	-	Direct Interview	14 March 2023	✓	
8	Sawit Watch	Jakarta	info@sawitwatch.or.id	Email	6 March 2023		✓
9	WWF	Jakarta	supporter-service@wwf.or.id	Email	6 March 2023		✓
10	Walhi	Jakarta	informasi@walhi.or.id	Email	6 March 2023		✓
11	AMAN	Jakarta	rumahaman@aman.or.id	Email	6 March 2023		✓
12	National Land Agency of Kutai Kartanegara District	Kalimantan Timur Province	-	Communication by Phone	14 March 2023		✓
13	Representative of Buluq Sen and Long Lalang Village	Kalimantan Timur Province	-	Direct Interview	14 March 2023	✓	
14	Kopbun Sumber Bumi Jaya	Kalimantan Timur Province	-	Direct Interview	14 March 2023	✓	
15	Pekalai Murip Cooperative	Kalimantan Timur Province	-	Direct Interview	14 March 2023	✓	
16	Interview : Satria POM <ul style="list-style-type: none"> • 3 securities • 1 weighbridge operator • 1 Boiler Operator • 1 Engine Room Operator • 1 maintenance foreman • 1 grading operator 	Kalimantan Timur Province		Direct Interview	14-17 March 2023	✓	

	<p>Satria Estate</p> <ul style="list-style-type: none"> • 6 harvest workers and 2 foremen • 5 fertilizer workers and 1 foreman • 3 manual weeding workers and 1 foreman 						
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Appendix 2. Assessment Program

DATE	13 – 17 March 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 13 March 2023		
04.55 – 08.10 09.00 – 15.00	<ul style="list-style-type: none"> Jakarta → Samarinda Samarinda → Site 	HAI/KID/YMI/RIS
15.00 – 17.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) Verification of Basic Information Mill and Estate Preparing for next day field visit (Operational Maps, Daily Work Plan, Stakeholder list, etc) 	HAI HAI/KID/YMI/RIS HAI/KID/YMI/RIS
Tuesday, 14 March 2023		
08.00 – 12.00	Public Consultation : <ul style="list-style-type: none"> Government Agency of Kutai Kartanegara (by phone) Gender Committee, Contractor, Worker Union, Village Representative, Previous Land Owner, etc FFB Supplier, Scheme smallholder Document Review : <ul style="list-style-type: none"> Legality, Social and CSR Worker Welfare and Transparency BMP and OHS Environment, GHG, and HCV 	KID HAI/RIS YMI HAI /RIS KID HAI /RIS YMI
12.00 – 14.00	Break	HAI/KID/YMI/RIS
14.00 – 16.00	Field observation to Satria POM <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) Best practice, Implementation of Employment Procedure and Mechanism Aspect 	HAI YMI/RIS KID
16.00 – 16.30	Presentation of Daily Progress	All Auditor
Wednesday, 15 March 2023		
08.00 – 12.00	Field Observation to Satria Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Conservation/HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) 	HAI KID YMI/RIS

DATE	13 – 17 March 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	- Observation of Workers Facilities (Housing, School, Worship Place).	KID
12.00 – 14.00	• Break	HAI/KID/YMI/RIS
14.00 – 16.00	• Document review and completing audit checklist. • Verification of stakeholder consultation result and field visit.	HAI/KID/YMI/RIS
16.00 – 16.30	• Presentation of Daily Progress	HAI/KID/YMI/RIS
Thursday, 16 March 2023		
08.00 – 12.00	• Document review and completing audit checklist	HAI/KID/YMI/RIS
12.00 – 14.00	Break	HAI/KID/YMI/RIS
14.00 – 16.00	Internal meeting auditor team	HAI/KID/YMI/RIS
16.00 – 17.00	Closing Meeting <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion) // • Comments, Responses and Questions. 	HAI/KID/YMI/RIS
Friday, 17 March 2023		
04.00 – 11.00	Site → Samarinda	HAI/KID/YMI/RIS
13.35 – 14.45	Samarinda → Jakarta	HAI/KID/YMI/RIS