

**RSPO PRINCIPLE AND CRITERIA  
PUBLIC SUMMARY REPORT**

- Initial Assessment**
- Annual Surveillance Assessment (1\_1)**
- Recertification Assessment** (Choose an item.)
- Extension of Scope**

<p><b>Client Company name (Parent Company):</b>  <b>PT Inti Indosawit Subur</b></p>
<p>Client company Address:  JI. MH. Thamrin No.31 Jakarta 10230, Indonesia</p>
<p>Certification Unit:  <b>PT Indo Sepadan Jaya – Tanjung Selamat Mill</b></p>
<p>Location of Certification Unit:  Kampung Padang Village, Bilah Hilir DIstrict, Labuhan Batu Regency, North Sumatera Province, Indonesia</p>
<p>Date of Final Report:  12/09/2022</p>

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### Section 1: Scope of the Assessment

1. Company Details			
<b>Parent Company</b>	PT. Inti Indosawit Subur		
<b>RSPO Membership Number</b>	1-0022-06-000-00	<b>Membership Approval Date</b>	06/02/2006
<b>Address</b>	Jl MH Thamrin No 31, Jakarta 10230, Indonesia		
<b>Palm Oil Mill / Group Manager / Estate (Certification Unit)</b>	PT. Indo Sepadan Jaya – Tanjung Selamat Palm Oil Mill		
<b>Location / Address</b>	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatera Province, Indonesia.		
<b>Website</b>	<a href="http://www.asianagri.com">www.asianagri.com</a>		
<b>Management Representative</b>	Mr. Putu Ghrayte Yonata Aksa	<b>E-mail</b>	<a href="mailto:Putu_Aksa@asianagri.com">Putu_Aksa@asianagri.com</a>
<b>Telephone</b>	+6221 2301119	<b>Facsimile</b>	+6221 2301120

2. Certification Information			
<b>Certificate Number</b>	RSPO 620704	<b>Certificate Start Date</b>	24/08/2021
<b>Date of First Certification</b>	26/05/2015	<b>Certificate Expiry Date</b>	23/08/2026
<b>Scope of Certification</b>	Production of Palm Oil and Palm Kernel		
<b>Visit Objectives</b>	Determination of the conformity of the client's management system, or parts of it, with audit criteria and evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements.		
<b>Assessment Cycle</b>	<input type="checkbox"/> Pre Assessment (Choose an item.) <input type="checkbox"/> Initial Assessment <input checked="" type="checkbox"/> Annual Surveillance Assessment (ASA 1_1) <input type="checkbox"/> Recertification Assessment (Choose an item.) <input type="checkbox"/> Scope Extension		
<b>Applicable Standards / Normative Reference</b>	RSPO Certification System for P&C and RSPO ISH 2020 <input type="checkbox"/> Choose an item. <input checked="" type="checkbox"/> Indonesia National Interpretation 2020 for RSPO P&C 2018 for the Production of Sustainable Palm Oil		
<b>Supply Chain Module</b>	<input type="checkbox"/> Identity Preserved; <input checked="" type="checkbox"/> Mass Balance	<b>Mill Capacity</b>	60 MT/Hour
<b>ISH certification Phase</b>	<input type="checkbox"/> Eligibility <input type="checkbox"/> Milestone A <input type="checkbox"/> Milestone B <input checked="" type="checkbox"/> Not Applicable		

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
ID05/65250	ISO 14001:2015	SGS Indonesia	10/06/2023
EU-ISCC-Cert- DE100-02727121	ISCC	SGS Indonesia	24/08/2023
BSI-ISPO-619189	ISPO	BSI Indonesia	21/03/2024

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base / Group Manager / Smallholders)	Location	GPS Coordinates	
		Latitude	Longitude
Tanjung Selamat Mill	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatera, Indonesia	02° 07' 39.72" N	100° 00' 08.82" E
Tanjung Selamat Estate	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatera, Indonesia	02° 07' 49.49" N	100° 06' 14.71" E
Pangkatan Estate	Sennah Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatera, Indonesia	02° 11' 57.57" N	100° 00' 53.63" E

**Note:**

5. Description of Supply Base					
New Planting Development	<input checked="" type="checkbox"/> No (no change in total planted area)		<input type="checkbox"/> Yes (please refer to Principle 7 for details)		
Estate / Smallholders	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Tanjung Selamat Estate	3,858	6.57	36.75	3,901.32	98.89
Pangkatan Estate	3,667	110.91	558.09	4,336.00	84.57
<b>Total</b>	<b>7,525</b>	<b>117.48</b>	<b>599.17</b>	<b>8,237.32</b>	<b>91.47</b>

**Note:**

6. Plantings & Cycle			
Estate / Smallholders	Age (Years)	Mature	Immature

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	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Tanjung Selamat Estate	-	3,858	-	-	-	3,858	-
Pangkalan Estate	1,288	2,379	-	-	-	2,379	1,288
<b>Total (ha)</b>	<b>1,288</b>	<b>6,237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,237</b>	<b>1,288</b>

**Note:**

**7. Summary of Certified Tonnage of FFB (Own Certified Scope)**

Estate / Smallholders	Tonnage / year			
	Estimated last year (Sept 2021 – Aug 2022)	Actual (Feb 2021 - Mar 2022)		Forecast (Sept 2022 – Aug 2023)
		Previous license period (Feb 2021 – Aug 2021)	Current license period (Sep 2021 – Mar 2022)	
Tanjung Selamat	102,490	62,032.50	59,178.48	111,465
Pangkalan	44,317	22,242.20	28,422.30	65,914
<b>Total</b>	<b>146,807</b>	<b>171,875.48</b>		<b>177,379</b>

**Note:**

**8. Summary of Certified Tonnage of FFB (from other certified unit(s))**

Estate / Smallholders	Tonnage / year			
	Estimated last year (Sept 2021 – Aug 2022)	Actual (Feb 2021 - Mar 2022)		Forecast (Sept 2022 – Aug 2023)
		Previous license period (Feb 2021 – Aug 2021)	Current license period (Sep 2021 – Mar 2022)	
-		-	-	
<b>Total</b>		<b>-</b>		

**Note:**

**9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)**

Out growers / smallholders	Tonnage / year			
	Estimated last year (Sept 2021 – Aug 2022)	Actual (Feb 2021 - Mar 2022)		Forecast (Sept 2022 – Aug 2023)
		Previous license period (Feb 2021 – Aug 2021)	Current license period (Sep 2021 – Mar 2022)	
3 <sup>rd</sup> Party	96,000	38,666.09	35,273.66	110,000
<b>Total</b>	<b>96,000</b>	<b>73,939.75</b>		<b>110,000</b>

**Note:**

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<b>9A. Monthly Records of Certified and Uncertified FFB Received since the last audit</b>				
No.	Month - Year	Volume of FFB from certified supply base (MT)	Volume of FFB from uncertified supply base (MT)	Total FFB/Month (MT)
1	February 2021	9,275.95	4,690.83	13,966.78
2	March 2021	12,376.56	5,715.05	18,091.61
3	April 2021	12,790.58	6,223.95	19,014.53
4	May 2021	10,539.90	6,412.60	16,952.50
5	June 2021	11,111.78	4,558.21	15,669.99
6	July 2021	11,938.39	6,605.29	18,543.68
7	August 2021	16,259.53	4,460.15	20,719.68
8	September 2021	15,318.79	4,942.02	20,260.81
9	October 2021	12,268.31	3,977.30	16,245.61
10	November 2021	12,266.23	3,107.69	15,373.92
11	December 2021	11,764.30	3,866.44	15,630.74
12	January 2022	10,426.47	4,543.67	14,970.14
13	February 2022	10,459.79	5,564.44	16,024.23
14	March 2022	15,096.90	9,272.11	24,369.01
<b>TOTAL</b>		<b>171,875.48</b>	<b>73,939.75</b>	<b>245,833.23</b>

**Note:**

<b>10. Summary of Certified Tonnage (not applicable for ISS)</b>			
Estimated last year (Sept 2021 – Aug 2022)	Actual (Feb 2021 - Mar 2022)		Forecast (Sept 2022 – Aug 2023)
	Previous license period (Feb 2021 – Aug 2021)	Current license period (Sep 2021 – Mar 2022)	
<b>FFB</b>	<b>FFB</b>		<b>FFB</b>
172,807 mt	84,274.70 mt	87,600.78 mt	177,379 mt
	171,875.48 mt		
<b>CPO (OER: 21.09%)</b>	<b>CPO (OER: 20.89%)</b>		<b>CPO (OER: 20.69%)</b>
36,399.40 mt	17,324.63 mt	18,586.57 mt	36,691 mt
	35,911.20 mt		
<b>PK (KER: 4.55%)</b>	<b>PK (KER: 4.06%)</b>		<b>PK (KER: 4.50%)</b>
7,735.60 mt	3,458.62 mt	3,527.34 mt	7,982 mt
	6,985.96 mt		

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**Note:**

**10A. Monthly Records of Certified CPO & PK since the last audit**

No.	Month - Year	Certified CPO (MT)	Certified PK (MT)
1	February 2021	1,968.24	418.76
2	March 2021	2,634.08	557.48
3	April 2021	2,656.56	581.27
4	May 2021	2,144.85	420.01
5	June 2021	2,296.86	404.08
6	July 2021	2,308.28	469.85
7	August 2021	3,315.76	607.17
8	September 2021	3,237.67	530.65
9	October 2021	2,662.89	502.46
10	November 2021	2,620.33	489.04
11	December 2021	2,522.69	485.11
12	January 2022	2,195.02	415.37
13	February 2022	2,187.91	449.17
14	March 2022	3,160.06	655.54
<b>TOTAL</b>		<b>35,911.20</b>	<b>6,985.96</b>

**Note:**

**11. Summary of Actual Volume sold**

**Current License period (Sep 2021 – Mar 2022)**

	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	Others		
<b>CPO (MT)</b>	15,585.96	3,290.23	0	0	18,876.19*
<b>PK (MT)</b>	3,347.61	0	0	0	3,347.61
<b>Credits</b>	0	0	0	0	0

**Previous License period (Feb 2021 – Aug 2021)**

<b>CPO (MT)</b>	3,076.81	12,933.84	0	0	16,010.65
<b>PK (MT)</b>	3,415.36	0	0	0	3,415.36
<b>Credits</b>	0	0	0	0	0

**Note:** Conventional is RSPO certified material but sold as non-RSPO.

\* CPO volume carried forward from August 2021 production to September 2021.

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<b>11A. Records of Certified CPO &amp; PK Sold under PalmTrace since the last audit (if any)</b> (Feb 2021 – Mar 2022)				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (MT)	Certified PK Sold (MT)
1	AAA Oils & Fats Pte Ltd	-	2,130.32	-
2	Apical (Malaysia) Sdn Bhd	-	1,390.07	-
3	PT Sari Dumai Sejati	-	15,142.38	-
4	PT Hari Sawit Jaya	-	-	5,943.55
5	PT Saudara Sejati Luhur	-	-	523.42
6	PT Sari Dumai Sejati	-	-	562.58
<b>TOTAL</b>			<b>18,662.77</b>	<b>7,029.55</b>
<b>Note:</b>				

<b>11B. Records of CPO &amp; PK Sold under other schemes since the last audit (if any)</b> (Feb 2021 – Mar 2021)				
No.	Buyers Name	Scheme Name	CPO Sold (MT)	PK Sold (MT)
1	PT Sari Dumai Sejati	ISCC	16,224.07	0
<b>TOTAL</b>			<b>16,224.07</b>	<b>0</b>
<b>Note:</b>				

<b>11C. Records of CPO &amp; PK Sold as conventional since the last audit (if any)</b>				
No.	Buyers Name	CPO Sold (MT)	PK Sold (MT)	
N/A	N/A	N/A	N/A	
<b>TOTAL</b>		<b>N/A</b>	<b>N/A</b>	
<b>Note:</b>				

<b>11D. Records of Certified CPO Sold under RSPO Credits since the last audit (if any)</b>			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (MT)
N/A	N/A	N/A	N/A
<b>TOTAL</b>			<b>N/A</b>
<b>Note:</b>			



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<b>12.Independent Smallholders Certified Tonnage / Volume</b>									
	<b>Estimated last year (not applicable)</b>			<b>Actual (not applicable)</b>			<b>Forecast (not applicable)</b>		
<b>Phase</b>	<b>Eligibility</b>	<b>MS A</b>	<b>MS B</b>	<b>Eligibility</b>	<b>MS A</b>	<b>MS B</b>	<b>Eligibility</b>	<b>MS A</b>	<b>MS B</b>
	<b>40%</b>	<b>70%</b>	<b>100%</b>	<b>40%</b>	<b>70%</b>	<b>100%</b>	<b>40%</b>	<b>70%</b>	<b>100%</b>
<b>FFB</b>									
<b>IS-CSPO</b>	N/A	N/A		N/A	N/A		N/A	N/A	
<b>IS-CSPKO</b>	N/A	N/A		N/A	N/A		N/A	N/A	
<b>IS-CSPKE</b>	N/A	N/A		N/A	N/A		N/A	N/A	

<b>13.Independent Smallholders Actual Sold Tonnage / Volume</b>						
	<b>FFB</b>	<b>FFB Conventional</b>	<b>FFB Other schemes</b>	<b>IS-CSPO</b>	<b>IS-CSPK</b>	<b>IS-CSPKE</b>
<b>Current License period (not applicable)</b>						
<b>Credits</b>				N/A	N/A	N/A
<b>Physical</b>	N/A	N/A	N/A			

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn. Bhd. (ASI Accreditation Number: ASI-ACC-067)  
Suite 29.01 Level 29, The Gardens North Tower,  
Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur, Malaysia.  
Tel +60 (3) 9212 9638 Fax +60 (3) 9212 9639  
Representative: Chaiyaporn Seekao ([Chaiyaporn.Seekao@bsigroup.com](mailto:Chaiyaporn.Seekao@bsigroup.com))  
Website: [www.bsigroup.com](http://www.bsigroup.com)

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 countries. BSI is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia.

### 2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted on **19-21/04/2022**. The audit programme is included as Section 2.3.

The approach to the audit was to treat the mill and supply base as an RSPO Certification Unit. A range of occupational health and safety, environmental, best practice management, and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas, local communities engagement and workers welfare and safety.

The Critical NC close out on-site assessment was conducted on **18/06/2022**. The audit programs are included in Section 2.3.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. Indonesia National Interpretation 2020 of the RSPO P&C 2018 was used as the normative reference to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula  $N = (\sqrt{y}) \times (z)$  where y is the number of estates and where z is the multiplier defined by risk assessment. While, the sampling of smallholders were based on the formula  $(\sqrt{y}) \times (z)$ ; where y is total number of group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix E.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.4.

The non-conformities for this audit are detailed in Section 3.3 and unless it is stated in this section, all previous nonconformities including minor nonconformities are remains closed.

This report is structured to provide a summary of assessment finding as provided in Appendix A. The assessment was conducted based on risk based approach sampling and therefore nonconformities may exist.

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For Initial, Re-certification and Extension of Scope assessment, the report was externally reviewed by approved external peer reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

**The following table would be used to identify the locations to be audited each year in the 5 year cycle**

<b>Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Tanjung Selamat Mill	X	X	X	X	X
Tanjung Selamat Estate	X	X	X	X	X
Pangkatan Estate	X	X	X	X	X

**Tentative Date of Next Visit: April 17, 2023 - April 20, 2023**

**Total Number of Mandays: 9.5 Mandays**

**2.2 BSI Assessment Team**

<b>Name</b>	<b>Role</b>	<b>Competency</b>
Nanang Rusmana (NR)	Team Leader	<p><b>Education:</b> Holds a Bachelor Degree of Forestry, Bogor Agricultural University (IPB)</p> <p><b>Work Experience:</b> 5 years working experience in palm oil industry as SHE Assistant at PT. Astra Agro Lestari Tbk. 3 years working experience in mining industry as Environment Coordinator and SHE Coordinator with PT. Kapuas Prima Coal Group. 6 years working experience as RSPO/ISPO auditor</p> <p><b>Training attended:</b> Completed ISO 9001:2015 Lead Auditor Course, ISPO Auditor Course, ISO 14001:2015 Lead Auditor Course, ISO 45001:2018 Lead Auditor Course, Endorsed RSPO P&amp;C Lead Auditor Course, Endorsed RSPO Supply Chain Certification Lead Auditor Course, SMK3 Auditor Course, HCV Assessor Course, General OHS Expert Course, SMETA Requirements training.</p> <p><b>Language proficiency:</b> Fluent in Bahasa Indonesia and English</p> <p><b>Aspect covered in this audit:</b> During this assessment, he assessed on Best Management Practise for Mill and Estate, operation procedure, continuous improvement, long term business plan, time bound plan.</p>
Mujinius Jalaraya (MJ)	Team Member	<p><b>Education:</b> Holds a Bachelor Degree majoring in Forest Resources Conservation and Ecotourism, Bogor Agricultural University (IPB).</p> <p><b>Work Experience:</b> 6 years working experience in palm oil plantations as SHE Assistant at PT. Astra Agro Lestari Tbk and Sustainability Supervisor at Teladan Prima Group. 8 years working experience as RSPO Auditor / Lead Auditor.</p> <p><b>Training attended:</b> Completed ISO 9001 Lead Auditor course, ISPO Lead Auditor course, Endorsed RSPO P&amp;C Lead Auditor course, Endorsed RSPO SCCS Lead Auditor course, Introductory Course for High Conservation Value</p>

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		<p>and High Carbon Stock (HCS) in Oil Palm Plantation, ISO 14001 Internal Auditor Training, ISO 45001 Lead Auditor course, OHS Expert Training, SMETA Requirements Training</p> <p><b>Language proficiency:</b> Fluent in Bahasa Indonesia and English</p> <p><b>Aspect covered in this audit:</b> During this assessment, he assessed on the aspects of HCV management and monitoring, Environmental management and monitoring, OHS, supply chain for mill</p>
Edy Widodo (EW)	Team Member	<p><b>Education:</b> Holds a Bachelor Degree majoring Agricultural Technology from University of Padjadjaran, Bandung.</p> <p><b>Work Experience:</b> 8 years working experience in palm oil industry as Agronomist and Assistant Manager in various companies. 9 year working experience as RSPO/ISPO auditor.</p> <p><b>Training attended:</b> Completed ISO 9001 Lead Auditor Course, ISPO endorsed auditor course, Understanding ISO 14001 training, Auditing ISO 14001: 2004 training, Endorsed RSPO Supply Chain Certification Lead Auditor Course, Endorsed RSPO P&amp;C Lead Auditor Course, SMETA Requirements Training, Introductory Course for High Conservation Value and High Carbon Stock (HCS) in Oil Palm Plantation.</p> <p><b>Language proficiency:</b> Fluent in Bahasa Indonesia and English</p> <p><b>Aspect covered in this audit:</b> During this assessment, he assessed on the aspects of transparency, company policy, social and labor. He also conducted public consultation with related stakeholders.</p>

**Accompanying Persons:**

Name	Role
NIL	-

**2.3. Assessment Plan**

The Assessment plan was sent to the client prior to the assessment.

Date	Time	Subjects	NR	MJ	EW
Monday, 19/04/2022	08.00 – 08.30	<p><b>Opening Meeting</b></p> <ul style="list-style-type: none"> <li>- Presentation by PT. Indo Sepadan Jaya – Tanjung Selamat Mill &amp; Supply bases</li> <li>- Presentation by BSI Indonesia</li> </ul>	√	√	√
	08.30 – 12.00	<p><b>Field Visit to Tanjung Selamat Estate:</b></p> <ul style="list-style-type: none"> <li>- Herbicide application programmes, harvesting, fertilizing operations, water management, road maintenance, terracing, HCV's, riparian zones, etc.</li> <li>- Agrochemical stores, Fertilizer store, workshops, housing, landfill, clinic, riparian zones, Hazardous Waste, waste management, etc.</li> <li>- Boundaries inspection, worker interviews, social amenities, etc.</li> </ul>	√	√	√

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		Interview with: Labor Union and Gender Committee.			
	09.00 – 15.00	<b>Stakeholders consultation:</b> Local Government of Labuhan Batu Regency (DLH, Disbun, Disnakertrans, DPMPTSP & BPN), Village Head, surrounding community, previous land owner/user, NGO, contractors.			√
	12.00 – 14.00	<b>Break</b>	√	√	√
	14.00 – 17.00	<b>Document Review</b> <b>Tanjung Selamat Mill &amp; Estate:</b> - Occupational Health and Safety, HCV, Environment Aspect, time bound plan. - Social Aspect and workers welfare, worker consultation, Stakeholder consultation, impact assessments, policies. - Best Management Practice for Mill and supply chain for mill. - Operation Procedure, organization commitments, Legal compliance, continuous improvement, long term business plan.	√	√	√
Tuesday, 20/04/2022	08.00 – 12.00	<b>Field Visit to Pangkatan Estate:</b> - Herbicide application programmes, harvesting, fertilizing operations, water management, road maintenance, terracing, HCV's, riparian zones, etc. - Agrochemical stores, Fertilizer store, workshops, housing, landfill, clinic, riparian zones, Hazardous Waste, waste management, etc. - Boundaries inspection, worker interviews, social amenities, etc. - Interview with: Labor Union and Gender Committee.	√	√	√
	12.00 – 14.00	<b>Break</b>	√	√	√
	14.00 – 17.00	<b>Field Visit to Tanjung Selamat Mill:</b> - Inspection of processing, warehouse, workshop, mill wastes management, effluent ponds, OHS, environment issues, POME application, workers interview, Supply Chain for CPO mill, review on SEIA documents and records, document review, etc. - Audit Supply Chain for CPO Mills (RSPO SCCS) - Interview workers.	√	√	√
Wednesday, 21/04/2022	08.00 – 12.00	Audit Continue for document review Tanjung Selamat Mill and Estates.	√	√	√
	12.00 – 14.00	<b>Break</b>	√	√	√
	14.00 – 15.00	Audit Continue for document review Tanjung Selamat Mill and Estates.	√	√	√
	15.00 – 15.30	<b>Report Preparation</b>	√	√	√
	15.30 – 17.00	<b>Closing Meeting</b>	√	√	√

**NCR Close Out Assessment Plan**

Date	Time	Subjects	NR
Saturday, 18/06/2022	08.00 – 08.30	<b>Opening Meeting</b> - Presentation by PT. Indo Sepadan Jaya – Tanjung Selamat Mill & Supply bases - Presentation by BSI Indonesia	√
	08.30 – 11.00	<b>Tanjung Selamat Mill and Estate:</b> Verifying of correction, root-cause and corrective action (interview, document review and field observation)	√
	11.00 – 11.30	<b>Report Preparation</b>	√
	11.30 – 12.00	<b>Closing Meeting</b>	√

**Section 3: Assessment Findings**

**3.1 Multiple Management Units and Time Bound Plan**

Requirement	Assessment	Compliance
Does the time bound plan include all current subsidiaries, estates and mills that is under the control and/or minor shareholding of the holding company?	PT Inti Indosawit Subur has explained the certification plan for all of its subsidiaries; indicating all palm oil mills, company-owned estates and scheme smallholder as the supply base.	Complied
Have all the estates and mills certified within five (5) years after obtaining RSPO membership?	There is remaining mill and estate that has not certified yet, PT Mitra Unggul Pusaka – Segati POM and supply bases (Segati Estate and Gonadai Estate). The unit has gone through the RSPO Stage 2 certification audit in 2014, however it was not succeed. The company's sustainability team has conducted latest RSPO internal audit on 25 – 31 October 2017. Segati Palm Oil Mill (PT Mitra Unggul Pusaka) located in Pelalawan, Riau planned for Re-Audit in year 2022, re-audit certification has conducted on 29 November – 3 December 2021 by TUV Rheinland. PT Mintra Unggul Pusaka - Penarikan Mill and Supply bases (Penarikan Estate) located in Pelalawan Riau planned for eaudit in year 2022, and re-audit certification has concuted on 29 November – 3 December 2021 by TUV Rheinland. For Bahilang Estate (Supply bases for Tanah Datar Mill) planned in year 2022 due to still in process of RACP (recertification 2020). Teluk Panjie Estate (801ha) as supply bases for Teluk Panjie Mill planned in 2022 due to HGU still in process. Sentral Estate (Supply bases for	Complied

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	Gunung Melayu II POM planned in 2022 due to still in process of RACP (recertification 2020).	
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three (3) years from the date of acquisition. Certification plan for the new acquisition shall be available.	No, there is no new acquisition conducted by PT Inti Indosawit Subur and its subsidiary.	Complied
Any deviations from the maximum periods requires approval by the RSPO Secretariat.	Yes, there is time bound plan revision dated 1 July 2021, signed by Management Representative. Justification available, it caused by status of disclosure PT MUP is in progress of review by RSPO. PT MUP will conduct re-audit in 2022.	Complied
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	Yes, there is time bound plan revision dated 1 July 2021, signed by Management Representative. Justification available, it caused by status of disclosure PT MUP is in progress of review by RSPO. PT MUP has undergo re-audit in Dec 2021.	Complied
Have there been any isolated lapses in implementation of the plan? If yes a <b>Minor</b> non-compliance shall be raised	No	Complied
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a <b>Major</b> non-compliance shall be raised	No	Complied
<b>Un-Certified Units or Holdings</b>		
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.	Based on Time Bound Plan revised 1 July 2021, PT Mitra Unggul Pusaka – Segati Mill located in Pelalawan, Riau Province postponed to Re-Audit in year 2021. Status of RaCP and relevant issues are still in progress and waiting for RSPO feedback. Company revised the Time bound plan on 1 July 2021 and the plan for certification is change due to RaCP still under process. According to Land Use change analysis, there are several area conversion from rubber plantation to become palm oil plantation, no primary forest. Latest progress of RaCP based on email correspondence between company and RSPO dated 3 December 2020, confirmed that RSPO has review the concept note and there is a comment to be improved and company has given the feedback and revision of Concept Note on 6 May 2021 and waiting for the review from RSPO secretariat.  The company has sent an email to the RSPO Secretariat on 5 August 2022 and has been	Complied

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	<p>responded by RSPO Secretariat on 8 August 2022. The email from the RSPO Secretariat said that the RSPO Secretariat has received the additional document related to the draft agreement between PT MUP and CFES (Community Forest Ecosystem Services) and MoM on the initial communication between CFES and Kelompok Pengelola Hutan Adat (KPHA) Biang Sari related to location of remediation. And RSPO Secretariat will send the documents to the compensation panel along with the revised concept note.</p>	
<p>Any new plantings since January 1<sup>st</sup> 2010 shall comply with the RSPO New Plantings Procedure.</p>	<p>PT Mitra Unggul Pusaka – Segati Mill RaCP and relevant issues are still in progress and waiting for RSPO feedback. According to Land Use change analysis, there are several area conversion from rubber plantation to become palm oil plantation, no primary forest.</p> <p>Latest progress of RaCP based on email correspondence between company and RSPO dated 3 December 2020, confirmed that RSPO has review the concept note and there is a comment to be improved and company has given the feedback and revision of Concept Note on 6 May 2021 and waiting for the review from RSPO secretariat.</p> <p>The company has sent an email to the RSPO Secretariat on 5 August 2022 and has been responded by RSPO Secretariat on 8 August 2022. The email from the RSPO Secretariat said that the RSPO Secretariat has received the additional document related to the draft agreement between PT MUP and CFES (Community Forest Ecosystem Services) and MoM on the initial communication between CFES and Kelompok Pengelola Hutan Adat (KPHA) Biang Sari related to location of remediation. And RSPO Secretariat will send the documents to the compensation panel along with the revised concept note.</p>	<p>Complied</p>
<p>Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&amp;C criteria 4.4, 4.5, 4.6, 4.7 and 4.8.</p> <p><i>Note:</i>  <i>The RSPO RaCP tracker shall be checked to confirm for any land conflicts/Liabilities <a href="https://www.rspo.org/certification/remediation-and-compensation/racp-tracker">https://www.rspo.org/certification/remediation-and-compensation/racp-tracker</a>. The progress on</i></p>	<p>According to internal audit result on December 2020, there is no land conflict occur in PT Mitra Unggul Pusaka – Segati Mill. In addition the company has been certified for ISPO (Indonesian Sustainable Palm Oil) since December 2016.</p> <p>According to the RSPO RaCP tracker (<a href="https://www.rspo.org/certification/remediation-and-compensation/racp-tracker">https://www.rspo.org/certification/remediation-and-compensation/racp-tracker</a>) update 01 September 2022, PT Inti Indosawit Subur has:</p>	<p>Complied</p>



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<p><i>the Liabilities shall be verified and reported. Please refer to BSI-RSPO Secretariat approval.</i></p>	<ul style="list-style-type: none"> <li>• MU's with potential liabilities: 4 units</li> <li>• LUCA Submitted (MUs): 4 units</li> <li>• LUCA review completed (MUs): 4 units</li> <li>• Concept Note required (MUs): 3 units</li> <li>• Concept Note submitted (MUs): 2 units</li> <li>• Concept Note approved (MUs): 0</li> <li>• Concept Note submitted (MUs): 0</li> <li>• Concept Note endorsed (MUs): 0</li> <li>• Remediation Plan required (MUs): 4 units</li> <li>• Remediation Plan submitted (MUs): 0</li> <li>• Remediation Plan approved (MUs): 0</li> </ul>	
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&amp;C criterion 4.2</p>	<p>Internal audit has conducted for Penarikan Mill on 20-25 June 2022, Bahilang Estate on 08-09 February 2022, Teluk Panji Estate on 18-23 February 2022 and Sentral Estate on 22-27 August 2022, there is no Labor disputes occur in this management unit. In addition the company has been certified for ISPO (Indonesian Sustainable Palm Oil) since December 2016.</p>	<p>Complied</p>
<p>Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&amp;C criteria 2.1</p>	<p>Internal audit has conducted for Penarikan Mill on 20-25 June 2022, Bahilang Estate on 08-09 February 2022, Teluk Panji Estate on 18-23 February 2022 and Sentral Estate on 22-27 August 2022, there is no legal non-compliance occur in this management unit. In addition the company has been certified for ISPO (Indonesian Sustainable Palm Oil) since December 2016.</p>	<p>Complied</p>
<p>Did the company conduct internal audit for those uncertified estates against the uncertified management units requirement and covering the RSPO P&amp;C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12? If yes, a positive assurance statement shall be available and justified.</p>	<p>Internal audit has conducted for Penarikan Mill on 20-25 June 2022, Bahilang Estate on 08-09 February 2022, Teluk Panji Estate on 18-23 February 2022 and Sentral Estate on 22-27 August 2022. Report of internal audit are available.</p>	<p>Complied</p>
<p>Are there any Critical (Major) non-compliance raised against any of the RSPO P&amp;C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates? If yes is the NC(s) actively addressed with RSPO?</p>	<p>According to internal audit result, there is no Critical (Major) non-compliance raised against any of the RSPO P&amp;C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates.</p>	<p>Complied</p>
<p>Have there been any stakeholder (including NGO) consultation conducted?</p>	<p>During internal audit (Penarikan Mill on 20-25 June 2022, Bahilang Estate on 08-09 February 2022, Teluk Panji Estate on 18-23 February 2022 and Sentral Estate on 22-27 August 2022), stakeholders consultation already conducted. There is no issue.</p>	<p>Complied</p>

**3.2 Progress of scheme smallholders and/or outgrowers**

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
<p>Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification?</p> <p>OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.</p>	No smallholders within scope of Tanjung Selamat Mill.	Complied

**Approved Time Bound Plan**

Name of Mill	Mill Address	Name of Supply Bases	Estate Address	Time Bound for Certification	Status
Buatan I Mill – PT Inti Indosawit Subur	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	Buatan Estate	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010 Re-Certified on 16 September 2015
		Buatan (Plasma)	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau		
Buatan II Mill - PT Inti Indosawit Subur	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	Simpang Perak Estate*	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010 Re-Certified on 16 September 2015 *Split From Buatan Estate Since 1 January 2019
		Buatan (Plasma)	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau		
Ukui I Mill - PT Inti Indosawit Subur	Ukui Village, Ukui District, Pelalawan Regency, Riau	Ukui Estate	Ukui Village, Ukui District, Pelalawan Regency, Riau	2011	Certified on 1 March 2011 Re-Certified on 1 March 2016
		Sei Lala Estate*	Ukui Village, Ukui District, Pelalawan Regency, Riau	2011	*Split From Ukui & Soga Estate Since 1 January 2019
		Ukui (Plasma)	Ukui & Lubuk Batu Jaya District, Pelalawan & Inhu Regency, Riau	2011	Certified on 1 March 2011

					Re-Certified on 1 March 2016
Ukui II Mill - PT Inti Indosawit Subur	Ukui Village, Ukui District, Pelalawan Regency, Riau	Soga Estate	Ukui Village, Ukui District, Pelalawan Regency, Riau	2011	Certified on 1 March 2011 Re-Certified on 1 March 2016
		Ukui (Plasma)	Ukui & Lubuk Batu Jaya District, Pelalawan & Inhu Regency, Riau	2011	Certified on 1 March 2011 Re-Certified on 1 March 2016
Tungkal Ulu Mill - PT Inti Indosawit Subur	Pulau Pauh / Penyabungan / Merlung Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	Tungkal Ulu Estate	Pulau Pauh / Penyabungan / Merlung Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2012	Certified on 15 August 2012 Re-Certification on August 2017
		Tungkal Ulu (Plasma)	Renah Mendalo, Merlung, Muara Papalik District, Tanjung Jabung Barat Regency,	2012	Certified on 15 August 2012 Re-Certification on August 2017
Muara Bulian Mill - PT Inti Indosawit Subur	Singoan / Bukit Sari / Bulian Jaya Village, Muara Bulian / Pelayung District, Batang Hari Regency, Jambi	Muara Bulian Estate	Singoan / Bukit Sari / Bulian Jaya Village, Muara Bulian / Pelayung District, Batang Hari Regency,	2013	Certified on 12 July 2013 Re-Certification on August 2017
		Muara Bulian (Plasma)	Maro Sebo Idir District, Batanghari Regency, Jambi	2013	Certified on 12 July 2013 Re-Certification on August 2017
Topaz Mill – PT Tunggal Yunus Estate	Petapahan Village, Tapung District, Kampar Regency, Riau	Topaz Estate	Petapahan Village, Tapung District, Kampar Regency, Riau	2015	Certified on 30 March 2015
Taman Raja Mill – PT Dasa Anugrah Sejati	Lubuk Bernai / Kampung Baru / Pelabuhan Dagang / Pematang Pauh Vilage, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	Taman Raja, Badang & Bernai Estate*	Lubuk Bernai / Kampung Baru / Pelabuhan Dagang / Pematang Pauh Vilage, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2015	Certified on 20 February 2015 *Bernai Estate Split From Taman Raja & Badang Estate Since 1 January 2019
Segati Mill – PT Mitra Unggul Pusaka	Langkan / Penarikan / Tambak / Sotol Village, Langgam District, Pelalawan Regency, Riau	Segati Estate	Langkan / Penarikan / Tambak / Sotol Village, Langgam District, Pelalawan Regency, Riau	Re-audit in 2022	Re-Audit Certification on 29 November - 3 December 2021 by TUV Rheinland.

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		Gondai Estate	Pangkalan Sarik / Baru Village, Langgam / Siak Hulu District, Pelalawan / Kampar Regency, Riau	Re-audit in 2022	Re-Audit Certification on 29 November - 3 December 2021 by TUV Rheinland.
Penarikan Mill – PT Mitra Unggul Pusaka	Penarikan Village, Langgam District, Pelalawan Regency, Riau	Penarikan Estate*	Penarikan / Tambak Village, Langgam District, Pelalawan Regency, Riau	Re-audit in 2022	Re-Audit Certification on 29 November - 3 December 2021 by TUV Rheinland.
Tanah Datar Mill – PT Supra Matra Abadi	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatera	Tanah Datar Estate	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatera	2015	Certified on 18 May 2015
		Bahilang Estate	Bahilang Village, Tebing Tinggi District, Serdang Bedagai Regency, North Sumatera	2022	*Bahilang Estate On Process RaCP (Recertification 2020)
Aek Nabara Mill – PT Supra Matra Abadi	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatera	Aek Nabara Estate	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatera	2015	Certified on 6 March 2015
Teluk Panjie Mill – PT Supra Matra Abadi	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatera	Teluk Panjie Estate (3,885 Ha)	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatera	2015	Certified on 21 April 2015
		Teluk Panjie Estate (801 Ha)		2022	HGU is still in Process
Peranap Mill – PT Rigunas Agri Utama	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	Peranap Estate	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	2015	Certified on 7 January 2015
		Peranap (Plasma)		2016	Certified on 18 August 2016
Bungo Tebo Mill – PT Rigunas Agri Utama	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	Bungo Tebo Estate	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	2015	Certified on 3 December 2015
		Bungo Tebo (Plasma)		2017	Certified on 7 February 2017

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Tanjung Selamat Mill – PT Indo Sepadan Jaya	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Tanjung Selamat	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2015	Certified on 26 May 2015
		Pangkalan	Sennah Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2015	Certified on 26 May 2015
Gunung Melayu I – PT Saudara Sejati Luhur	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatra	Pulau Maria Estate	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatra	2015	Certified on 7 September 2015
Gunung Melayu II – PT Gunung Melayu	Gonting Malaha Village, Bandar Pulau District, Asahan Regency, North Sumatra	Aek Tarum & Batu Anam Estate	Gonting Malaha Village, Bandar Pulau District, Asahan Regency, North Sumatra	2015	Certified on 8 July 2015
		Sentral Estate		2022	*Sentral Estate On Process RaCP (Recertification 2020)
Negri Lama II Mill – PT Hari Sawit Jaya	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Negri Lama	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2016	<ul style="list-style-type: none"> <li>• Certified on 23 December 2016 as Independent Mill</li> <li>• Audit in 2016 as Mill and Supply Base</li> </ul>
		Aek Kuo (2,088 Ha)	Aek Korsik Village, Aek Natas District, Labuhan Batu Regency, North Sumatra	2018	HGU Complete Audit at ASA 3 (2018)
		Aek Kuo (501 Ha)		2018	
Negri Lama I Mill – PT Hari Sawit Jaya	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	*3rd party which is excluded from scope of certification	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2015	<ul style="list-style-type: none"> <li>• Certified on 8 April 2015</li> <li>• Audit in 2016 as Independent Mill</li> </ul>

### 3.3 Details of Nonconformities

The nonconformities are listed below. The findings summary of the assessment by criteria are listed in Appendix A.

During this Assessment there were **2 (two) Critical** and **2 (two) of Minor nonconformities** and **0 (zero) Opportunity for Improvement was raised**. The **PT Indo Sepadan Jaya – Tanjung Selamat Mill** Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Critical Nonconformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-conformity			
<b>NCR Ref #</b>	2190654-202204-M1	<b>Date Issued</b>	21/04/2022
<b>Due Date</b>	20/07/2022	<b>Date of nonconformity Closure</b>	18/06/2022
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO P&C INA NI 2020 – Indicator 2.1.3 (Critical) - (minor escalated to major)		
<b>Statement of Nonconformity:</b>	There is inconsistency in carrying out the maintenance and monitoring of HGU pole or there is not clearly demarcated in the Pangkatan Estate and Tanjung Selamat Estate.		
<b>Requirement Reference:</b>	Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.		
<b>Objective Evidence:</b>	<p>Tanjung Selamat Estate:</p> <ol style="list-style-type: none"> <li>1. During field visit at Tanjung Selamat Estate, on block B15A it is cannot be found HGU pole’s no. 27 in accordance with the point on the HGU pole’s map, although in the last maintaining and monitoring of poles on 12 January 2022 was stated and in good condition.</li> <li>2. During field visit to the location of Area Usaha Baru (area 123.915 Ha) there were 68 HGU stakes that had not been installed. Based on the HGU pole’s map, there are 86 poles, but only 18 poles have been installed. And also Tanjung Selamat Estate can not show that the maintenance of HGU pole has been carried out consistently.</li> </ol> <p>Furthermore, during field visit at Area Usaha Baru location, there is no HGU pole’s was installed of area 123.915 ha. Tanjung Selamat Estate has identified based on the HGU map, that there are 86 poles and at the time of the field visit there was only 1 pole, namely no. 77.</p> <p>Pangkalan Estate:</p> <p>During field visit to on Block A6, can not found the pole No. LI (51), although on the monitoring and maintenance of HGU Pole’s on 21 December 2021 had checked in good conditions.</p>		
<b>Corrections:</b>	Reidentify unmounted poles, and reinstall the unmounted poles, and document them.		
<b>Root Cause Analysis:</b>	There has not been a special officer to monitor HGU pegs.		

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	The granting of an HGU permit for the new order at Tanjung Selamat Estate area is still being carried out, so the process of installing the HGU pegs is still in the on progress stage.
<b>Corrective Actions:</b>	PIC conducts routine monitoring every 3 months, and the PIC reports it to the Estate Manager.
<b>Assessment Conclusion:</b>	Audit team has reviewed the root cause analysis and accepted the CAP. Audit team went onsite and verified field condition as part of correction. Audit team verified monitoring plan, monitoring record. Audit team deemed the correction and corrective action is effective to close out Critical/Major NC.  Critical/Major NC closed.

Non-conformity			
<b>NCR Ref #</b>	2190654-202204-M2	<b>Date Issued</b>	21/04/2022
<b>Due Date</b>	20/07/2022	<b>Date of nonconformity Closure</b>	18/06/2022
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO P&C INA NI 2020 – Indicator 7.3.1 (Critical) - (minor escalated to major)		
<b>Statement of Nonconformity:</b>	A waste management plan is not implemented in accordance with applicable laws and regulations.		
<b>Requirement Reference:</b>	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.		
<b>Objective Evidence:</b>	<p>During field visit to WWTP it was found that flowmeter for wastewater both in and outlet were not functioning and the wastewater still discharge to the river. In addition, according to the information from Mill Assistant it has not function since 3 weeks ago.</p> <p>PT ISJ has obtained permit for Wastewater Discharge to River/water body according to the Decree Letter from Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Labuhan Batu No. 503/660.31/397/DPM-PTSPBP2MMP/2018 tanggal 21 September 2019. Decree stipulated among others "Memasang Alat Ukur Debit / Install Flowmeter in the Outlet".</p>		
<b>Corrections:</b>	Make a memorandum containing the appointment of a PIC for checking the condition and the presence of the WWTP flowmeter.		
<b>Root Cause Analysis:</b>	There is no monitoring related to the presence of the flowmeter, either its condition and or its presence in the field.		
<b>Corrective Actions:</b>	<p>Installing the WWTP inlet flowmeter and repairing the damaged WWTP outlet flowmeter.</p> <p>Adding a spare flowmeter referring to regulation from Kementerian Lingkungan Hidup RI.</p>		
<b>Assessment Conclusion:</b>	Audit team has reviewed the root cause analysis and accepted the CAP. Audit team went onsite and verified field condition as part of correction. Audit team verified monitoring plan, monitoring record. Audit team deemed the correction and corrective action is effective to close out Critical/Major NC.		



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	Critical/Major NC closed.
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Non-conformity			
<b>NCR Ref #</b>	2190654-202204-N1	<b>Date Issued</b>	21/04/2022
<b>Due Date</b>	Next Audit (ASA1_2)	<b>Date of nonconformity Closure</b>	Next Audit (ASA1_2)
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO P&C INA NI 2020 – Indicator 2.3.2 (Minor)		
<b>Statement of Nonconformity:</b>	The evidence as listed in indicator 2.3.1 namely proof of land ownership for indirectly sourced FFB cannot be shown during audit.		
<b>Requirement Reference:</b>	For all indirectly sourced FFB, the unit of certification obtains from the collection centers, agents or other intermediaries, the evidence as listed in indicator 2.3.1.		
<b>Objective Evidence:</b>	Based on the document review, it is known that there are 4 (four) indirect FFB suppliers for Tanjung Selamat POM, namely: Roma, Wan Juma Sari Dewi-dura, Wanjuma Sari Dewi-KS, and Rizky Fazar Adi Putra. The company already has data of Information regarding the geolocation of FFB origins, and valid planting/operational/trading license, however for proof of land ownership from the indirect supplier has not been able to show during audit.		
<b>Corrections:</b>	Provide socialization and explanation to the Indirect supplier related to the update of RSPO PC 2018 related the need for legality documents and coordinate points for Direct and Indirect of FFB suppliers.		
<b>Root Cause Analysis:</b>	Data collection on legality and supplier coordinates, both direct and indirect, is carried out in stages. Most of the indirect farmers do not want to provide legality document because they are afraid that the company will use the legality documents incorrectly.		
<b>Corrective Actions:</b>	Approaching indirect farmers to be able to provide a copy of the legality of the land owned by the farmer.		
<b>Assessment Conclusion:</b>	The effectiveness of the CAP will be verified in the next surveillance audit.		

Non-conformity			
<b>NCR Ref #</b>	2190654-202204-N2	<b>Date Issued</b>	21/04/2022
<b>Due Date</b>	Next Audit (ASA1_2)	<b>Date of nonconformity Closure</b>	Next Audit (ASA1_2)
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO P&C INA NI 2020 – Indicator 6.7.2 (Minor)		
<b>Statement of Nonconformity:</b>	The implementation of emergency procedures at the Tanjung Selamat POM is not consistently applied.		
<b>Requirement Reference:</b>	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.		



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<b>Objective Evidence:</b>	Tanjung Selamat POM has a procedure for Emergency Procedure and Emergency equipment. However, during field visit and test the hydrant it was found that there was a leakage from the hydrant installation, no action taken by the unit to repair the installation.
<b>Corrections:</b>	Create a training program for employee which is carried out once in 3 months to ensure the hydrant is in good condition. Create a signboard indicating that there is a hydrant pipe, so that the Truck Driver who enter the mill do not cross the hydrant pipe line.
<b>Root Cause Analysis:</b>	Checking the hydrant hose is not routinely carried out by the staff in charge. The hose has not been used for a long time and standby in the hydrant box. The hydrant pipe is right under the path of the CPO transporting vehicle,. So the pressure from the vehicle make the hydrant pipe broken.
<b>Corrective Actions:</b>	<ol style="list-style-type: none"> <li>1. Perform routine checks once a month on the condition of the hydrant hose by the unit's OHS Officer.</li> <li>2. Replace the leaking hydrant hose with a new one.</li> <li>3. Changing the path of the CPO transport truck, so that it does not pass right over the hydrant pipe.</li> </ol>
<b>Assessment Conclusion:</b>	The effectiveness of the CAP will be verified in the next surveillance audit.

Opportunity for Improvements	
OFI #	Description
OFI 1	Nil

Positive Findings	
PF #	Description
PF 1	Nil

### 3.3.1 Status of Nonconformities Previously Identified and Observations

Non-conformity			
<b>NCR Ref #</b>	1756144-201903-M1	<b>Date Issued</b>	11 June 2020
<b>Due Date</b>	10 August 2020	<b>Date of nonconformity Closure</b>	6 August 2020
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 2.3.1 Major		
<b>Statement of Nonconformity:</b>	Certificate holder cannot demonstrate the evidence of: <ul style="list-style-type: none"> <li>• Ownership status, right/claim of the land by grower/smallholder;</li> </ul> If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.		
<b>Requirement Reference:</b>	(C) For all directly sourced FFB, Palm Oil Mill (POM) requires:		

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	<ul style="list-style-type: none"> <li>• Information regarding the geolocation of FFB origins;</li> <li>• Proof of ownership status, right/claim of the land by grower/smallholder;</li> </ul> <p>If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.</p>
<b>Objective Evidence:</b>	<p>PT Indo Sepadan Jaya are received FFB from another source/grower &amp; smallholder such as UD Sahabat (FFB Colector) and Bumdes Tebing Tinggi Pangkatan Sejahtera (CSV). However, company cannot be demonstrated the evidence of:</p> <ul style="list-style-type: none"> <li>• Ownership status, right/claim of the land by grower/smallholder;</li> </ul> <p>If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.</p>
<b>Corrections:</b>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM has made improvements by approaching farmers/smallholder, agents and business entities that are suppliers of Tanjung Selamat POM FFB. PT Indo Sepadan Jaya has collected the information of:</p> <ul style="list-style-type: none"> <li>- Ownership status, right/claim of the land by grower/smallholder</li> <li>- Valid operational/trading license of a cooperative/business entities which allows the buying and selling of FFB.</li> </ul> <p>Below are the information collected for UD Sahabat (FFB Collector/Agent):</p> <ul style="list-style-type: none"> <li>- Trading licence "Tanda Daftar Perusahaan No. 02292055101645 date 2 February 2017, valid until 2 February 2022.</li> <li>- Sampled of land ownership status as a supply base of UD Sahabat:             <ol style="list-style-type: none"> <li>1. Land ownership Certificate (SHM) no. 288 dated 27 November 1996 on behalf Ali Akbar, issued by BPN Labuhan Batu Regency, land size 17,117 m<sup>2</sup>.</li> <li>2. Land ownership Certificate (SHM) no. 3239 dated 15 October 2018 on behalf Bainah Siregar, issued by BPN Labuhan Batu Regency, land size 19,940 m<sup>2</sup>.</li> <li>3. Land ownership Certificate (SHM) no. 3310 dated 17 October 2018 on behalf Mahmud Dasopang, issued by BPN Labuhan Batu Regency, land size 19,990 m<sup>2</sup>.</li> </ol> </li> </ul> <p>Below are the information collected for Bumdes Tebing Tinggi Pangkatan Sejahtera (CSV):</p> <ul style="list-style-type: none"> <li>- Trading licence "Surat Keterangan Usaha Nomor: 525/512/TTP/2019" dated 19 September 2019, Location: Village Tebing Tinggi Pangkatan, main business: FFB sales and purchase.</li> <li>- Sampled of land ownership status as a supply base of CSV Bumdes Tebing Tinggi:             <ol style="list-style-type: none"> <li>1. Land ownership statement Letter from Badan Pertanahan Nasional (BPN) Labuhan Batu Regency No. 54/2020 dated 28 February 2020, consist Of 44 persil of land ownership. Sample seen: Persil No. 02.12.13.02.00607 on behalf Sukanti, size of land 19,980 m<sup>2</sup>; Persil No. 02.12.13.02.00621 on behalf Aziddin SE, size of land 8,345 m<sup>2</sup>.</li> </ol> </li> </ul> <p>Land ownership statement Letter from Badan Pertanahan Nasional (BPN) Labuhan Batu Regency No. 36/2020 dated 26 February 2020, consist Of 48 persil of land ownership. Sample seen: Persil No. 02.12.13.02.00586 on behalf Ida Eliawati, size of land 9,641 m<sup>2</sup>; Persil No. 02.12.13.02.00502 on behalf Lasmi, size of land 18,280 m<sup>2</sup>.</p>

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<b>Root Cause Analysis:</b>	Most of the smallholders/FFB suppliers are not willing to provide complete information and have concerns about providing copies of documents related to land ownership or business permits.
<b>Corrective Actions:</b>	<p>Creating a standard format and timeline progress for carrying out data collection related to the legality of land and business entities as suppliers of external FFB, as well as monitoring data updates and information on the legality of FFB Suppliers.</p> <p>PT Indo Sepadan Jaya has made the timeline to collected all the legality of the land ownership from each FFB suppliers (smallholder or agent or trader). The target was determine as November 2021 to collect all the information and data related to land legality and business entity of FFB supplier form Agent/Trader (indirect sources). This commitment has been signed by management of PT Indo Sepadan Jaya – Tanjung Selamat POM.</p> <p>For all direct sources FFB supplier from CSV (Bumdes Tebing Tinggi), PT Indo Sepadan Jaya has completed to collect the information of the business permit and land ownership status.</p>
<b>Assessment Conclusion:</b>	<p>PT Indo Sepadan Jaya has performing the correction and corrective action as above. Auditor has verify all the evidence document to fullfill the land ownership status of the land and business permit of FFB supplier. The company also has made the timeline to complete the information of land legality for the FFB Supplier from Agent/indirect sources with target November 2021. All information about direct sources of FFB supplier has been collected and completed.</p> <p>The NC has closed satisfactory on 6 August 2020.</p>

Non-conformity			
<b>NCR Ref #</b>	1921605-202006-M2	<b>Date Issued</b>	11 June 2020
<b>Due Date</b>	10 August 2020	<b>Date of nonconformity Closure</b>	6 August 2020
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 4.1.1 Major		
<b>Statement of Nonconformity:</b>	Company has established the Human Right Defender Policy and communicate to all workers, however the policy has not been communicated to supply chain actors and local communities.		
<b>Requirement Reference:</b>	(C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, supply chain and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.		
<b>Objective Evidence:</b>	<p>Company has established the policy of Human Right Defender as per "Memorandum No. 049/HO/MEMO/INT/03/20 tanggal 2 Maret 2020 Perihal Perlindungan terhadap Pelapor/Pembela Hak Asasi Manusia dari tindakan balas dendam, intimidasi dan pelecehan".</p> <p>The policy has been communicated to all level of workers, however it has not been communicated to supply chain actors and local communities according to RSPO standard.</p>		

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<b>Corrections:</b>	<p>Conducting socialization and documenting attendance of the Human Right Defender Policy socialization to Contractors, Suppliers, Stakeholders / Stakeholders and the surrounding community.</p> <p>PT Indo Sepadan Jaya has conducted the socialization of Human Right Defender policy to Contractors, Suppliers, local community and Stakeholders on 8 July 2020 and 20 July 2020 (Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate). Evidence of socialization can be demonstrated during NCR Close Out verification audit, such as: attendance list and photo documentation. Confirmation with sample contractor and suppliers confirmed that they have aware with company policy regarding Human Right Defender.</p>
<b>Root Cause Analysis:</b>	<p>Due to the Covid-19 Pandemic, the management of the unit has prioritized socialization of the new policy to internal parties and has not had the opportunity to socialize it to all interested parties affected since this Human Rights Defender Policy was published.</p>
<b>Corrective Actions:</b>	<p>Plan to refresh the socialization of company policies periodically to stakeholders/interested parties and to all new contractors or suppliers.</p> <p>PT Indo Sepadan Jaya has made the plan for refreshment of socialization for company policies to all stakeholders each year, prioritized to inform if there is a change in policy and prioritized socialization to new stakeholders.</p>
<b>Assessment Conclusion:</b>	<p>According to above correction and corrective action, confirmed that PT Indo Sepadan Jaya has made the effort to socialize the policy of Human Right Defender to all stakeholders. Socialization has been performed on July 2020. Evidence of socialization can be demonstrated. Company also has made the plan to refresh the socialization each year.</p> <p>The NC has closed satisfactory on 6 August 2020.</p>

Non-conformity			
<b>NCR Ref #</b>	1921605-202006-M3	<b>Date Issued</b>	11 June 2020
<b>Due Date</b>	10 August 2020	<b>Date of nonconformity Closure</b>	6 August 2020
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 6.6.2 Major		
<b>Statement of Nonconformity:</b>	Certificate holder cannot be demonstrated that specific labour procedure are established regarding temporary workers/PHL (Specified Time Work Agreement/PKWT).		
<b>Requirement Reference:</b>	(C) Where temporary (Specified Time Work Agreement/PKWT) or migrant workers are employed, a specific labour policy and procedures are established and evidence of implementation is available.		
<b>Objective Evidence:</b>	<p>PT Indo Sepadan Jaya and PT Rantau Sinar karsa are employed PHL or PKWT for their operation, according to list of employee approximately 100 workers of PHL/PKWT. However there is no specific procedure established regarding PHL/PKWT.</p> <p>Company has a procedure regarding labour as per "SOP AA-HR-305.2 – RO Rekrutmen dan Seleksi Karyawan, tanggal 1 February 2009". However the procedure is not include or regulate the PHL/PKWT.</p>		

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<b>Corrections:</b>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM and Estate and PT Rantau Sinar Karsa – Pangkatan Estate has issued the specific labour policy and procedures for temporary workers (PHL/PKWT); The policy and procedure are issued for each unit as below:</p> <ul style="list-style-type: none"> <li>- Tanjung Selamat POM: Memorandum No. 009/Mill-PTS/INT/07/2020 dated 24 July 2020.</li> <li>- Tanjung Selamat Estate: Memorandum No. 171/ES-KTS/MEMO/07/2020 dated 23 July 2020.</li> <li>- Pangkatan Estate: Memorandum No. 266/ MEMO/INT/07/2020 dated 01 July 2020.</li> </ul> <p>The policy and procedure has been communicated to temporary workers at Tanjung Selamat POM on 25 July 2020, in Tanjung Selamat Estate on 3 August 2020 and in Pangkatan Estate on 4 July 2020. The procedure was explain the detail of mechanism for temporary workers recruitment, promotion of temporary workers to be permanent workers, term and condition and requirement of temporary workers in accordance with National regulation (UU No. 13 tahun 2003).</p>
<b>Root Cause Analysis:</b>	<p>There has been no coordination between the sustainability department and the HR department in adjusting for updates/changes to the implementation of the RSPO INA NI 2020 principles and criteria, including updating procedures for PHL/PKWT.</p>
<b>Corrective Actions:</b>	<p>PT Indo Sepadan Jaya will review the policy and procedure including the implementation of procedure periodically in coordination with Human resources Department. Sustainability team has made the coordination with HR department and Estate/Mill department to keep updated the policy and procedure according to relevant regulation.</p> <p>PT Indo Sepadan Jaya has made the timeline to socialize the Memorandum regarding the specific policy and procedure to all employee as per "Program Sosialisasi Memorandum PHL". The Memorandum will be updated as necessary inline with the relevant regulation.</p>
<b>Assessment Conclusion:</b>	<p>According to above correction and corrective action, auditor conclude that company has implementing the correction and corrective action satisfactory to addressed the issue. PT Indo Sepadan Jaya has issued the specific policy and procedure as per "Memorandum" issued in each unit of Mill and Estate; Socialization its memorandum to temporary workers has been made and there is a programme to socialize the memorandum to all employee in coordination with HR Department, Mill/Estate Department and Sustainability Dept.</p> <p>The NC has closed satisfactory on 6 August 2020.</p>

Non-conformity			
<b>NCR Ref #</b>	1921605-202006-N1	<b>Date Issued</b>	11 June 2020
<b>Due Date</b>	Next Surveillance Assessment	<b>Date of nonconformity Closure</b>	26 February 2021
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 4.1.1 Major		

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<b>Statement of Nonconformity:</b>	Tanjung Selamat Estate and Pangkatan Estate has not evaluated the invasive species which listed in the "Peraturan Menteri KLHK No. P. 94/MENLHK/SEKJEN/KUM.1/12/2016".
<b>Requirement Reference:</b>	Invasive species are not to be used according to applicable regulation in managed areas, unless plans to prevent and monitor their spread are implemented.
<b>Objective Evidence:</b>	Indonesia regulation has listed the invasive species and its management according to "Peraturan Menteri KLHK No. P. 94/MENLHK/SEKJEN/KUM.1/12/2016". However Tanjung Selamat Estate and Pangkatan Estate has not evaluated the invasive species which may exist in the plantation.
<b>Corrections:</b>	Inventory and identify invasive species in the plantation unit according to the List listed in the regulation "Minister of Environment and Forestry Regulation No. P. 94 / MENLHK / SEKJEN / KUM.1 / 12/2016".
<b>Root Cause Analysis:</b>	Evaluation of regulatory compliance has been carried out but the company has not made adjustments to comply with the 2020 INA NI standard.
<b>Corrective Actions:</b>	Monitoring the invasive species in the plantation unit by making periodic monitoring reports in accordance with the regulation "Minister of Environment and Forestry Regulation No. P. 94 / MENLHK / SEKJEN / KUM.1 / 12/2016".
<b>Assessment Conclusion:</b>	Inventory and identification of invasive species in the Tanjung Selamat and Pangkatan Estate has been done according to the List listed in the regulation "Minister of Environment and Forestry Regulation No. P.94/MENLHK/SEKJEN/KUM.1/12/2016". The unit of certification has a list of existing invasive species and evaluate the status of control in certified area on 27 November 2020 in Tanjung Selamat Estate, on 4 November 2020 in Pangkatan Estate. Some species are naturally exist in the area and the spreading are controlled manually, e.g. Clidemia hirta, Imperata cylindrica and Mikania micranta. The are no species in the list that used to manage areas in unit of certification. Activity of inventory and identification of Invasive Species has been included into the Conservation Management Plan to be periodically carried out. The NC has closed satisfactory on 26 February 2021.

Non-conformity			
<b>NCR Ref #</b>	2049985-202101-M1	<b>Date Issued</b>	27 February 2021
<b>Due Date</b>	27 May 2021	<b>Date of nonconformity Closure</b>	5 May 2021
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 3.6.2 Major		
<b>Statement of Nonconformity:</b>	It was found the inconsistency of implementation on the effectiveness of the H&S plan to address health and safety risks in the field.		

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<b>Requirement Reference:</b>	(C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.
<b>Objective Evidence:</b>	<ol style="list-style-type: none"> <li>1. During field visit at Pangkatan Estate it was found the unsafe condition: Broken excavator without track rail operated to move rock material;</li> <li>2. During field visit at Tanjung Selamat Estate Block B16M Afdeling 2: The door plate of the TUS transport truck was torn and could potentially injure the hand;</li> <li>3. During field visit to warehouse and Fire Fighter storage in Pangkatan Estate found several fire extinguisher APAR (5 APAR) was unusable but the inspection checklist showed good condition.</li> <li>4. At workshop Tanjung Selamat Estate It was found that the electric socket installation was damaged but there was still electricity and was not repaired.</li> <li>5. During field visit to Tanjung Selamat POM it was found that 3 Hydrant installation check were not well function and 2 of them were broken. However there is no follow up action on this.</li> <li>6. It was found in area of emergency shower of hazardous waste storage Tanjung Selamat POM, the faucet were broken and not well function.</li> </ol> <p>Log Out Tag out during maintenance machine/equipment in Tanjung Selamat POM were not implemented.</p>
<b>Corrections:</b>	<ol style="list-style-type: none"> <li>1. Perform repairs on damaged Excavator tracks so that they can function normally and can be used properly.</li> <li>2. Replace TUS car Truck with Car Truck in good condition. The old truck is written of and no longer use.</li> <li>3. Inspect all APAR Tubes in Pangkatan Estate and refill empty APARs accompanied by re-checking APAR tubes.</li> <li>4. Repairing immediately broken electrical terminals at workshop Tanjung Selamat Estate.</li> <li>5. Immediately make repairs to the damaged Hydrant.</li> <li>6. Immediately repair the emergency shower of hazardous waste storage Tanjung Selamat POM.</li> </ol> <p>LOTO procedure socialization to all factory workers/mechanics that it is mandatory to use LOTO when checking and repairing equipment. Managers and Assistants ensure that all workers install LOTO before making repairs in their area of responsibility.</p>
<b>Root Cause Analysis:</b>	<ol style="list-style-type: none"> <li>1. The operator does not understand that the condition of the machine that is not in proper/ proper condition should not be operated. Lack of insight into understanding related to OHS and lack of control and monitoring from Field assistant.</li> <li>2. TUS (Spraying Unit Team) transport truck will already be written off so that no repairs will be made, while there is no replacement vehicle awaiting asset transfer from another unit.</li> <li>3. It is suspected that there is a tube leak because the APAR has only been filled for 6 months (usually it is refilled once a year). At the time of filling the fire extinguisher, the condition of the tube was not checked first so that no leaks were detected.</li> <li>4. Improper way of working by Traction personnel so that the plug is damaged. In addition there is no monitoring and concern for workshop personnel.</li> </ol>



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	<p>5. Hydrants are rarely used because there are no emergency events, lack of hydrant maintenance and lack of monitoring hydrant functions because there is no special PIC appointed.</p> <p>6. Emergency showers are rarely used, so they are poorly monitored for the eyewash condition.</p> <p>Workers/mechanics are still not used to and don't really understand how to apply lotto in the work area.</p>
<p><b>Corrective Actions:</b></p>	<ol style="list-style-type: none"> <li>1. Issued the Memorandum regarding the prohibition of operating the damaged heavy equipment. Carry out routine monitoring of all heavy equipment working in the field to ensure the condition of the heavy equipment before it is operated. Ensure that all workers operate the heavy equipment correctly and the heavy equipment used is in proper condition.</li> <li>2. Coordination with the Estate Department related to the write off of TUS vehicles. Field assistant ensure that the TUS Truck is in good condition when operated.</li> <li>3. Check the condition of the APAR regularly every month and ensure that the condition of the APAR can be used properly.</li> <li>4. Monitoring the work area condition before working, put up posters calling for the correct use of electrical equipment and installing work instructions for the use of electric tools in the workshop area.</li> <li>5. Conduct regular monitoring every month and appoint a special PIC to carry out routine inspections and perform simulations on the function of the hydrant.</li> <li>6. Monitor eyewash regularly and schedule eyewash checks.</li> </ol> <p>Monitoring the implementation of LOTO by field assistants and giving warnings to mechanics/employees if they do not apply LOTO when repairing and maintaining factory equipment.</p>
<p><b>Assessment Conclusion:</b></p>	<ol style="list-style-type: none"> <li>1. Pangkatan Estate has immediately repair the damaged Excavator tracks. According to "Berita Acara" dated 4 March 2021, confirmed that Excavator has been repaired and has well function. Management and field assistant has conduct the socialization on 8 March 2021 to all operator heavy equipment regarding the OHS aspect for operating heavy equipment. Estate management also has issued the Memorandum No. 124/MGR/INT/KPT/03/21 dated 8 March 2021 concering the Operating of equipment and work facility. In the memorandum stated that to enhance the consistency of OHS aspect implementation, all field assistant should check the working facility and equipment before operated; It was prohibit to use the damaged facility/equipment for work. The memorandum has been socialized to all field assistant. During interview with field assistant and heavy equipment operator confirmed that they have aware to regular check the condition of equipment/facility and ensuring that operator only operate the normal and proper equipment/facility.</li> <li>2. Tanjung Selamat Estate Management has immediately coordination with Estate Department to the write off the damaged TUS vehicles. Management has replace damaged TUS car Truck No. BK9439LG with another car Truck with good condition No. BK9884. The old truck is written of and no longer use. Head of workshop and traction (Asisten Traksi) has made the monitoring and routine maintenance programme for truck including TUS truck to ensure the proper condition of truck.</li> </ol>



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	<p>3. Pangkatan Estate management has immediately Inspect all APAR Tubes in Pangkatan Estate and refill empty APARs accompanied by re-checking APAR tubes. Baed on "Berita Acara" dated 25r March 2021 confirmed that there are 11 APAR tubes are refill and recheck the tubes to check if there is a leak from the tubes. Refill and checking are conduit by CV Cahaya Kencana. Company also has made the monthly monitoring checklist for APAR. Evidence of monthly APAR monitoring can be demonstrated during follow up audit. Sample seen on monitoring March 2021 and April 2021, confirmed that all APAR in good condition.</p> <p>4. Tanjung Selamat Estate has immediately repairing broken electrical terminals at workshop and checking all the electrical equipment in workshop to ensure that there is no unsafe condition. Workshop Assistant also has install the signboard and working instruction to operate the electrical equipment to prevent the damaged and unsafe condition. Socialization and awareness also has been conducted by Workshop assistant. During follow up audit confirmed that the electrical terminals at workshop has been repaired and no other unsafe condition in workshop area; interview with workshop operator confirmed that they have aware regarding the standard of electrical equipment operation including unsafe condition prevention.</p> <p>5. Tanjung Selamat POM has immediately make repairs to the damaged Hydrant. According to "Berita Acara" dated 26 February 2021 confirmed that Hydrant has been repaired. Hydrant test and simulation also has been performed on 27 February 2021 according to "Berita Acara" dated 27 February 2021. Based on hydrant test shown that Hydrant repaired has well function. Hydrant monitoring also has been done monthly by PIC appointed. Evidence of Hydrant monitoring can be demonstrated as per "Program pengecekan bulanan". Hydrant test are including nozel and hose, faucet, key, inspection card.</p> <p>6. Tanjung Selamat POM has immediately repair the emergency shower of hazardous waste storage Tanjung Selamat POM. According to "Berita Acara" dated 26 February 2021 confirmed that emergency shower has been repaired. Emergency shower test and simulation also has been performed on 27 February 2021 according to "Berita Acara" dated 27 February 2021. Based on test shown that emergency shower has well function. Hydrant monitoring also has been done monthly by PIC appointed. Evidence of emergency shower monitoring can be demonstrated as per "Program pengecekan bulanan".</p> <p>7. Tanjung Selamat POM has conducted LOTO procedure socialization to all factory workers/mechanics. Socialization conducted on 7 April 2021, evidence of socialization are available. During follow up audit and interview with mechanic confirmed that they have aware and understand regarding the LOTO procedure. Managers and Assistants ensure that all workers install LOTO before making repairs in their area of responsibility. Monitoring form of LOTO usage and Job safety analysis for equipment maintenance and repairing can be demonstrated during audit.</p> <p>The NC has closed satisfactory on 5 May 2021.</p>
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Non-conformity			
NCR Ref #	2049985-202101-N1	Date Issued	27 February 2021

<b>Due Date</b>	Next Assessment	<b>Date of nonconformity Closure</b>	19 April 2022
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 7.3.1 Minor		
<b>Statement of Nonconformity:</b>	Company has determined a waste management plan includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics; However during audit still found the inconsistency of its implementation.		
<b>Requirement Reference:</b>	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.		
<b>Objective Evidence:</b>	<ol style="list-style-type: none"> <li>1. During field visit to Pangkatan Estate Block D17N Afdeling IV it was found ex Polydor container dispose in to the land.</li> <li>2. During field visit to the emplacement (Main Camp) in Afdeling 3 Pangkatan Estate, it was found that used oil packages were disposed in the yard around the housing or not in their place according to established procedures.</li> <li>3. During field visit to Pangkatan Estate Landfill Afdeling 2 block B19e it was found many innerbag of fertilizer disposed in to the landfill; according to procedure it should be manage for reuse.</li> <li>4. It was found expired pesticide (Dithane more than 5 packs, expired on 15/08/2018) in the storage of Agrochemical Tanjung Selamat Estate and Pangkatan Estate. SOP Penanganan Limbah B3 No. AA-KL-06-EFP, dated 22 April 2016 stated that expired pesticide categorized as hazardous waste and manage as hazardous waste in temporary storage and deliver to licence vendor of hazardous waste.</li> <li>5. During filed visit to Tanjung Selamat POM found several ex chemical container used to accommodate the remaining oil on the fadpit and around WTP area, however according to procedure the ex chemical container should be manage as hazardous waste and store at the licenced hazardous waste storage.</li> <li>6. Flow meter for waste water discharge in POME outlet was not function well.</li> </ol>		
<b>Corrections:</b>	<ol style="list-style-type: none"> <li>1. Immediately transfer the used Pollydor chemical packaging to the Temporary hazardous waste storage and update the balance and logbook. Disseminate the SOP for the hazardous waste handling particularly for used chemicals/ex chemical container to employees and personnel who are responsible for managing pesticides.</li> <li>2. Immediately transfer the used oil packages to the Temporary hazardous waste storage and update the balance and logbook. Disseminate the SOP for the hazardous waste handling particularly for used oil packages and chemicals/ex chemical container to employees.</li> <li>3. Immediately take the innerbag that is in the landfill and transfer it to the innerbag collection warehouse; Socialization to warehouse PIC and assistant/field foreman related to Innerbag waste management.</li> <li>4. Putting used chemical containers (bluechem) in the factory work area into the Temporary hazardous waste storage; Provide container containers that are not used chemical packaging;</li> </ol>		

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	<ol style="list-style-type: none"> <li>5. Send samples of expired chemicals to RnD for testing and analysis. Coordinate with the Rnd team the test results, whether to be reused or immediately written off or destroyed as waste.</li> <li>6. Immediately repair the clogged flow meter pipe.</li> </ol>
<b>Root Cause Analysis:</b>	<ol style="list-style-type: none"> <li>1. There are Pollydor chemical mixing activities in the field and the lack of supervision from field assistants regarding procedures for mixing pesticides and managing used packaging.</li> <li>2. Employees reuse used oil containers as containers/trash cans in housing. Lack of employee understanding regarding Procedure hazardous waste management.</li> <li>3. Employees do not understand the SOP for the management and handling of Innerbag waste and there is no supervision from field assistants in the management of Innerbag waste.</li> <li>4. There is no chemical expiration monitoring in the warehouse and dithane is a chemical that is rarely used. Lack of understanding of warehouse personnel and KTU regarding hazardous waste criteria and handling procedures.</li> <li>5. Lack of storage containers resulting in the use of used chemical jerry cans (bluechem) in the work area. Employees do not understand that bluechem jerry cans/used chemicals should not be used for the purpose of storing CPO residues/sludge.</li> <li>6. There is a drain hole where the connector pipe to the flowmeter is clogged so that the tool cannot detect the measurement of wastewater discharge. It is also poorly monitored by field assistants.</li> </ol>
<b>Corrective Actions:</b>	<ol style="list-style-type: none"> <li>1. Conducting socialization to all TUS employees to mix chemicals in the prepared mixing warehouse. Undertake strict supervision by field assistants.</li> <li>2. Refreshment of waste management SOPs for employees; Monitoring the implementation of waste management by field assistant.</li> <li>3. Refreshment of waste management SOPs for employees; Monitoring the implementation of waste management by field assistant.</li> <li>4. Monitoring the expiration date of all chemicals in the Agrochemical warehouse, and reporting it to KTU if any of them have expired for further handling.</li> <li>5. Completing the shortage of containers for palm oil droplets in the mill area and ensuring the availability of containers for collecting palm oil droplets.</li> <li>6. Monitoring and making checklists for inspection and maintenance of flow meter connector pipes.</li> </ol>
<b>Assessment Conclusion:</b>	<p>Audit team has reviewed the root cause analysis and accepted the CAP. Audit team went onsite and verified field condition as part of correction. Audit team verified monitoring plan, monitoring record. However, during onsite visit it was found another non conformity related to this indicator, it is escalated to Major NC No. 2190654-202204-M2.</p>

<b>Non-conformity</b>			
<b>NCR Ref #</b>	2049985-202101-N2	<b>Date Issued</b>	27 February 2021

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<b>Due Date</b>	Next Assessment	<b>Date of nonconformity Closure</b>	19 April 2022
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 6.2.7 Minor		
<b>Statement of Nonconformity:</b>	PT RSK and PT ISJ still use temporary workers to performed core work (harvesting) and Mill processing at the Tanjung Selamat mill for more than one year, in addition there is no programme to promote the workers as permanent employee.		
<b>Requirement Reference:</b>	Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal		
<b>Objective Evidence:</b>	Based on the employess master for the period December 2020, PT ISJ and PT RSK still have 70 temporary workers (Daily: PHL) who do the main work, namely: <ul style="list-style-type: none"> <li>• There are 41 harvesters in the Pangkatan Estate with status casual workers (PHL), has work more than 1 year</li> <li>• Tanjung Selamat Estate has 24 harvesters with status casual workers (PHL), has work more than 1 year</li> <li>• Tanjung Selamat Mill has 2 processing workers, 2 Laboratory workers and 1 Biogas worker with status casual workers (PHL), has work more than 1 year.</li> </ul>		
<b>Corrections:</b>	Coordinate with the HR Department regarding the program for the appointment/promotion of temporary (PHL) employees to become SKUs/permanent employees. Consult with the Department of Manpower regarding the use of PHL workers and their appointment program.		
<b>Root Cause Analysis:</b>	The Covid-19 Pandemic conditions that have caused constraints to the company's program for the appointment/promotion of temporary (PHL) employees to become SKUs/permanent employees.		
<b>Corrective Actions:</b>	Make a timeline for the appointment/promotion of temporary (PHL) employees to become SKUs/permanent employees.		
<b>Assessment Conclusion:</b>	Audit team has reviewed the root cause analysis and accepted the CAP. Audit team went onsite and verified field condition as part of correction. Audit team verified monitoring plan, monitoring record. Audit team deemed the correction and corrective action is effective to close out Non-Critical/Minor NC.		

<b>Non-conformity</b>			
<b>NCR Ref #</b>	2049985-202101-N3	<b>Date Issued</b>	27 February 2021
<b>Due Date</b>	Next Assessment	<b>Date of nonconformity Closure</b>	19 April 2022
<b>Clause &amp; Category (Critical / Minor)</b>	RSPO INA-NI 2020 Indicator 2.1.3 Minor		
<b>Statement of Nonconformity:</b>	During field visit It was found the deviation of numbering between the sample of HGU Pole number with the HGU Maps. The number of HGU pole in the field was not accordance with HGU maps.		
<b>Requirement Reference:</b>	Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.		

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<b>Objective Evidence:</b>	During field visit to Pangkatan Estate, it was found: <ul style="list-style-type: none"> <li>• HGU Pole number LXV in the HGU Maps, however in the field HGU number was RSK 023</li> <li>• HGU Pole number LXVIII in block A18a in the HGU Maps, however in the field HGU number was RSK 015</li> <li>• HGU pole number LXI in the HGU maps, however in the field HGU number was RSK 014</li> </ul>
<b>Corrections:</b>	Adjust the HGU pole number in the field with the new HGU marker map as a reference for numbering in the field, in accordance with the change in the HGU pole numbering.
<b>Root Cause Analysis:</b>	The extension of the validity period of the HGU which is currently under process has caused a change in the numbering of the HGU pole according to "Risalah Panitia B" together with the National Land Agency (BPN), so that the number of existing poles in the field is different from the number of poles that have been updated on the map.
<b>Corrective Actions:</b>	Changing the HGU pole number in the field gradually, and made a new timeline for the progress of the pole numbering. Monitoring and maintenance of HGU poles.
<b>Assessment Conclusion:</b>	Audit team has reviewed the root cause analysis and accepted the CAP. Audit team went onsite and verified field condition as part of correction. Audit team verified monitoring plan, monitoring record. Audit team deemed the correction and corrective action is effective to close out Non-Critical/Minor NC.

### 3.3.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Critical / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1128962M1	Major	3.1.1	08/12/2014	Closed on 23 March 2015
1128962M2	Major	4.7.2	08/12/2014	Closed on 23 March 2015
1128962M3	Major	6.3.1	08/12/2014	Closed on 23 March 2015
1307239N1	Minor	4.8.2	31/03/2016	Closed on 16 May 2017
1307239N2	Minor	4.7.6	31/03/2016	Closed on 16 May 2017
1307239N3	Minor	2.2.2	31/03/2016	Closed on 16 May 2017
1479188-201705-N1	Minor	6.1.4	18/05/2017	Escalated to Major NC
1600992-201802-M1	Major	1.1.2	28/02/2018	Closed on 6 April 2018
1600992-201802-M2	Major	4.6.11	28/02/2018	Closed on 6 April 2018
1600992-201802-M3	Major	4.7.2	28/02/2018	Closed on 6 April 2018
1600992-201802-M4	Major	4.7.4	28/02/2018	Closed on 6 April 2018
1600992-201802-M5	Major	4.7.5	28/02/2018	Closed on 6 April 2018
1600992-201802-M6	Major	6.1.4	28/02/2018	Closed on 6 April 2018
1600992-201802-M7	Major	SCC 5.7.2	28/02/2018	Closed on 6 April 2018

1600992-201802-N1	Minor	2.1.3	28/02/2018	Closed on 29 March 2019
1600992-201802-N2	Minor	4.7.7	28/02/2018	Closed on 29 March 2019
1600992-201802-N3	Minor	5.1.3	28/02/2018	Closed on 29 March 2019
1756144-201903-M1	Major	5.3.2	29/03/2019	Closed on 18 June 2019
1756144-201903-M2	Major	5.6.2	29/03/2019	Closed on 18 June 2019
1921605-202006-M1	Critical	2.3.1	11/06/ 2020	Closed on 6 August 2020
1921605-202006-M2	Critical	4.1.1	11/06/ 2020	Closed on 6 August 2020
1921605-202006-M3	Critical	6.6.2	11/06/ 2020	Closed on 6 August 2020
1921605-202006-N1	Minor	7.1.2	11/06/2020	Closed on 26 February 2021
2049985-202101-M1	Critical	3.6.2	27/02/2021	Closed on 5 May 2021
2049985-202101-N1	Minor	7.3.1	27/02/2021	Minor escalated to major
2049985-202101-N2	Minor	6.2.7	27/02/2021	Closed on 20 April 2022
2049985-202101-N3	Minor	2.1.3	27/02/2021	Minor escalated to major
2190654-202204-M1	Major	2.1.3	21/04/2022	Closed on 18 June 2022
2190654-202204-M2	Major	7.3.1	21/04/2022	Closed on 18 June 2022
2190654-202204-N1	Minor	2.3.2	Next ASA	Open
2190654-202204-N2	Minor	6.7.2	Next ASA	Open

### 3.4 Stakeholders and previous land owner / user consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss PT Indo Sepadan Jaya – Tanjung Selamat Mill Certification Unit’s environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as below.

Stakeholders contacted		
Type of Stakeholder (e.g. Internal, Union, Contractor, Governmental Department, NGO, External, Communities)	Stakeholder name / organization	Means of communication (e.g. face to face interview, email, phone interview, comment from public notice)
Workers of PT Indo Sepadan Jaya – Tanjung Selamat Mill	Workers during field visit	Face to face interview



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Dinas Pertanian dan Perkebunan Kabupaten Labuhanbatu	Mr. Adil	By phone
Dinas Lingkungan Hidup Kabupaten Labuhanbatu	Mrs. Sorta Manurung	By phone
Dinas Tenaga Kerja dan Transmigrasi Kabupaten Labuhanbatu	Mr. Manik	By phone
Head of Gender Committee of PT ISJ	Mrs. Romasi Banjarnahor	Face to face interview
Head of Sennah dan Kampung Padang Village:	Mr. Amin Mr. Jarno	Face to face interview
NGO LSM Barisan Rakyat Indonesia Bersatu Kabupaten Labuhanbatu	Mr. Agus Immanuel Bukit	Face to face interview
<b>Labor Union</b> Union Head	Mr. Henri G. Sinaga (PT RSK) Mr. Josmar Tamba (PT ISJ)	Face to face interview

Stakeholders comment	
<b>Dinas Pertanian dan Perkebunan Kabupaten Labuhanbatu</b>	<p><b>Feedbacks:</b></p> <ul style="list-style-type: none"> <li>• company and “Labuhanbatu District Plantation Office” has been going well.</li> <li>• PT Rantau Sinar Karsa and PT Indo Sepadan Jaya has obtained a “Plantation Business Permit (IUP)”.</li> <li>• PT Indo Sepadan Jaya has obtained a “Plantation Class III Assessment” (Medium). Meanwhile, PT Rantau Sinar Karsa received a plantation grade assessment; class II (Good).</li> <li>• Companies (PT ISJ) already have programs for empowering local communities through the CSV (Creat Share Value) program.</li> <li>• No complaints were reported and/or recorded by the “Plantation Office of North Sumatra Province” related to mill and plantation operations.</li> </ul> <p><b>Audit Team verification and response:</b></p> <ul style="list-style-type: none"> <li>• Management acknowledges positive feedback/ comments and is deemed compliant.</li> <li>• PT Rantau Sinar Karsa (RSK), already has a plantation class assessment based on the Decree of the Regent of Labuhanbatu No. 520/3987/DIPERTA-BUN/2020 dated 27 October 2020 regarding the Establishment of PT Rantau Sinar Karsa's Plantation Business Class located in Sennah Village, Pangkatan District as class II (Good).</li> <li>• PT. Indo Sepadan Jaya received a plantation class assessment with a Class III category based on the Plantation Class Certificate dated January 16, 2019 issued by the Provincial Government of North Sumatra, a.n. the Governor of North Sumatra. The Plantation Class Certificate is valid for 3 years (ends in 2021), but due to the Covid-19 pandemic, the plantation business assessment cannot be carried out.</li> <li>• PT RSK has reported the Plantation Business Report for the period July – December 2021 to the Department of Agriculture, Plantation Sub-Sector of Labuahan Batu Regency on January 20, 2022.</li> <li>• PT ISJ has submitted a Plantation Business Report for the period July – December 2021 to the Department of Agriculture, Plantation Sub-Sector, Labuhan Batu Regency on January 31, 2022.</li> </ul>

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	<ul style="list-style-type: none"> <li>PT Indo Sepadan Jaya (ISJ) and PT RSK have a CSV (Create Share Value) program which is an oil palm partnership with the surrounding community, a CSV program for the period 2020-2021, while PT RSK does not have a CSV collaboration program.</li> </ul> <p>In 2021 the company has compiled 6 types of programs, including programs to improve the welfare of the surrounding community, for example:</p> <ul style="list-style-type: none"> <li>Independent Smallholder Training in Certification Preparation, carried out in April-May 2021.</li> <li>Independent Smallholder Coordination Meeting, carried out in June-September 2021</li> <li>Making an Appeal Sign, carried out in May 2021</li> <li>Assistance in providing owl cages (KBH) Pilot, implemented in May 2021</li> <li>Road Repair Assistance, will be implemented in April-May 2021.</li> <li>Cooperative Office Renovation and Equipment Assistance, will be implemented in April-May 2022.</li> </ul> <p>The company's obligations related to reporting have been carried out properly, so that reporting is carried out per semester in accordance with the predetermined period.</p> <p>With the empowerment program for the surrounding community through CSV, it is expected to provide economic benefits and can improve the living standards of the surrounding community. The development of this collaboration will always be monitored in the next audit.</p>
<p><b>Dinas Lingkungan Hidup Kabupaten Labuhanbatu</b></p>	<p><b>Feedbacks:</b></p> <ul style="list-style-type: none"> <li>In general, communication between the company and the "Labuhanbatu District Environmental Service" has been going well.</li> <li>Company has obtained "Environmental Permits" for all oil palm plantation areas and palm oil mills.</li> <li>Company has a permit for the temporary storage of hazardous waste (TPS LB3).</li> <li>The company has prepared a "RKL-RPL Implementation Report", "B3-hazardous waste report" and is reported regularly (six months) to the "Labuhanbatu Regency Environmental Service". PT Indo Sepadan Jaya (ISJ) and PT Rantau Sinar Karsa (RSK) have consistently submitted the RKL-RPL Implementation Report every 6 months (last report from Semester II 2021) reported on February 2, 2022.</li> <li>The company has carried out proper river border management.</li> <li>Several areas of Pangkatan's plantations are peat areas. PT RSK has implemented water management on peatlands well.</li> <li>During the period 2020-2021 there were no reports from the surrounding community related to environmental issues (pollution).</li> </ul> <p><b>Audit Team verification and response:</b></p> <ul style="list-style-type: none"> <li>Company has a document of Terms of Reference for Environmental Impact Analysis (<i>Kerangka Acuan Analisis Dampak Lingkungan</i>) that has been approved by the Central Commission for AMDAL, Ministry of Agriculture No. 49/AMDAL/V/1993 dated 15 May 1993. The company's final AMDAL document has also been approved by the Secretary General of the Ministry of Agriculture No. PC. 220/383/B/II/1994 dated February 26, 1994. The scope of the AMDAL study is the area of PT Rantau Sinar Karsa covering an area of 4,500 ha in the District of Bilah Hilir, Labuhan Batu Regency which is located as indicated in the map of location instructions in the AMDAL document.</li> <li>PT. Indo Sepadan Jaya already has an Environmental document in the form of an Environmental Evaluation Study (SEL: <i>Studi Evaluasi Lingkungan</i>) in accordance with the approval of the Ministry of Agriculture's AMDAL Commission No. 998/AMDAL/V/1993 dated</li> </ul>



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	<p>May 4, 1993 with the scope of AMDAL study for PT. Indo Sepadan Jaya Tanjung Selamat Estate covering an area of 3,855 Ha and PKS capacity of 30 Tons FFB/Hour extension (addition of capacity) up to a capacity of 60 Tons of FFB/Hour.</p> <ul style="list-style-type: none"> <li>• PT RSK has hazardous temporary storage permit renewal/extend based on the Decree of the Head of the Office of Investment and One Stop Services of Labuhan Batu Regency Number: 503.660.3/557/DPMPSTP-BP2MNP/2019 dated November 5, 2019 concerning the Granting of a B3 Waste Management Permit for Hazardous Waste Storage Activities To PT Rantau Sinar Karsa. The permit is valid for 5 years from the date of issue. Hazardous waste storage is permitted in a predetermined place and the storage period is 90 days if the volume of waste generated reaches 50 kg/day and storage can be carried out up to 180 days if the waste generated is less than 50 kg per day.</li> <li>• PT ISJ has hazardous temporary storage based on Decree of the Regent of Labuhan Batu Number 503.660/324/BLH-LB/WAS/2014 dated December 30, 2014. concerning Permit for Temporary Storage of Hazardous and Toxic Waste to PT. Indo Sepadan Jaya – Tanjung Selamat Estate, Kampung Padang Village, Pangkatan District, Labuhan Batu Regency. The permit is valid for 5 years from the date of issue.</li> <li>• In the Pangkatan Plantation area, there is a river that flows and borders the Pangkatan Plantations, namely the Merbau River. The company makes management efforts by establishing river borders as protected areas and protecting and preserving river border areas, not carrying out plant maintenance in river border areas. Conservation of water sources and river boundaries is carried out by determining the boundaries of the water source area: <ul style="list-style-type: none"> <li>- Reservoir/lake, minimum width of 50 m</li> <li>- Springs, minimum width of 200 m border</li> <li>- River with a width of 12 m, the minimum width of the border is 50 m</li> <li>- River with a width of 12 m, the minimum width of the border is 100 m</li> </ul> </li> <li>• In addition to determining the boundaries of water sources, rehabilitation or restoration is also carried out on the border areas of water sources that need to be rehabilitated/restored. In the river border area, riparian boundary markers are installed with red cast paralon pegs with a distance of 200 m between stakes.</li> <li>• The company has established a groundwater management program (Water level) to ensure peat subsidence can be monitored and minimized. The company has built and monitored sluice gates, main ditch gates, peat subsidence monitoring, water level monitoring. The company has implemented water management and peat subsidence monitoring programs, among others in the following ways: <ol style="list-style-type: none"> <li>1. Monitoring the water level, using a water level gauge.</li> <li>2. Monitoring peat subsidence, using subsidence stakes.</li> </ol> <p>Monitoring the groundwater level, using a piezometer.</p> </li> <li>• Based on visits to river borders and forest tree nurseries for the purposes of planting the right and left sides of the river borders, it shows that the company has commitment and efforts to improve the river borders in their HGU.</li> <li>• Implementation of peat ecosystem restoration program, will be verified at every audit visit</li> </ul>
<p><b>Dinas Tenaga Kerja dan Transmigrasi</b></p>	<p><b>Feedbacks:</b></p> <ul style="list-style-type: none"> <li>• PT. Indo Sepadan Jaya (PT ISJ) and PT Rantau Sinar Karsa (PT RSK) have established good communication with the "Office of Manpower and Transmigration of East Kutai Regency".</li> </ul>

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<p><b>Kabupaten Labuhanbatu</b></p>	<ul style="list-style-type: none"> <li>• PT. Indo Sepadan Jaya (PT ISJ) and PT Rantau Sinar Karsa (PT RSK) have prepared and reported on their industrial relations obligations such as the "Mandatory Labor Report" and "P2K3 Report" for health and safety performance.</li> <li>• There is no indication/report on the use of underage workers (Child labour) at PT. Indo Sepadan Jaya and PT Rantau Sinar Karsa.</li> <li>• PT. Indo Sepadan Jaya (PT ISJ) and PT Rantau Sinar Karsa (PT RSK) have applied minimum wages according decree of Gubernur Sumatera Utara No. 188.44/17/KPTS/2020 dated 13 January 2020 regarding Labuhanbatu Regency Sectoral Minimum Wage in 2022.</li> <li>• All employees have been registered with the social insurance "BPJS Ketenagakerjaan and and BPJS Kesehatan ".</li> <li>• The company has a collective labor agreement (PKB: <i>Perjanjian Kerja Bersama</i>) for the period 2018-2020.</li> <li>• The company has prepared personal protective equipment, based on risk assessment and accident records.</li> <li>• Labuhanbatu Regency has not yet set a sectoral minimum wage for the period 2021-2022 in Lauhanbatu Regency, so that the determination of the minimum wage for the 2022 period still follows the minimum wage in the 2020 period, which is IDR 3,284,500 per month.</li> <li>• In the period 2021-2022 there were no cases of industrial relations or employment cases.</li> </ul> <p><b>Audit Team verification and response:</b></p> <ul style="list-style-type: none"> <li>• PT. Indo Sepadan Jaya and PT Rantau Sinar Karsa acknowledge the positive feedback and consider the comments constructive.</li> <li>• Collective Labor Agreement (PKB) between the Cooperation Agency for Sumatran Plantation Companies (BKS-PPS) and <i>Pengurus Pusat Federasi Serikat Pekerja Pertanian dan Perkebunan Serikat Pekerja Seluruh Indonesia</i> (PP.FSP.PP-SPSI) which have been registered with the Ministry of Manpower in accordance with the Decree <i>Dirjen Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja</i> No. KEEP. 88/PHIJSK-PKKAD/PKB/VI/2015, dated 4 July 2018, effective from 8 April 2018 to 20 April 2020, outlining the Rights and Obligations of Workers with SKU status (General Work Terms).</li> <li>• The company has registered all employees with BPJS Employment and Health</li> </ul> <p><u>Tanjung Selamat Estate:</u></p> <p>The last BPJS Ketenagakerjaan (Jamsostek) contribution payment was for the period January 2022 on January 18, 2022 as many as 537 people and there are 62 employees who are still in the process, no. registration BB021715 (307 participants), No. BB020692 (69 Participants) and No. BB020245 (161 participants).</p> <p>BPJS Kesehatan for the period of February 2022 has paid contributions on February 8, 2022 to as many as 446 employees and 153 are PBI and Dependents.</p> <p><u>Tanjung Selamat Mill:</u></p> <p>The last payment of BPJS Ketenagakerjaan (Jamsostek) contributions was for the period January 2022 on January 18, 2022 as many as 91 people, no. registration BB020568000 (Tanjung Selamat Mill).</p> <p>BPJS Kesehatan has paid dues for the January 2022 period on January 10, 2022, as many as 89 employees and PBI recipients (<i>Penerima Bantuan Iuran</i>) and 2 dependents.</p> <p><u>Pangkalan Estate (PT RSK):</u></p> <p>The last BPJS Ketenagakerjaan (Jamsostek) contribution payment was for the period January 2022 on January 18, 2022 to 365 employees no. registration BB020242 (SKU employees) and BB 021630 (for PHL employees) and there are still 107 employees who are still in the registration process. BPJS Kesehatan for the January 2022 period has paid dues</p>
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	<p>on January 10, 2022, totaling 298 employees and 174 people being PBI (<i>Penerima Bantuan Iuran</i>) and dependents.</p> <ul style="list-style-type: none"> <li>The application of wages for the period of 2021 – 2022 still uses the basis of wages from 2020 based on the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhanbatu Regency in 2020 of IDR 3,284,500 per month.</li> <li>Based on an interview with the Manpower and Transmigration Office of Labuhanbatu Regency, there is no sectoral minimum wage set for the period 2021-2022 in Lauhanbatu Regency, so that the determination of the minimum wage for the 2022 period still follows the minimum wage in the 2020 period, which is IDR 3,284,500 per month.</li> </ul>
<p><b>NGO</b> <b>LSM Barisan Rakyat Indonesia Bersatu Kabupaten Labuhanbatu</b></p>	<p><b>Feedbacks:</b></p> <ul style="list-style-type: none"> <li>The NGO Barisan Rakyat Indonesia Bersatu always monitors the operational activities of PT ISJ and PT RSK, especially in relation to environmental and social aspects of employment.</li> <li>Until now (the period of 2021-2022) there are no issues related to the environment, either by pollution or by other environmental damage.</li> <li>PT ISJ and PT RSK own land in the form of peat, but the company has managed it well so that there is no negative impact on the environment.</li> <li>The company is not proven to have employed child or underage workers.</li> <li>To date, there have been no cases related to coercion or violence perpetrated against workers.</li> </ul> <p><b>Audit Team verification and response:</b></p> <ul style="list-style-type: none"> <li>The company always cooperates with local NGOs to be able to provide each other with input related to the management of oil palm plantations.</li> <li>This is a positive response and the company will always be committed to always running the company in accordance with company policies and applicable laws and regulations.</li> <li>The auditor appreciates the positive response.</li> <li>Based on interviews with villagers around the PT ISJ and PT RSK plantations, no negative impacts on the environment were identified.</li> <li>Based on document verification, interviews with Trade Unions and several workers, that no child labor, forced labor or violence against workers were identified</li> </ul>
<p><b>Head of Sennah dan Kampung Padang Village:</b></p>	<p><b>Feedbacks:</b></p> <ul style="list-style-type: none"> <li>Communication between village officials and the company went well.</li> <li>Every year the company always has a CSR Program for the surrounding community.</li> <li>During 2021-2022 there were no reports of land disputes between the community and the company either at PT ISJ or at PT RSK. Although there are land problems in Pangkatan Estate (PT RSK) which have occurred since 2019.</li> <li>There are no issues from the surrounding community related to social and environmental issues.</li> <li>Absorption of local workers to work at PT Indo Sepadan Jaya and PT Rantau Sinar Karsa is minimal, including at the casual service level, although job vacancies at PT Indo Sepadan Jaya and PT Rantau Sinar Karsa are always announced, which are handed over to village officials around Kampung Padang Village, Desa Sennah, Kampung Padang Village, etc. However, the company should always provide information related to the opening of the workforce.</li> <li>So far, communication between the village and the company has been running smoothly and stated that there has been a CSR program.</li> </ul>

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**Audit Team verification and response:**

- Communication with village officials around the plantation is well established through the Public Relations and Estate Manager.
- Realization of CSR program for 2021 period which has been implemented. PT ISJ and PT RSK have also prepared a Social Responsibility / CSR Program in the Asian Agri Plantation I CSR Program in North Sumatra for the 2022 period.
- In the PT Indo Sepadan Jaya area there are no communities that still hold customary law. However, the company continues to carry out and create programs to empower the surrounding community through CSR programs in the field of CSV (Creat Share Value). This CSV program has been carried out since 2018 and in 2021-2022 the company has compiled 6 types of programs, including programs to improve the welfare of the surrounding community and have been realized, for example:

Create Share Value (CSV)

- Independent Smallholder Training in Preparation for Certification, will be held in April-May 2021.
- Assistance for the repair of Cooperative Office buildings and equipment will be carried out in April-May 2021.
- Independent Smallholder Coordination Meeting, will be held in June- September 2022
- Making an Appeal Sign, carried out in May 2021
- Assistance for providing of owl cage, implemented in May 2022
- Road Repair Assistance will be implemented in April-May 2022.

Regarding land issues in The Pangkatan Estate (PT RSK):

On December 10, 2020, a final degree meeting was held with recommendations/conclusions:

- a) In accordance with the conclusion of the mediation meeting on October 13, 2020, the farmer groups will submit details of their wishes in the near future, but until now (the meeting was held) there are no details desired by the farmer groups. However, on December 8, 2020, the Regional Office of BPN Prov. North Sumatra only received a letter from the Tani Makmur Perduaan group regarding a request for the return of 600 hectares of land.
- b) PT RSK has paid attention to the surrounding community by carrying out social responsibility tasks in accordance with applicable regulations.
- c) Related to the demands of the community represented by KT (Kelompok Tani) Makmur Perduaan, KT Nelayan, KT Tani Bomban Bidang Seberang and KT Dusun V, VI, VII Pangkatan Village and KT Teluk Lesung for HGU area no. 3/Sennah registered in the name of PT Rantau Sinar Karsa to take legal action because no agreement was reached through mediation.
- d) Furthermore, the Regional Office of the BPN, North Sumatra Province, stated that: the process of issuing HGU no. 3/Sennah on behalf of PT Rantau Sinar Karsa covering an area of 4,366 hectares located in Pangkatan and Sennah Villages, Bilah Hilir sub-district, Labuhanbatu Regency, Prov. North Sumatra has complied with the applicable laws and regulations and the land is used in accordance with the decree granting its rights, so that if there are parties who object to take legal action.

During this audit there is no discussed related this complaint. The condition of the land, at this time is still not planted by the company because the land is flooded land. The company

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	<p>has tried to do planting on the land, but has not succeeded in planting it with good plant growth.</p> <ul style="list-style-type: none"> <li>• The CSR programs owned by PT Indo Sepadan Jaya and PT Rantau Sinar Karsa have been very good, based on interviews with several village heads, they give the impression that they are quite satisfied with the program.</li> <li>• Approaches to problems with the surrounding community are always well-addressed and appreciative.</li> <li>• Regarding land issues in The Pangkatan Estate (PT RSK), has been explained in the explanation of indicator 4.8.3 above.</li> </ul>
<p><b>Labor Union</b>          Union Head:          PT RSK: Sdr. Henri G. Sinaga          PT ISJ: Josmar Tamba</p>	<p><b>Feedbacks:</b></p> <ul style="list-style-type: none"> <li>• Company, PT ISJ and PT RSK have facilitated the formation of trade unions as well as facilities and infrastructure to support trade union activities.</li> <li>• Communication is established with the company's management through regular meetings held at least 2 times a year.</li> <li>• The application of wages is in accordance with applicable regulations.</li> <li>• Upah telah diterapkan sesuai dengan ketetapan gubernur Sumatera Utara untuk periode tahun 2022.</li> <li>• Provision of work equipment is provided at no cost to employees, including the provision of PPE (personal protective equipment).</li> <li>• Housing facilities are provided including electricity and clean water for workers.</li> <li>• Health insurance is provided to employees through clinics established by the company in the plantation area.</li> <li>• Up to now, there is no issue of the use of child labor (under the age of 18), there is no coercive work.</li> <li>• The company and trade unions will make every effort to resolve industrial relations cases internally.</li> </ul> <p><b>Audit Team verification and response:</b></p> <ul style="list-style-type: none"> <li>• Is a positive response and will be maintained and developed for the better.</li> <li>• The company has policies related to wages, use of labor and ensuring the rights of its employees.</li> <li>• The Company has a Policy signed by Management on May 1, 2009 which states; minimum age limit of 18 years for employee recruitment and prohibits children from working in any company activities.</li> <li>• The application of wages for the period of 2021 – 2022 still uses the basis of wages from 2020 based on the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhan Batu Regency in 2020 of IDR 3,284,500 per month.</li> <li>• Based on communication with the Manpower and Transmigration Office of Labuhanbatu Regency, there is no sectoral minimum wage setting for the 2021-2022 period in Lauhan Batu Regency, so that the determination of the minimum wage for the 2022 period still follows the minimum wage in the 2020 period, which is IDR 3,284,500 per month.</li> </ul> <p>The implementation of company policies has been well implemented.          The implementation of policies related to employment (wages, use of child labor and recognition of labor rights) must always be monitored.</p>

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	Based on an interview with the Disnakertrans Kab. Labuhan Batu, that up to this surveillance audit, there were no recorded issues related to labor or industrial relations cases
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<b>List of land owner / user contacted</b>					
Name	Years of ownership / used	Land area (ha)	Agreement (Yes / No)	Agreement base on FPIC (Yes/No)	Compliance on the agreement terms and conditions
NIL	-	-	-	-	-
<p>Note:            PT Indo Sepadan Jaya, Tanjung Selamat Mill, Tanjung Selamat Estate and PT Rantau Sinar karsa – Pangkatan Estate has established since 1985 and has planting palm oil since 1984. Currently the palm oil has been replanted since 2012 – 2020.</p>					



<b>Previous land owner / user comment</b>	
NIL	<p><b>Feedbacks:</b> NIL</p> <p><b>Audit Team verification and response:</b> NIL</p>

**3.5 Impartiality and conflict of interest**

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

**Formal Signing-off of Assessment Conclusion and Recommendation**

The audit objectives have been achieved and the certificate scope is appropriate. Based on the results of this audit, it is concluded that **PT Indo Sepadan Jaya – Tanjung Selamat Mill** has complied with the Indonesia National Interpretation 2020 of the RSPO P&C 201 and audit criteria identified within the audit report. It is deemed that the management system has achieved its intended outcomes. Therefore, it is recommended that **PT Indo Sepadan Jaya – Tanjung Selamat Mill** is certified.

Report prepared by	Acceptance of Assessment Conclusion
<b>Name:</b> <b>Nanang Rusmana</b>	<b>Name:</b> <b>Putu Ghryate Yonata Aksa</b>
<b>Company Name:</b> <b>On behalf of BSI Services Malaysia Sdn. Bhd.</b>	<b>Company Name:</b> <b>PT Indo Sepadan Jaya – Tanjung Selamat Mill</b>
<b>Title:</b> <b>Lead Auditor</b>	<b>Title:</b> <b>Sustainability Coordinator</b>
<b>Signature:</b> 	<b>Signature:</b> <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i> 
<b>Date: 20 June 2022</b>	<b>Date: 20 July 2022</b>



**Appendix A: Summary of Findings**

Criterion / Indicator	Assessment Findings	Compliance	
<p><b>Principle 1: Behave ethically and transparently</b></p>			
<p>Drive ethical business behaviour, build trust and transparency with stakeholders to ensure strong and healthy relationships.</p>			
<p><b>Criteria 1.1:</b> The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</p>			
<p>1.1.1</p>	<p><b>(C)</b> Management documents that are specified in the RSPO P&amp;C are made publicly available.</p>	<p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa has list of information and listed in "<i>Daftar Dokumen dan Informasi untuk Diakses Publik PT Indo Sepadan Jaya dan PT Rantau Sinar Karsa</i>" has established on January 2022.</p> <p>The company has a request mechanism and granting of information established under the SOP handling stakeholder information request. No.: AA-GL-5008.1-R1 dated August 22, 2011.</p> <p>The company has determined the kinds of documents and information that can be accessed by stakeholders and confidential information such as financial information company. The information is accessible by public like Amdal information, the company K3 program, in vain documents and other documents that are public. There are 32 type of document of information, including:</p> <ul style="list-style-type: none"> <li>• Land titles/user rights (Izin Lokasi, Izin Prinsip, IPKH, Sertifikat HGU, HGB and IMB)</li> <li>• Occupational health and safety plans (Laporan Pelaksanaan P2K3)</li> <li>• Plans and impact assessments relating to environmental and social impacts (AMDAL, Environmental licensing and Environmental Management Program)</li> <li>• HCV &amp; HCS documentation (Conservation Management Plan, HCV</li> </ul>	<p>Complied</p>

		<ul style="list-style-type: none"> <li>• Report, Social Impact Assessment and HCV Identification Report)</li> <li>• Pollution prevention and reduction plans (Environmental Management</li> <li>• Program, Hazardous waste Report, Land Application Report and also Report of physical and chemical analysis of river water)</li> <li>• Details of complaints and grievances (Procedure of Information handling, Procedure of "keluhan konflik lahan" and records of and recording of deliberation process and compensation).</li> <li>• Negotiation procedures (Recording of deliberation process and compensation)</li> <li>• Continuous improvement plans (Continuous Improvement Program)</li> <li>• Human Rights Policy (including in the Company Policy update on 1 December 2019 and has been dissemination to all operation at workplace on 17 January 2021)</li> </ul> <p>Its list provides in Bahasa Indonesia and the form can be understand by all stakeholders. The list of information has been dissemination at the time of with the company Policy on 21 January 2020 to all operation at workplace.</p>	
1.1.2	Information is provided in appropriate languages and accessible to relevant stakeholders.	Based on public consultation with government agency in Labuhan Batu and village representative from Kampung Padang and Sennah Village obtained information that the company shared the information to the relevant stakeholder in Bahasa Indonesia. For example, regular report to the government agencies, FPIC procedure, complain and grievance mechanism, socialization of HCV area to the respective villagers and so on. During the onsite audit sighted the sign board of company's information (name and location, land title information and validity), boundary poles and HCV that written in Bahasa.	Complied
1.1.3	<b>(C)</b> Records of requests for information and responses are maintained.	Requests for information are responded by the department concerned in accordance with their authority. The company has developed a matrix	Complied

		<p>describing the status of each information request and responsible to respond into. The company has appointed personal responsibility in accepting and responding to the request for information from the stakeholders, the personal responsible is the HUMAS (Public Relations). Appointment based on Internal Memorandum No. 070/HRRO1/MEMO/03/18 dated March 7, 2018 to Mr. Hariadi as a Public Relation on PT Indo Sepadan Jaya and PT Rantau Sinar Karsa.</p> <p>Records of response of request information documented in the same book, consist of person handle the request, information given and acknowledgement from the person in-charge and signature. Record of incoming communication available in each estate and mill unit.</p> <p>The request for information was recorded on Logbook "Surat Masuk dan Keluar", taken example:</p> <p>The company can domonstrate the document granting information to relevant agencies and other stakeholders appropriate regulations, including routinely convey reports as below:</p> <ul style="list-style-type: none"> <li>• Laporan Perkembangan Usaha Perkebunan - Plantation Business Development Report period July-December 2021 to the Department of Agriculture sub North Sumatra province plantations the field of January 31, 2022.</li> <li>• Laporan Pengelolaan Limbah Cair - Report of implementation of the management of liquid waste from January-March 2021, have been submitted to the Environment Department of Labuhan Batu Regency, on May 19, 2021.</li> <li>• Laporan Kegiatan P2K3 - P2K3 Activity Report (Panitia Pembina Keselamatan dan Kesehatan Kerja) from October-December 2021, to the Labor services of Labuhan batu Regency, has been submitted on December 23, 2021.</li> </ul> <p><u>Tanjung Selamat Estate:</u></p>	
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		<p>Request information related to the requests for assistances from the Pangkatan sub-district office by mail No. 003.1/875/sekr/2021 October 28, 2021; about requests for assistances of funds in order revamping the road environment protocol. Management has given response approval in the form of evidence spending cash of IDR 750,000, dated December 3, 2021.</p> <p><u>Pangkalan Estate/PT RSK:</u>          Sighted the record of incoming letter from vocational high school of Pangkatan on 28 January 2021 related to internship program in estate. Those proposal has been accepted and replied by estate manager on 1 February 2021.</p>	
1.1.4	<p><b>(C)</b> Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by a nominated management official.</p>	<p>Procedure for consultation and communication SOP No. AAGL-5008.1-R1: Penanganan Permintaan Informasi Stakeholder is established. The consultation and communication procedure were socialized to stakeholder on January 17, 2020 and participated by 9 stakeholders.</p> <p>The company has nominated person to be responsible in consultation and communication with local communities and other stakeholders, the person who is responsible for consultation and communications is by Public Relations (PR). Designation of duty based on Memorandum from Regional Head P-1 No. 070/HR-ROI/MEMO/03/18 dated March 7, 2018 which assigned to Mr. Hariadi Public Relation for PT ISJ and RSK.</p> <p>On Memorandum Chapter 1.4.5 state that: "There are also departments that support operational activities, including: D&amp;L Department and Humas-PR namely: Mr. Hariadi for land acquisition and licensing issues, Department of HR Ops. Namely Mr. Ricki related to labor issues and EHS Department Mr. Moh Sahrial on environmental issues as well as on health and safety of the work and the CSR Department (PIC Social: ie Mr. Aris Muharrahman and manager unit for social and civic responsibilities) SPO Officer is responsible for the implementation and planning of information</p>	Complied

		necessary and should be communicated (TSE, Mill and PKTE: namely Mr. Oskar Pardosi) to related parties as well as carrying out related documents.	
1.1.5	An up-to-date list of contacts and detailed stakeholder information is available along with designated representatives.	<p>Stakeholder Tanjung Selamat (PT Indo Sepadan Jaya, including Estate and Mill) and Pangkatan Estate Update on January 2022. The List of stakeholders consists of several types of stakeholders based on regional levels: village, provincial and national districts, including NGO, for example: Sawit Watch and Greenpeace Southeast Asia.</p> <p>The list of stakeholders presented in detail includes address, name of person and phone number and also position and title, the list is including of Environment Agency, Labour Agency, Plantation Agency and national land agency of Labuhan Batu Regency, police institution, local and national nongovernment agency, Subdistrict head of Pangkatan and Kampung Rakyat, Village Head of Kampung Padang, Tanjung Selamat and Sennah.</p>	Complied
<b>Criteria 1.2:</b> The unit of certification commits to ethical conduct in all business operations and transactions.			
1.2.1	A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	<p>The company has corporate policy set on 1 December 2019 in Medan which has been ratified by the Managing Director (Kevin Tio). The company's policy confirms the code of Conduct behaviour in business at point 2); Policy on the conduct of fair and ethical business on all transactions and business operating, including the prohibition of all forms of corruption, bribery and fraud in the use of funds and resources.</p> <p>The ethical business conduct policy is stated in the worker agreement (Perjanjian Kerja Harian Lepas), which includes all the corporate policies and behaviours that must be complied with. PKB is a joint working agreement for permanent workers, also confirmed about the conduct of business ethics in article 16 related of the behaviour of the business ethics in the company.</p>	Complied

		<p>A Policy for human rights, ethical conduct, high conservation value and any other social policy (company policy) has been socialized/delivered to all levels of PT ISJ and PT RSK employees on 25 January 2022 (list of participants can be shown) and on stakeholders (including local contractors) on 1 February 2022 which was attended by 29 stakeholders.</p>	
1.2.2	<p>A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.</p>	<p>Mechanism used to monitor the implementation of the company's policy is carried out in several methods, including: 1) "morning circle or Muster morning" briefing delivered by the field supervisor (Mandor), 2) At the time of recontracting the contractor, the company resubmit to all contractors the conduct of business ethics.</p> <p>In the event of changes or additions to the company's policy, the company will promptly deliver it, including updates to employment contracts and PKB and local employment contract documents.</p> <p>A Policy for human rights, ethical conduct, high conservation value and any other social policy (company policy) has been socialized/delivered to all levels of PT ISJ and PT RSK employees on 25 January 2022 (list of participants can be shown) and on stakeholders (including local contractors) on 1 February 2022 which was attended by 29 stakeholders.</p> <p>Monitoring of company policies also is carried out through the Internal Audit Agronomy (IAA) or Vice Agronomy Visit and the last visit on 5-9 July 2021 by Liew Ah Chai &amp; Subramaniam Perumal. Based on report No. VA-KTS-Jul-Full-02-2021 and some comments from the visit, including those related to manpower, labor statement, Production and Quality (includes: production administrations), average bunch weigh, FFB Quality, OER &amp; CPO Quality and Cost of Production (includes: wages payment/payroll, contracts, payment vouchers, etc.).</p> <p>In the period of 2022, the VA visit is planned to be carried out in June-July 2022.</p> <p>Based on field visit and interview with representative's worker during the onsite audit obtained information that all worker shall committed and</p>	Complied

		comply with the company’s social policy. Violation of these social policies can result in soft sanction (warning letter) to severe sanctions (termination of employment).	
<b>Principle 2: Operate legally and respect rights</b>			
Implement legal requirements as the basic principles of operation in any jurisdiction.			
<b>Criteria 2.1:</b> There is compliance with all applicable local, national and ratified international laws and regulations.			
2.1.1	<b>(C)</b> The unit of certification complies to relevant regulations.	<p>The Company has implemented mechanism for ensuring compliance with applicable legal requirement. It is stated in “Prosedur Pemenuhan Peraturan Perundang - undangan dan Perubahannya” (SOP AA-GL-5001.1-R0), dated 5 December 2009. Evidence of implementation of legal requirements compliance evaluation is documented in “<i>Status Evaluasi Per January 2022</i>”. The evaluation was performed on annual basis conducted by public relation officer. Latest evaluation was conducted on January 2022. There are several new regulations that must be evaluated, for example:</p> <ul style="list-style-type: none"> <li>• Peraturan Pemerintah (PP) Nomor 5 Tahun 2021 regarding Penyelenggaraan Perizinan Berusaha Berbasis Risiko</li> <li>• Peraturan Pemerintah (PP) Nomor 6 Tahun 2021 regarding Penyelenggaraan Perizinan Berusaha di Daerah</li> <li>• Peraturan Pemerintah (PP) Nomor 20 Tahun 2021 regarding Penertiban Kawasan dan Tanah Terlantar</li> <li>• Peraturan Pemerintah (PP) Nomor 22 Tahun 2021 regarding Penyelenggaraan Perlindungan dan Pengelolaan Lingkungan Hidup</li> <li>• Peraturan Pemerintah (PP) Nomor 26 Tahun 2021 regarding Penyelenggaraan Bidang Pertanian</li> <li>• Peraturan Pemerintah (PP) Nomor 31 Tahun 2021 regarding Penyelenggaraan Bidang Pelayaran</li> </ul>	Complied



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		<ul style="list-style-type: none"> <li>• Peraturan Pemerintah (PP) Nomor 35 Tahun 2021 regarding Perjanjian Kerja Waktu Tertentu, Alih Daya, Waktu Kerja dan Waktu Istirahat, dan Pemutusan Hubungan Kerja</li> <li>• Peraturan Pemerintah (PP) Nomor 36 Tahun 2021 regarding Pengupahan</li> <li>• Peraturan Pemerintah (PP) Nomor 37 Tahun 2021 regarding Penyelenggaraan Program Jaminan Kehilangan Pekerjaan</li> </ul> <p>The results of the evaluation of the new laws and regulations have been carried out on several articles related to oil palm plantations and their processing. Furthermore, the results of this evaluation has disseminated to all employees of PT ISJ, for example: socialization related to PP No. 35/2021 and No. 36/2021 has been done to all employees in each Estate (Pangkatan and Tanjung Selamat Estate) and Tanjung Selamat Mill on 23 March 2021 along with the socialization of company policies.</p>	
2.1.2	<p>A documented system for ensuring legal compliance is in place. This system has means to track changes to the law and also includes listing and evidence on evaluation of legal compliance of all contracted third parties, such as: recruitment agencies, service provider and labour contractor.</p>	<p>Public affair department has conducted annual evaluation of legal compliance. The last evaluation is on January 2022. Based on the evaluation document obtained information that there are 7 (seven) new regulation related to plantation business. For example:</p> <ul style="list-style-type: none"> <li>• Peraturan Pemerintah (PP) Nomor 5 Tahun 2021 regarding Penyelenggaraan Perizinan Berusaha Berbasis Risiko.</li> <li>• Peraturan Pemerintah (PP) Nomor 6 Tahun 2021 regarding Penyelenggaraan Perizinan Berusaha di Daerah.</li> <li>• Peraturan Pemerintah (PP) Nomor 20 Tahun 2021 regarding Penertiban Kawasan dan Tanah Terlarang.</li> <li>• Peraturan Pemerintah (PP) Nomor 22 Tahun 2021 regarding Penyelenggaraan Perlindungan dan Pengelolaan Lingkungan Hidup.</li> <li>• Peraturan Pemerintah (PP) Nomor 26 Tahun 2021 regarding Penyelenggaraan Bidang Pertanian.</li> </ul>	Complied

		<ul style="list-style-type: none"> <li>• Peraturan Pemerintah (PP) Nomor 31 Tahun 2021 regarding Penyelenggaraan Bidang Pelayaran.</li> <li>• Peraturan Pemerintah (PP) Nomor 35 Tahun 2021 regarding Perjanjian Kerja Waktu Tertentu, Alih Daya, Waktu Kerja dan Waktu Istirahat, dan Pemutusan Hubungan Kerja.</li> <li>• Peraturan Pemerintah (PP) Nomor 36 Tahun 2021 regarding Pengupahan.</li> <li>• Peraturan Pemerintah (PP) Nomor 37 Tahun 2021 regarding Penyelenggaraan Program Jaminan Kehilangan Pekerjaan.</li> </ul>	
2.1.3	<p>Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.</p>	<p>According to the national regulation, each land title holder shall maintain its legal or authorized boundaries clearly demarcated and visible. Based on field observation in each estate, concluded that boundary poles are in good condition as follows:</p> <ol style="list-style-type: none"> <li>1. Tanjung Selamat Estate: Boundary poles BPN ISJ 27 (block B15a) not found on location, BPN PT ISJ No. 29 (block B15c), BPN PT ISJ 31 (block A17g), pole no 38 on block A17n and pole no. 77 on block A13c.</li> <li>2. Pangkatan Estate: During field visit to Pangkatan Estate, it was found that the pole has been maintained well: <ul style="list-style-type: none"> <li>• Pole BPN No. 033, location on block C16g, Afdeling II, verification in good condition, clean and maintained.</li> <li>• Pole BPN No. 030, location on blok B18d, Afdeling II, verifikasi verification in good condition, clean and maintained.</li> <li>• Pole BPN No. XLV, location on blok B7d, Afdeling II, verifikasi verification in good condition, clean and maintained.</li> </ul> </li> </ol> <p><b>Escalated from Minor to Major finding.</b> Tanjung Selamat Estate:</p>	Non-compliance

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		<ol style="list-style-type: none"> <li>1. During field visit at Tanjung Selamat Estate, on block B15A, HGU pole's no. 27 was not found in accordance with the point on the HGU pole's map, although in the last maintaining and monitoring of poles on 12 January 2022 was stated and in good condition.</li> <li>2. During field visit to the location of Peta Usaha Baru (area 123.915 Ha) there were 68 HGU stakes that had not been installed. Based on the HGU pole's map, there are 86 poles, but only 18 poles have been installed. And also Tanjung Selamat Estate can not show that the maintenance of HGU pole has been carried out consistently. Furthermore, during field visit at Peta Usaha Baru location, there is no HGU pole's was installed of area 123,915 ha. Tanjung Selamat Estate has identified based on the HGU map, that there are 86 poles and at the time of the field visit there was only 1 pole, namely no. 77.</li> </ol> <p>Pangkalan Estate:          During field visit to on Block A6, can not found the pole No. LI (51), although on the monitoring and maintenance of HGU Pole's on 21 December 2021 had checked in good conditions.</p>	
<p><b>Criteria 2.2:</b> All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.</p>			
2.2.1	A list of contracted parties is available.	<p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa has a list of contracts and is well maintained in the format of "Monitoring of List of Contractor period 2022", there are 9 contractors of FFB transporter and 4 contractors EFB transporter. The CH monitors the job type, job period, job progress as well as BAP status/payment of contract.</p> <p>There are contracts for purchase and selling FFB between Bumdes Tebing Tinggi Pangkatan Sejahtera with PT Indo Sepadan Jaya, contract No.: 01/CSV-KTS/X/2019 dated October 24, 2019 and this agreement is released until one of the parties terminates the agreement.</p> <p>During this audit, management units has several contracts related to third party. For example, there was an existing contractor that linked with</p>	Complied

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		Tanjung Selamat Estate and Pangkatan Estate: Dameri Sitepu, Job Type School Bus Rent, Contract No. 002/EIKTS/01/22, period Y2022; Iwan Haryono, Job Type FFB Transporter, Contract No. 005/EIKTS/01/22, period Y2022.	
2.2.2	All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.	Based on the agreement (Contract cooperation agreement), there are explanations on legal requirements, employment (including wages) and compliance with legislation and obligations to respect human rights and business ethics in article 1 No. 6- 9; and No. 13 related to business ethics.	Complied
2.2.3	All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour.	Third party contract with FFB suppliers includes important clause such as: <ul style="list-style-type: none"> <li>• The company policy related to children/underage worker, anti-drugs etc.</li> <li>• Workers payment referred to local minimum payment’s regulation.</li> <li>• All worker will be register in health insurance and workers insurance according to national regulation.</li> </ul> The same regulation also implemented in smallholder scheme. All of contract data kept by Head Clerk in estate and mill.	Complied
<b>Criteria 2.3:</b> All FFB supplies from outside the unit of certification are from legal sources.			
2.3.1	<b>(C)</b> For all directly sourced FFB, Palm Oil Mill (POM) requires: <ul style="list-style-type: none"> <li>• Information regarding the geolocation of FFB origins;</li> <li>• Proof of ownership status, right/claim of the land by grower/smallholder;</li> <li>• If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.</li> </ul>	The unit of certification has registered the directly sourced of FFB supplier. There are four (4) directly sourced of FFB supplier that were identified by the company namely CV Palta Jaya, Kopkun Anug Jaya Mandiri SJH, Koperasi Mandiri Tani Sejahtera (MTS) and CV Bumdes Tebing Tinggi Pangkatan Sejahtera.  The sample document audited include purchase contract No. 003/TBS/ISJ/2020 dated 1 May 2020, between PT ISJ and UD Sahabat and contract No. 008/TBS/ISJ/2020 dated 1 May 2020 between PT ISJ and Bumdes Tebing Tinggi Pangkatan Sejahtera. The contract has covered the land status, legal requirement and other policy related to RSPO requirements. In addition, mill also validated the geo location of	Complied

		<p>each smallholder (FFB sources). Information of Geolocation of each FFB supplier can be demonstrated by the unit of certification.</p> <p>Below are the samples information collected for CV Tebing Tinggi Pangkatan Sejahtera:</p> <p>The sample document related the ownership of status of land as follows:</p> <ol style="list-style-type: none"> <li>a. Surat Keterangan Tanah (SKT) No. 539/632/TTP/2021 dated 18 May 2021 from Tebing Tinggi Village, Pangkatan Sub District, Labuhan Batu Regency, on behalf Suderno, area 2 ha.</li> <li>2. Surat Hak Milik (SHM) No. 622/2020 tanggal 20 April 2020, on behalf Muhammad Fahrurrozi, Tebing Tinggi Village, Pangkatan Sub District, area 0.2 ha.</li> <li>3. Surat Keterangan Tanah (SKT) No. 593/573/TTP/2021 dated 15 July 2021, Sanawetan Village, on behalf Atmoko, area 3.5 ha). Coordinate N 609600 and E 231804</li> <li>4. Surat Penyerahan Warisan from Badan Bantuan Hukum Jauhar Maknum, S.Sos on behalf Alm. Fatmuh Efendi and Baratujjakiah to Ahmad Nazan Tebing Tinggi Village, Pangkatan subdistrict, area 1.05 ha, coordinate N 2°6'12.1 and E 100°00'00.6"</li> </ol> <p><b>Operational/Trading License:</b></p> <p>Nomor Induk Berusaha (NIB) No. 0311210049367 from Lembaga OSS Badan Koordinasi Penanaman Modal tanggal 3 November 2021 atas nama Koperasi Tebing Tinggi Pangkatan Sejahtera.</p> <p>Based on the agreement (Cooperation Agreement contract), that in Article 7 about responsibilities and obligations, described in relation to legal requirements and documentation, employees (including not to employ minors or child labor), human rights and business-ethics.</p>	
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		<p>Based on the agreement (Contract cooperation agreement) that have been verified as above, there are explanations on legal requirements, employment (including wage) and compliance with legislation and the obligation to respect human rights, disallowing child, force labor and business ethics in article 1 No. 6-9; and no. 13 related to business ethics.</p>	
<p>2.3.2</p>	<p>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in indicator 2.3.1.</p>	<p>There are 4 indirectly sourced FFB supplies at Tanjung Selamat Palm Oil Mill. Company has agreement (Cooperation Agreement contract), that in Article 7, about responsibilities and obligations, described in relation to legal requirements and documentation, employees (including not to employ minors or child labor), human rights and business-ethics.</p> <p>Based on the agreement (Contract cooperation agreement) that have been verified as above, there are explanations on legal requirements, employment (including wage) and compliance with legislation and the obligation to respect human rights, disallowing child, force labor and business ethics in article 1 No. 6-9; and no. 13 related to business ethics.</p> <p>Based on document verification and interview with Create Share Value (CSV) staff obtained information that both suppliers have been verified and visited by FFB purchasing staff. By visit to the suppliers land and tagged the coordinate, mill expected the FFB source comes from traceable and responsible area. The list of legal documents verified as follows:</p> <ul style="list-style-type: none"> <li>• List of supplier member</li> <li>• Coordinate and its overlay RTRW map.</li> <li>• Land title for each supplier member.</li> <li>• Personal tax identification</li> <li>• Business permit ID.</li> <li>• Trading permit ID.</li> <li>• Copy of bank account</li> </ul> <p><b>Non-Conformance:</b></p>	<p>Non-compliance</p>

		<p>The evidence as listed in indicator 2.3.1 namely proof of land ownership for indirectly sourced FFB cannot be shown during audit.</p> <p><b>Objective Evidence:</b></p> <p>Based on the document review, it is known that there are 4 (four) indirect FFB suppliers for Tanjung Selamat POM, namely: Roma, Wan Juma Sari Dewi-dura, Wanjuma Sari Dewi-KS, and Rizky Fazar Adi Putra. The company already has data of Information regarding the geolocation of FFB origins, and valid planting/operational/trading license, however for proof of land ownership from the indirect supplier has not been able to show during audit.</p>	
<p><b>Principle 3: Optimise productivity, efficiency, positive impact and resilience</b>          Implement plans, procedures and systems for continuous improvement.</p>			
<p><b>Criteria 3.1:</b> There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.</p>			
3.1.1	<p><b>(C)</b> A business or management plan (minimum of three years) is documented and where applicable, includes a jointly developed business case for Scheme Smallholders.</p>	<p>A business management plan for long term economic feasibility has been documented by the Unit of Certification. The business management plan has included projection of production, quality planting material, mill extraction rates (OER and KER), upkeep cost, harvesting cost, transport cost, forecast price and capital expenditure.</p> <p>Management plan was set up including independent FFB suppliers. Its management plan includes:</p> <ol style="list-style-type: none"> <li>1. FFB Production projection 2020 – 2025</li> <li>2. CPO, PK, production projection 2020 – 2025</li> <li>3. OER, KER projection 2020 – 2025</li> <li>4. Estate Cost Estimation: Upkeep cost, manuring cost, pest and disease management cost, pruning cost, census cost, terrace maintenance cost, road and bridge maintenance cost, harvesting cost.</li> <li>5. Mill Cost, KCP Cost, Selling cost, Bulking cost and Tax portion actual 2019 and projection 2020 – 2025.</li> </ol>	Complied



		<p>6. Replanting Program          7. Net Profit/Loss</p> <p>Projection of Production:</p> <table border="1"> <thead> <tr> <th rowspan="2">Description</th> <th colspan="6">Projection</th> </tr> <tr> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td><b>FFB:</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Tanjung Selamat Estate</td> <td>102,292</td> <td>115,584</td> <td>121,789</td> <td>123,407</td> <td>122,053</td> <td>121,732</td> </tr> <tr> <td>Pangkalan Estate</td> <td>36,332</td> <td>53,016</td> <td>76,255</td> <td>95,117</td> <td>105,370</td> <td>111,319</td> </tr> <tr> <td>Total Own</td> <td>138,624</td> <td>168,600</td> <td>198,044</td> <td>218,524</td> <td>227,423</td> <td>233,051</td> </tr> <tr> <td>3<sup>rd</sup> party</td> <td>134,000</td> <td>135,000</td> <td>135,000</td> <td>135,000</td> <td>135,000</td> <td>135,000</td> </tr> <tr> <td>Grand Total</td> <td>272,624</td> <td>303,600</td> <td>333,044</td> <td>353,524</td> <td>362,423</td> <td>368,051</td> </tr> <tr> <td><b>CPO:</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Own</td> <td>27,518</td> <td>35,736</td> <td>43,113</td> <td>48,902</td> <td>52,291</td> <td>54,675</td> </tr> <tr> <td>3<sup>rd</sup> Party</td> <td>23,718</td> <td>23,895</td> <td>23,895</td> <td>23,895</td> <td>23,895</td> <td>23,895</td> </tr> <tr> <td>Grand Total</td> <td>51,236</td> <td>59,631</td> <td>67,008</td> <td>72,797</td> <td>76,186</td> <td>78,570</td> </tr> <tr> <td><b>PK:</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Own</td> <td>6,862</td> <td>8,346</td> <td>9,803</td> <td>10,817</td> <td>11,257</td> <td>11,536</td> </tr> <tr> <td>3<sup>rd</sup> Party</td> <td>6,633</td> <td>6,683</td> <td>6,683</td> <td>6,683</td> <td>6,683</td> <td>6,683</td> </tr> <tr> <td>Grand Total</td> <td>13,495</td> <td>15,029</td> <td>16,486</td> <td>17,500</td> <td>17,940</td> <td>18,219</td> </tr> </tbody> </table>	Description	Projection						2020	2021	2022	2023	2024	2025	<b>FFB:</b>							Tanjung Selamat Estate	102,292	115,584	121,789	123,407	122,053	121,732	Pangkalan Estate	36,332	53,016	76,255	95,117	105,370	111,319	Total Own	138,624	168,600	198,044	218,524	227,423	233,051	3 <sup>rd</sup> party	134,000	135,000	135,000	135,000	135,000	135,000	Grand Total	272,624	303,600	333,044	353,524	362,423	368,051	<b>CPO:</b>							Own	27,518	35,736	43,113	48,902	52,291	54,675	3 <sup>rd</sup> Party	23,718	23,895	23,895	23,895	23,895	23,895	Grand Total	51,236	59,631	67,008	72,797	76,186	78,570	<b>PK:</b>							Own	6,862	8,346	9,803	10,817	11,257	11,536	3 <sup>rd</sup> Party	6,633	6,683	6,683	6,683	6,683	6,683	Grand Total	13,495	15,029	16,486	17,500	17,940	18,219	
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3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, is available.	There is no replanting plan during audit because currently all are immature plant, the last replanting is conducted in Y2020.	Complied																																																																																																															

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<p>3.1.3</p>	<p>The unit of certification holds management review at planned term according to the scale and nature of the activities undertaken.</p>	<p>Management review for Tanjung Selamat POM conducted on 30 June 2021, attended by Technical Manager Labuhan Batu, Mill Manager, Mill Assistant, KTU, Biogas Assistant and Sustainability Assistant. The management review has discussed:</p> <p>a. Result of internal audit that conducted on 08-13 November 2021;          For some discrepancies, evidence of improvement has been met. Based on the field visit by Internal Auditor, the boiler cycle room cleaning has been carried out and the results obtained are better than before the VE visit.</p> <p>b. Customer feedback;          Feedback from customers can be conveyed through the mechanism of stakeholder information. The company also provides a feedback receipt logbook to monitor the response when there is input from consumers.</p> <p>c. Process performance;          Tanjung Selamat palm oil mill has scheduled VE visits, as a supervision for regular mill performance (once a year). If there is input from the VE visit, it is in the form of quick input, which is immediately corrected and reported back in the form of observations that can be checked at the next visit. Tanjung Selamat POM has support from several departments related to product conformity. RND will periodically monitor products from Tanjung Selamat POM and provide input or recommendations. The Tanjung Selamat POM also routinely conducts sample tests to ensure the quality of its products before delivery to buyers.</p> <p>d. Preventive Action;</p>	<p>Complied</p>
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		<p>For the non-conformity of the unit regarding the RSPO SCCS, Clean the boiler cycle room routinely every 1 month including rotation in running the boiler between number 1 and number 2.</p> <p>e. Follow Up Action; For the non-conformity of the unit regarding the RSPO SCCS, Clean the boiler cycle room routinely every 1 month including rotation in running the boiler between number 1 and number 2.</p> <p>f. Change that effect the Management System; Revising some procedures and mechanism related RSPO SCCS.</p> <p>g. Point Recommendation (a-f) Increased Effectiveness: Evaluations will be conducted periodically along with subsequent management reviews. Develop Table of Achievements - Minimizing nonconformities in RSPO SCCS.</p> <p>Resources needed: Appoint the PIC who is responsible for the scope relating to the RSPO SCCS process.</p>	
<p><b>Criteria 3.2:</b> 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.</p>			
3.2.1	<p><b>(C)</b> The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impact and opportunities of the unit of certification.</p>	<p>Action Plan Tanjung Selamat Estate: 1. Problem: ➤ Domestic waste.</p>	Complied

		<ul style="list-style-type: none"> <li>➤ Reduced Resources due to electricity usage.</li> <li>➤ Air pollution.</li> <li>➤ Decrease the use of pesticides.</li> </ul> <p>2. Objective:</p> <ul style="list-style-type: none"> <li>➤ Reducing paper usage from 2 reams to 1.5 reams per month.</li> <li>➤ Equalize electricity usage in all employee houses.</li> <li>➤ Regular engine service and vehicle emissions testing once a year.</li> <li>➤ Minimize greenhouse gas effect.</li> </ul> <p>3. Program:</p> <ul style="list-style-type: none"> <li>➤ Use of paper back and forth; use used paper for internal documents.</li> <li>➤ Installation of 900W KWH meter in each house.</li> <li>➤ Regular engine service and vehicle emissions testing once a year.</li> <li>➤ Using rotor slasher to control weeds in path; Increase breeding of natural predator (ants); multiplying natural predator (Sycanus sp.); using a net at the base of the palm during planting; making butterfly trap (fruit trap) with a ratio 1:5 (0.2 units/ha).</li> </ul> <p>4. PIC:</p> <ul style="list-style-type: none"> <li>➤ Division Assistant and KTU.</li> <li>➤ All Assistant.</li> <li>➤ Transport Assistant</li> <li>➤ Division Assistant.</li> </ul> <p>Action Plan Operation: Increase Output of Dump Truck from 22.5 Ton/Unit to be 25.0 Ton/Unit and the acceleration of the transportation of FFB from 07.00 to 19:00.</p>	
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		Continuous improvement in mill to reduce losses kernel form 0.10% to 0.08%. The improvement starts with recovering CBC blade in kernel station, reset the dumper position and monitored the leakage in ducting. This improvement starts from January 2021. Based on the daily production, the losses now are around 0.08% - 0.081% below the budget 0.096%.	
3.2.2	As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.	RSPO Annual Communication of Progress 2019 of PT Inti Indosawit Subur has been available in RSPO website under membership number 1-0022-06-000-00. At the time of the audit, the RSPO Metrics template was submitted.	Complied
<b>Criteria 3.3:</b> Operating procedures are appropriately documented, consistently implemented and monitored.			
3.3.1	<b>(C)</b> Standard Operating Procedures (SOPs) for the unit of certification are in place.	<p>Tanjung Selamat Estate and Pangkatan Estate have demonstrated procedures for estate operation, starts from land preparation including replanting up to harvesting, such as:</p> <ol style="list-style-type: none"> <li>1. SOP AA-APM-OP-1100.01-R4 dated 5/09/2016 Pembibitan; explains Nursery.</li> <li>2. SOP AA-APM-OP-1100.02-R3 10/06/2015 Penanaman Areal Baru; explains New Area Palnting.</li> <li>3. SOP AA-APM-OP-1100.03-R2 24/07/2015 Pembuatan dan Perawatan Jalan dan Jembatan; explains road and bridge construction and maintenance.</li> <li>4. SOP AA-APM-OP-1100.04-R3 07/12/2015 Pembuatan dan Pemeliharaan Parit; explains culvert/drainage construction and maintenance.</li> <li>5. SOP AA-APM-OP-1100.05-R3 23/11/2016 Konservasi Tanah dan Air; explains Soil &amp; Water Conservation.</li> <li>6. SOP AA-APM-OP-1100.06-R6 16/02/2017 Menanam Kacangan; related to Planting cover crops.</li> </ol>	Non-compliance

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		<ol style="list-style-type: none"> <li>7. SOP AA-APM-OP-1100.07-R6 16/02/2017 Menanam Kelapa Sawit; related to Planting Oil Palm.</li> <li>8. SOP AA-APM-OP-1100.08-R6 11/05/2016 Pengendalian Gulma or Weed control.</li> <li>9. SOP AA-APM-OP-1100.09. R5 5/09/2016 Pemupukan; related to Fertilizer application.</li> <li>10. SOP AA-APM-OP-1100.10. R6 23/11/2016 Pengendalian Hama dan Penyakit; explains Pests &amp; Disease Control.</li> <li>11. SOP AA-APM-OP-1100.11. R1 01/02/2009 Pestisida dan Pengendaliannya; explains for pesticide handling.</li> <li>12. SOP AA-APM-OP-1100.12. R3 23/11/2016 Kastrasi; explains castration (cutting all generative product (male flower, female flower, all fruit, to support vegetative growth) – done 5-6 months before being harvested.</li> <li>13. SOP AA-APM-OP-1100.13. R3 04/03/2016 Tunas Pokok for pruning.</li> <li>14. SOP AA-APM-OP-1100.14. R3 16/02/2017 Sensus dan Identifikasi Pokok; explains census and palm identification;</li> <li>15. SOP AA-APM-OP-1100.15. R2 01/10/2010 Sensus Produksi related to production census.</li> <li>16. SOP AA-APM-OP-1100.16. R1 01/02/2009 Konsolidasi Pohon Tumbang; explains provision of support to fallen palm.</li> <li>17. SOP AA-APM-OP-1100.17. R1 23/10/2014 Pengelolaan Air; related to water management.</li> <li>18. SOP AA-APM-OP-1100.18. R3 20/04/2015 Potong Buah related to harvesting.</li> <li>19. SOP AA-APM-OP-1100.19. R1 01/02/2009 Pengelolaan Transport explains FFB Transport.</li> <li>20. SOP AA-APM-OP-1100.20-R6 16/02/2017 Replanting;</li> </ol>	
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		<p>Tanjung Selamat POM has established a procedure to process the FFB to become CPO and PK starts from reception of FFB to dispatch of CPO and PK:</p> <ol style="list-style-type: none"> <li>1. SOP AA-MPM-OP-1400.02. R2 Stasiun Penerimaan for FFB receiving station;</li> <li>2. SOP AA-MPM-OP-1400.03.R1 Stasiun Rebusan for sterilizer;</li> <li>3. 3. SOP AA-MPM-OP-1400.04.R1 Stasiun Pemisahan Berondolan for loose fruit separation;</li> </ol>	
3.3.2	A mechanism to check consistent implementation of procedures is in place.	<p>The unit of certification monitors the palm oil mill and estates operation. Monitoring on palm oil mill operation recorded on Visit Engineering (VE) report, e.g. VE report of Tanjung Selamat POM, date of visit 27-30 January 2021, report No. VE-PTS-JAN-FULL-01-2021-Full Visit by Sahat M Sibuea. Monitoring of estate operation recorded in Visit Agronomy (VA) report, e.g. VA report of Tanjung Selamat Estate, No. VA-KTS-JUL-FULL-02-2021 dated 5-9 July 2021 by Simon Sihotang. Main issues: circle path cleanliness, interrow (stenochlaena and Panicum sarmentosum founded in Afdeling 1), pest and disease (caterpillar infestation founded).</p> <p>Available R&amp;D Visit Report (R&amp;D-P&amp;D-KPT-September-03-2021) based on visit 20-21 September 2021. Described that Oryctes rhinoceros is still found infestation at Mature area that bordering with Immature area at intensity 1-2 palms/line.</p>	Complied
3.3.3	Records of monitoring and any actions taken are maintained and available.	<p>The unit of certification monitors palm oil mill and estates operation. Monitoring on palm oil mill operation recorded on Visit Engineering (VE) report, e.g. VE report of Tanjung Selamat POM, date of visit 27-30 January 2021, report No. VE-PTS-JAN-FULL-01-2021-Full Visit by Sahat M. Sibuea. Issues and Action Plan recorded as follows: Maintenance for FFB Conveyor, housekeeping of Loading Ramp, and maintenance of digester.</p>	Complied

		<p>Monitoring of estate operation recorded in Visit Agronomy (VA) report, e.g. No. VA-KTS-JUL-FULL-02-2021 dated 5-9 July 2021 by Simon Sihotang. Main issues: circle path cleanliness, interrow (stenochlaena and Panicum sarmentosum founded in Afdeling 1), pest and disease (caterpillar infestation founded).</p>	
<p><b>Criteria 3.4:</b> 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.</p>			
<p>3.4.1</p>	<p><b>(C)</b> SEIA in new planting or operation including mills, is conducted independently and participatively by involving the affected stakeholders, inclusive of impact assessment from the smallholder/outgrower scheme (if any). The assessment is to be documented.</p>	<p>There is no new planting at PT Indo Sepadan Jaya Tanjung Selamat POM and its Supply bases (Tanjung Selamat Estate &amp; Pangkatan Estate). Tanjung Selamat Estate has been planted since 1992, 1993, 1995, 1997 and 1998. Tanjung Selamat Estate ahs conducted replanting since 2012 – 2017.</p> <p><u>PT Indo Sepadan Jaya</u></p> <p>The preparation of the SEIA report is based on the Terms of Reference for SEL (KA-SEL) “<i>Kerangka acuan Studi Evaluasi Lingkungan</i>” which was approved by the Central AMDAL Commission of the Ministry of Agriculture No. 998/AMDAL/V/1993, May 4, 1993, and the results of field surveys at the study site.</p> <p>Social Impact Assessment was conducted as documented in “<i>Study Evaluasi Lingkungan</i>” which covering social impact assessment. Ministry Agriculture has approved this SEL (<i>Studi Evaluasi Lingkungan</i>) based on decree No. RC.220/385/B/II/94.</p> <p>During this audit there is no change and extention related to the mill and estate operation.</p> <p>Tanjung Selamat Estate has conducted replanting since 2012 – 2017.</p> <p>Replanting activity has included in the SEIA documents.</p> <p>In 2019, PT Indo Sepadan Jaya has developed the Biogas Plant and make addendum of SEIA to include the activity in the SEIA document. Company has obtain the permit for Biogas Plant according to “Keputusan Kepala</p>	<p>Complied</p>



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		<p>Dinas Penanaman Modal dan Pelayanan terpadu Satu Pintu Kabupaten Labuhan Batu Nomor 503.660/117/DPMPSTP-BP2MNP/2019 Tanggal 20 Februari 2019 Tentang Perubahan Izin Lingkungan Kegiatan Perkebunan Kelapa Sawit Pabrik Minyak Kelapa Sawit dan Biogas Plant yang terletak di Desa Kampung padang Kecamatan pangkatan Kabupaten Labuhan Batu.</p> <p><u>PT Rantau Sinar Karsa</u></p> <p>The preparation of the SEL report is based on the Terms of Reference for SEL (KA-ANDAL) which was approved by the Central AMDAL Commission of the Ministry of Agriculture No. 49/AMDAL/V/1993, May 4, 1993, and the results of field surveys at the study site.</p> <p>Social Impact Assessment was conducted as documented in "Study Evaluasi Lingkungan" (SEL) which covering social impact assessment. Ministry Agriculture has approved this SEL based on decree No. RC.220/383/B/II/94 dated 26 February 1994.</p> <p>During SEL, the company conducted stakeholders meeting with surrounding local communities which affected the project, e.g. Public consultation on 12<sup>th</sup> March 2014 involved representative from 3 villages (Kampung Padang Village, Sennah Village and Perlabian Village) and attended 66 participants.</p>	
3.4.2	<p>For the unit of certification, a SEIA is available and social and environmental management plan and its monitoring have been developed with participation of affected stakeholders.</p>	<p>During audit SEIA document were available. Social and environmental management plan and its monitoring have been developed as per RKL – RPL document. RKL – RPL document is part of SEL document wich has been communicated and involving the affected parties and stakeholder, e.g. Public consultation on 12<sup>th</sup> March 2014 involved representative from 3 villages (Kampung Padang Village, Sennah Village and Perlabian Village) and attended 66 participants.</p> <p>Social Environment management plan to prevent negative impact such as:</p>	Complied

		<ul style="list-style-type: none"> <li>- To prevent air quality decrease, company performed action: Reduce exhaust emissions from the engines by maintenance routine engine, the use of anti-dust mask continuously for workers who are near the source of pollutants that exceed the threshold.</li> <li>- To prevent water quality decrease, maintaining green areas along the river banks, do not logging in the river banks area, planting land cover crop on the cliffs and prone to erosion areas, the use of wastewater for Land Application, solid waste utilization plant (shell, fibre) for fuel.</li> <li>- To prevent erosion: land clearing mechanically, land ciover crop planting, terracing in slope.</li> <li>- To prevent wildlife habitat disturbance, place signboard to prohibit illegal hunting in conservation area and around estate, awareness to employee and surrounding community to save the protected species.</li> <li>- To increase job opportunities, provide employment opportunities to the local community, the provision of supporting infrastructure for public economic activities, providing employment opportunities information to the public.</li> <li>- To increase in public revenues, maximize the use of local labor, involving the local community as business partners.</li> </ul>	
3.4.3	<p><b>(C)</b> The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.</p>	<p>Implementation of social and environmental management and monitoring plan can be demonstrated as per "Laporan Hasil Pelaksanaan RKL – RPL". Report of RKL – RPL were evaluated and reported each semester to government institution (DLH Kab. Asahan, DLH Provinsi Sumatera Utara, PPE Region Sumatera and Kementrian Lingkungan Hidup dan Kehutanan. Sample seen:</p> <ul style="list-style-type: none"> <li>- Laporan RKL – RPL semester I tahun 2021, reported on 4 December 2021.</li> <li>- Laporan RKL – RPL semester II tahun 2021, reported on 15 February 2022.</li> </ul>	Complied

		<p>Evidence of RKL – RPL report and its reporting evidence to government can be demonstrated during audit.</p> <p>There were no significant changes required in current practices of identification and evaluation of environmental aspect and impact.</p> <p>Environmental management and monitoring has been implemented such as:</p> <ul style="list-style-type: none"> <li>- Water management by developing Watergate and drainage in peat soil area, water level monitoring to manage the water level in 40 – 60 cm under ground level.</li> <li>- Waste management according to the best management practice procedure: waste water management, biogas plant installation, hazardous waste management based on regulation</li> <li>- Boiler and incinerator maintenance to prevent air pollution, emission monitoring for boiler, incinerator and generator set</li> </ul> <p>Report RKL – RPL are publicly available for stakeholder to be access and reviewed.</p>	
<p><b>Criteria 3.5:</b> A system for managing human resources is in place.</p>			
<p>3.5.1</p>	<p>Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives in accordance with the applicable regulation.</p>	<p>Company has a SOP related to new employment recruitment. According on SOP Rekrutment dan Seleksi Karyawan No. SOP: AA-HR-305.2-R0 dated 1 February 2009 regarding “Penerimaan Karyawan Baru” (Recruitment and Employee Selection), the company will accept new employee based on their capabilities and qualifications. This procedure was communicated to all employees in the workplace and stakeholders in November 2019.</p> <p>During the process recruitment, the company directly call prospective employees to conduct interviews and explain the employee status, rights and obligations. It is also explained related procedures or processes and stages of employee recruitment. If the employee accepts the employment with PT ISJ or PT RSK, the company will be created a working agreement</p>	<p>Complied</p>

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		<p>(PHL or PKWT working agreement) and signed by both parties and each party (company and worker) will get 1 copy of the Working Agreement. The company will explain the policy on discrimination and will give all employees the opportunity to work and career path.</p> <p>There are two types of employees that are applied in PT ISJ and PT RSK, which are permanent employees (knowns as SKU-B and SKU-H) and daily workers (known as BHL/PHL). Fixed Employee (SKU-H and SKU-B) is confirmed under the joint work Agreement (PKB), while the Daily worker with the daily work agreement with a minimum validity period of 1 year.</p> <p>Based on interview with the HR Dept., that recruitment of employees are based on analysis of workforce needed and within it has considered the required competencies, experience and expertise required. For this reason, employee acceptance tests and interviews will be conducted. Employee assessments are always carried out every 6 months as a basis for being able to promote positions or levels/groups which will affect to the monthly salary. Taken example of recruitment at Tanjung Selamat Mill on period 2021-2022 and promotion of permanent employee on Pangkatan Estate:</p> <p>Recruitment on 7 January 2021 state by notification letter from Mill Manager dated 7 January 2021 No. 011.MILL-PTS/EXT/I/2021 to Head of Aek Nauli Village. From the selection process, based on letter of selection on 1 January 2021, there are 4 prospective employees from the Aek Nauli Village on behalf of: Doni Syahputrah, Dedek Riansyah, Rioko Marpaung and Rikson Hutasoit. The four prospective employees have conducted a medical check-up on 27 February 2021 at the Pramita Medan Clinical laboratory.</p>	
3.5.2	Employment procedures are implemented and records are maintained.	PT ISJ and PT RSK already have several procedures related to employment, based on document verification and interviews with several workers, that these procedures have been implemented. At the time of the audit, verification was carried out that several records of the	Complied

		<p>application of labor procedures were still maintained and could be shown during the audit, including:</p> <ol style="list-style-type: none"> <li>1. SOP recruitment and employee selection No. SOP: AA-HR-305.2-r0 dated 1 February 2009 regarding “penerimaan karyawan baru” (recruitment and selection of employee), explained that: When candidates have passed in the process of selection, next recruitment sends the candidate in full data system and will be input to the HR-Information System) to be made an agreement work (made 2 duplicate and should be sign by candidates in question. For example: Perjanjian Kerja Harian Lepas – Daily Worker Agreement No. 076/PKHL/KTS/11/2021 dated 16 November 2021 on behalf of Anggi Irawan Nasution as upkeep of Tanjung Selamat Mill. This Daily worker agreement has made duplicate and held by each employee and company.</li> <li>2. PT Indo Sepadan Jaya – Tanjung Selamat POM and Estate and PT Rantau Sinar Karsa – Pangkatan Estate has issued the specific labour policy and procedures for temporary workers (PHL/PKWT); The policy and procedure are issued for each unit as below: <ul style="list-style-type: none"> <li>• Tanjung Selamat POM: Memorandum No. 009/Mill-PTS/INT/07/2020 dated 24 July 2020.</li> <li>• Tanjung Selamat Estate: Memorandum No. 171/ES-KTS/MEMO/07/2020 dated 23 July 2020.</li> <li>• Pangkatan Estate: Memorandum No. 266/ MEMO/INT/07/ 2020 dated 01 July 2020.</li> </ul> </li> </ol> <p>Based on the results of document verification and interviews with workers that related to employee recruitment, that the company has properly documented and maintained it, including:</p> <ul style="list-style-type: none"> <li>- Documents of Procedure and Memorandum of Recruitment</li> </ul>	
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		<ul style="list-style-type: none"> <li>- Daily Freelance Work Agreement Documents</li> <li>- Copies of recruitment requirements documents, including: job application letters, ID cards (KTP), medical check-up, etc.</li> </ul> <p>3. Company has established a mechanism to handle complaint from internal regulated under "Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan" – Employee' complaint and resolution mechanism (Doc. No.SOP-AA-HR-3008-RO 05).</p> <p>Based on document verification, that the company has implemented this worker complaint procedure and documented/recorded employee complaints and their responses in the form of an employee complaint log book. Records of complaints and responses are well maintained.</p> <p>4. SOP related to the payments No. AA-FA-219.1-R1: "Pengupahan" (Wages) dated 1 January 2008. Stipulate that the guideline for wages of workers is to use the applicable Government Regulation. The application of wages for the period of 2021 – 2022 still uses the basis of wages from 2020 based on the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhan Batu Regency in 2020 of IDR 3,284,500 per month. Based on the verification of wage documents, that several wage documents are well documented and maintained, for exmample:</p> <ul style="list-style-type: none"> <li>- Document of Payroll for period January – March 2022</li> <li>- Copies of Payslip</li> <li>- Employee attendance (finger print)</li> <li>- Overtime Warrant (SPL: Surat Perintah Lembur)</li> </ul> <ul style="list-style-type: none"> <li>- Proof of transfer of employee wages</li> </ul>	
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**Criteria 3.6:** An Occupational health and safety (H&S) plan is documented, effectively communicated and implemented.

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<p>3.6.1</p>	<p><b>(C)</b> All operational activities risks assessed to identify the H&amp;S issues. Mitigation plans and procedures are documented and implemented.</p>	<p>Certificate Holder has established the health and safety policy under "Kebijakan Perusahaan", signed by Managing Director of Asian Agri Group, on 1<sup>st</sup> December 2019 Point 3. Committed to implement and maintain occupational health and safety management system in compliance with national and international applicable regulation. The policy has not changes during this recertification and surveillance audit. The policy was communicated to all employees and displayed at strategic locations of Mill and Estates and communicated to employees including contractor workers on 25 January and 8 March 2022.</p> <p>OHS risk assessment procedure SOP "Identifikasi bahaya, Penilaian Resiko dan Penentuan Pengendalian" AA-SMK3-02-R0 dated 3 August 2017 was established and implemented for Mill and Estates activities both routine and non-routine activities. Hierarchy of control was considered for planning of risk control. According to the procedure, the OHS risk assessment and analysis must be reviewed once a year. Risk assessment in plantation were available.</p> <p>OHS training has been programmed and provided and balanced with OHS hazard and risk at Mill and Estates. Basic OHS training performed internally by safety officer in charge at mill and estate, the training record and programme related to OHS were sighted and verified during this audit, e.g. licenses for boiler operator, licence for operator of generator set, licence of heavy equipment operator, pesticide training for sprayers, etc.</p> <p>Tanjung Selamat Estate, Tanjung Selamat Mill and Pangkatan Estate have conducted Hazard Identification &amp; Risk Assessment and Control (HIRAC)/Risk Analysis revision and reviewed as well in January 2022. It consists of a risk assessment, controlling and its control targets. From the results of the review in January 2022, the OHS work program for the period of 2022 was made, where this program is a control to reduce or mitigate the risk of accidents, which included:</p>	<p>Complied</p>
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		<ol style="list-style-type: none"> <li>1. OHS Inspection: PPE providing, Worker housing inspection.</li> <li>2. Checking emergency response facilities and infrastructure</li> <li>3. Safety Training Program: Emergency and Fire Training, Safety Briefing (Routine).</li> <li>4. Expertise Training Program for several operators (i.e: tractor operators, heavy equipment, welders, turbine engine operators and others.</li> <li>5. Healthcare: Medical Check Up, POSYANDU (monthly basis), Disease Handling and Awareness.</li> </ol>	
3.6.2	<p><b>(C)</b> The effectiveness of the H&amp;S plan to address health and safety risks to people is monitored.</p>	<p>H&amp;S Plan addressing health and safety risk of people are monitored as below:</p> <ul style="list-style-type: none"> <li>- PPE usage monitoring: PPE monitoring performed in daily basis by each department. PPE monitoring present in "Checklist Penggunaan APD". PPE monitoring period 2021 and 2022 can be demonstrated during audit.</li> <li>- OHS inspection conducted each month by OHS expert and team each month. OHS inspection covering: PPE usage inspection, unsafe action and unsafe condition in area of: Workshop, harvesting, spraying working, manuring, housing. OHS inspection schedule 2022 were sighted.</li> <li>- SIO Operator: Welder on behalf Indra Fauzi Lubis, certificate No.: S.1842/JL/BINWASK3-PNK3/X/2018 dated 20 Sept 2018.</li> <li>- Uji riksa bejana tekan Pangkatan Estate: Kompresor Shark LVP 1075, Pengesahan pemakaian No. 560/02/BT/DSTKT-4/2014. Latest monitoring from Disnakertrans on 31 October 2021, the result is in good condition.</li> <li>- Safety committee meeting, conducted each month to review the effectiveness of OHS program and to discuss the OHS issue. Latest</li> </ul>	Complied



		<p>meeting conducted on 22 March 2022. Minutes of Safety committee meeting are available and reported in P2K3 report.</p> <p>Effectiveness of OHS implementation was reported in P2K3 report which submitted to Manpower office "Disnakertrans Provinsi Sumatera Utara".</p>	
<b>Criteria 3.7:</b> All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.			
3.7.1	<p>(C) A documented programme that provides training is in place, which is accessible to all staff, workers, scheme smallholders, and outgrowers taking into account gender- specific needs, and which covers applicable aspects of P&amp;C Principles, in a form they understand and includes assessment of the training.</p>	<p>The company has a department which is responsible for training program, which is the Asian Agri Learning Institute. The department has a 2021/2022 training program recorded in the year 2021/2022 training calendar including Estate and Mill.</p> <p>Through its employee data (master of Employees) and training data personal records, the Asian Agri Learning Institute Department will recommend the Estate and Mill to participate in a training program annually and will also evaluate the effectiveness of the training that has been followed.</p> <p>The training program is divided into several aspects: technical, Administration, Environments &amp; Sustainability and special certifications and there are also training involving vendors or operational suppliers.</p> <p>The following is a 2021/2022 period training program for PT ISJ and PT RSK, including:</p> <p><u>Technical (Estate):</u></p> <ol style="list-style-type: none"> <li>1. Refresh of SOP Handling of pests and diseases-Pengendalian hama dan Penyakit on February to March 2020, target of participants as much as 130 participants.</li> <li>2. Spraying Training; will be held on March to May 2020, target of participants as much as 19 participants.</li> </ol> <p><u>Vendor (Estate and Mill):</u></p> <ol style="list-style-type: none"> <li>1. Unlimited Herbicide Application Training, March, June and August 2020 with target of participants as much as 10 participants. In</li> </ol>	Complied

		<p>cooperation with PT Syngenta Indonesia vendor.</p> <ol style="list-style-type: none"> <li>Heavy equipment (Operational and Maintenance), will be held on March, July and August 2020, target of participants as much as 6 participants. In cooperation with PT Altrak &amp; Surya Abadi.</li> </ol> <p><u>Technical (Mill and Workshop)</u></p> <ol style="list-style-type: none"> <li>Training on the principle in the operation of steam machine, will be held on July 2020 with target participants as much as 48 participants.</li> <li>Road maintenance training, will be held on February, March and July 2020 with target of participants as much as 35 participants.</li> </ol> <p><u>Environmental &amp; Sustainable:</u></p> <ol style="list-style-type: none"> <li>Sustainability awareness (include: traceability, mass balance and HCV), will be held on February, March, May, July and September 2020, target of participants as much as 38 participants.</li> <li>Basic fire training and fire equipment and service, will be held on February and May 2020, target of participants as much as 137 participants.</li> <li>Job safety analysis training, will be held on February 2020, target of participants as much as 20 participants.</li> <li>Accidents Inspection and observation training, will be held on January – March 2020, target of participants as much as 120 participants.</li> </ol> <p><u>Certification:</u></p> <ol style="list-style-type: none"> <li>Certification of AK3U, will be held on March 2020 to 13 participants</li> <li>Certification for Pesawat aAngkat Angkut Operator, will be held on March 2020 to 5 operators.</li> <li>Certification for welder operator, will be held on March 2020 to 20 operators.</li> <li>Firs aider certification training, will be held on April 2020 to `15 participants.</li> </ol>	
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		<p>5. Hyperkes certification on April 2020 to 17 participants.</p> <p>6. Electricians' certification on April 2020 to 10 operators.</p> <p>The company has also conducted training on all health protocol related workers for pandemic Covid-19 on 26-27 March 2020.</p>	
3.7.2	Records of training are maintained, where appropriate on an individual basis.	<p>The training realizes based on the Training calendar period 2019-2020, including:</p> <ol style="list-style-type: none"> <li>1. Training of refresh SOP for pest and disease control, implemented on April 3, 2020 and attended by 63 participants.</li> <li>2. Technical road maintenance training, conducted on 3 May 2020 and attended by 35 participants.</li> <li>3. Basic Fire training, conducted on 6 November 2019 and attended by 32 participants.</li> <li>4. Traceability training and book keeping for supply chains, conducted on 10 October 2019 and attended by 6 participants from Tanjung Selamat Mill.</li> <li>5. Socialization of Pandemic Covid-19 for all communities/employees of PTS from the housing held on March 26, 2020.</li> <li>6. Basic fire training, conducted on 12 January 2020 and attended by 16 participants</li> <li>7. Fire aiders training, conducted on 10 January 2020 and attended by 27 participants from Pangkatan Estate and Tanjung Selamat Estate.</li> </ol> <p>The company has also made recording for all trainings that have been attended by employees in the recording of "Personal Data Training", sample taken:</p> <ol style="list-style-type: none"> <li>1. Employees on behalf of Sunarto (mechanical Pangkatan Estate); Has participated in Basic Fire training on 12 January 2020, 3 May 2020 Technical training Road maintenance and date 26 March 2020 socialization of pandemic Covid-19.</li> </ol>	Complied

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		<p>2. Employees on behalf of Torang Nainggolan (Spraying foreman at Tanjung Selamat Estate); Has participated in Basic Fire training on 12 January 2020, on March 2019 attended of unlimited herbicide application, 10 January 2020 first aider training and date 26 March 2020 socialization of pandemic Covid-19.</p> <p>3. Employees on behalf of Siddik Noval (Upkeep foreman at Tanjung Selamat Estate); Has participated in Basic Fire training on 12 January 2020, 10 January 2020 first aider training and date 26 March 2020 socialization of pandemic Covid-19.</p> <p>Some documents can be shown at the time of the audit as proof is: the Calendar Training document period 2019-2020, the list of participants attending the trainees, and some photographs of the activities at the time of training.</p>	
3.7.3	Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.	Training for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) has been carried out by company on 4 January 2022. Training attend by participants: Mill Manager, Production clerk, weighbridge clerk, KTU/administration, Dispatch and Sustainability team. Evidence of training can be demonstrated. During interview with mill personnel confirmed that they have understand regarding the RSPO SCCS implementation and process in Tanjung Selamat Palm Oil Mill.	Complied
<p><b>Criteria 3.8:</b> Supply chain requirements for mills.          Procedure note: all requirements are classified as Critical Indicators. However it will not contribute to suspension if there is more than 5 non-compliance within a principle)</p>			
3.8.1	<p>Identity Preserved Module</p> <p>A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&amp;C), or against the Group Certification scheme.</p>	<p>Tanjung Selamat Palm Oil Mill physically receives and process FFB from certified and non-certified sources, therefore the applicable RSPO Supply Chain Module is CPO Mills: Mass Balance.</p> <p>Not Applicable.</p>	Not Applicable

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	Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Mass Balance Module is applicable.		
3.8.2	<p>Mass Balance Module</p> <p>A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>Tanjung Selamat Palm Oil Mill physically receives and process FFB from certified and non-certified sources, therefore the applicable RSPO Supply Chain Module is CPO Mills: Mass Balance.</p> <p>No change in the supply chain module since last assessment</p>	Complied
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	PT ISJ – Tanjung Selamat POM is able to provide estimate volume of CPO and PK in a year period and it was recorded by the CB in Public Summary report and Certificate, consists estimate of FFB receiving from Tanjung Selamat Estate, Pangkatan estate and Third Party supplier, Extraction rates, Processing capacity, working hour, utilization, etc. The actual tonnage produced are recorded in each annual surveillance report.	Complied
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.	PT ISJ – Tanjung Selamat POM is a palm oil mill which takes legal ownership and physically handled RSPO certified sustainable oil palm product, therefore the site has been registered in RSPO IT Platform with ID number RSPO_PO1000002607.	Complied
3.8.5	<p>Documented procedures</p> <p>The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM can demonstrates:</p> <ol style="list-style-type: none"> <li>1. Standard Operating Procedures – Traceability (AA-MPM-OP-1400.17.R7) dated 1 October 2019. The procedures cover traceability of CPO and PK, since FFB receiving from Tanjung Selamat and Pangkatan Estate, processing up to shipping of CPO and PK as well as</li> </ol>	Non-compliance

	<ul style="list-style-type: none"> <li>a) Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill’s procedures for the implementation of this standard.</li> <li>d) The mill shall have documented procedures for receiving and processing certified and non-certified FFBs including ensuring no contamination in the IP mill.</li> </ul>	<p>daily production report. The procedure also regulates the internal audit by Sustainability Internal Audit Manager. Traceability records are to be kept for 10 years.</p> <ul style="list-style-type: none"> <li>2. Standard Operating Procedure – Book Keeping (AA-MPM-OP-1400.18-R4) dated 25 February 2015. The procedure explains method to check only certified product received. The bookkeeping mass balance issued every 3 months: January-March, April-June, July-September, and October-December each year. Head of Environment and Sustainability will inform to Certification Body in the case of projected overproduction.</li> <li>3. SOP of Palm Oil Mill operation:             <ul style="list-style-type: none"> <li>a. SOP AA-MPM-OP-1400.02.R2, dated 1 September 2011, Stasiun Penerimaan (FFB Receiving Station)</li> <li>b. SOP AA-MPM-OP-1400.03.R1, dated 1 February 2009, Stasiun Rebusan (Sterilizer)</li> <li>c. SOP AA-MPM-OP-1400.04.R1, dated 1 February 2009, Stasiun Pemisahan Berondolan (Loose Fruit Separation)</li> <li>d. SOP AA-MPM-OP-1400.05-R1, dated 1 February 2009, Stasiun Pengadukan dan Pengempaan (Pressing Station)</li> <li>e. SOP AA-MPM-OP-1400.06-R1, dated 1 February 2009, Stasiun Pemurnian (Clarification)</li> <li>f. SOP AA-MPM-OP-1400.07-R1, dated 1 February 2009, Stasiun Pemisahan Nut dan Fiber (Nut and Fiber separation)</li> <li>g. SOP AA-MPM-OP-1400.08-R1, dated 1 February 2009, Stasiun Kernel (Kernel Station)</li> <li>h. SOP AA-MPM-OP-1400.09-R1, dated 1 February 2009, Stasiun Boiler</li> <li>i. SOP AA-MPM-OP-1400.10-R1, dated 1 February 2009, Stasiun Engine Room.</li> </ul> </li> </ul>	
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		<ul style="list-style-type: none"> <li>j. SOP AA-MPM-OP-1400.11-R1, dated 1 February 2009, Stasiun Water Treatment.</li> <li>k. SOP AA-MPM-OP-1400.12-R1, dated 1 February 2009, Laboratorium.</li> <li>l. SOP AA-MPM-OP-1400.13-R1, dated 1 February 2009, Stasiun Pengelolaan Limbah (Palm Oil Mill Effluent Treatment).</li> <li>m. SOP AA-MPM-OP-1400.14-R2, dated 1 September 2011, Stasiun Penimbunan dan Pengiriman CPO dan Kernel (CPO and PK Storage and Despatch).</li> <li>n. SOP AA-MPM-OP-1400.15-R1, dated 1 February 2009, Perawatan (Preventive Maintenance and Repair).</li> </ul> <p>PT ISJ – Tanjung Selamat POM is able to demonstrate complete and up-to-date records and report demonstrating compliance with the supply chain’s general requirement and modular requirement, including training records.</p> <p>As per Procedure of Traceability (AA-MPM-OP-1400.17-R7), the responsible person in charge (PIC) to the supply chain system is Mill Manager. During audit, the mill manager was able to demonstrate sufficient knowledge and understanding on RSPO supply chain implementation for palm oil mill.</p> <p>The procedure SOP AA-MPM-OP-1400.02.R2, dated 1 September 2011, Stasiun Penerimaan (FFB Receiving Station) has include receiving of certified and non-certified FFB. The mill uses supply chain Model Mass Balance, contamination is allowed.</p>	
3.8.6	<p>Internal Audit</p> <p>i) The mill shall have a written procedure to conduct annual internal audit to determine whether the mill;</p>	<p>As per Procedure of Traceability (AA-MPM-OP-1400.17-R7) chapter 6.7, Sustainability Internal Audit Manager conducted internal audit 2 times in a year, to ensure all operational and documentation activities are comply to the requirement in RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>	Complied

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	<ul style="list-style-type: none"> <li>a) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> <li>b) Effectively implements and maintains the standard requirements within its organisation.</li> <li>ii) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.</li> </ul>	<p>The site has effectively implemented and maintains the standard requirement by performing internal audit. Latest Internal audit carried out on 08-13 November 2021, against RSPO P&amp;C Indonesia NI 2020 that include Supply Chain requirement.</p> <p>Internal audit report is available, described that there are no non-conformities found.</p>	
3.8.7	<p>Purchasing and Goods In</p> <ul style="list-style-type: none"> <li>i) The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</li> <li>ii) The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage.</li> <li>iii) The mill shall have a mechanism in place for handling non-conforming FFB and/or documents.</li> </ul>	<p>PT ISJ-Tanjung Selamat POM has demonstrated SOP of Traceability (AA-MPM-OP-1400.7.R6), chapter 5.1 indicates the Weighbridge Clerk has responsibility to input data and print weighbridge card based on "Surat Pengantar TBS", covering information e.g. estate name and block number, mill name, date of delivery, product description and quantity, RSPO certificate number, transporter identity and unique identification number.</p> <p>PT ISJ – Tanjung Selamat POM receive FFB from certified and non-certified source. Certified source consists of own estate, Tanjung Selamat Estate and sister company estate (Pangkalan Estate - PT Rantau Sinar Karsa).</p> <p>Non-certified FFB sourced from third party supplier, e.g.: Roma, Palta Jaya UD Ula Tersia, UD Sahabat, William Tanizar and CSV (Create Share Value). Tonnage of certified and non-certified FFB are recorded in Laporan Harian Pabrik (Mill Daily Report).</p> <p>Standard Operating Procedure – Book Keeping (AA-MPM-OP-1400.18-R4) explains that Head of Environment and Sustainability will inform to Certification Body in the case of projected overproduction.</p> <p>In the case on non-conforming raw material entering the process, PT ISJ-Tanjung Selamat POM has the mechanism to handle non-conforming</p>	Complied



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		<p>material and/or document. PT ISJ-Tanjung Selamat POM demonstrated the simulation on recall of non-conforming material.</p> <p>Record seen:</p> <ul style="list-style-type: none"> <li>- Weighbridge Ticket No. PTSA422102597 dated 20/04/2022; from Pangkatan Estate Div. 2; to PT Indo Sepadan Jaya – Tanjung Selamat Mill; Delivery date is 20/04/2022; Commodity is Certified FFB; Net weight 6,380 kg; Block A10a (1,408 bunches); certificate no. SPO 620704; Transport Internal; Delivery Note KPTDT5020220420110402; Vehicle register No. BK 9814 EP; Driver Sarlon Sitanggang; Batch No. 13-DE100-16462019-23025116.</li> <li>- Weighbridge Ticket No. PTSA422102599 dated 20/04/2022; from Pangkatan Estate Div. 1; to PT Indo Sepadan Jaya – Tanjung Selamat Mill; Delivery date is 20/04/2022; Commodity is Certified FFB; Net weight 6,550 kg; Block B02a (1,075 bunches); certificate no. SPO 620704; Transport Internal; Delivery Note KPTDT3520220420124602; Vehicle register No. BK 9698 YL; Driver Nelson Simbolon; Batch No. 13-DE100-16462019-23025128.</li> <li>- Weighbridge Ticket No. PTSA122104692 dated 20/04/2022; from Tanjung Selamat Estate Div. 1; to PT Indo Sepadan Jaya – Tanjung Selamat Mill; Delivery date is 20/04/2022; Commodity is Certified FFB; Net weight 8,070 kg; Block D12b (1,276 bunches); certificate no. SPO 620704; Transport Internal; Delivery Note KPTDT5020220420110402; Vehicle register No. BK 9173 YM; Driver Bataka Bangun; Batch No. 13-DE100-16462019-24025131.</li> <li>- Weighbridge Ticket No. PTSA122104689 dated 20/04/2022; from Tanjung Selamat Estate Div. 1; to PT Indo Sepadan Jaya – Tanjung Selamat Mill; Delivery date is 20/04/2022; Commodity is Certified FFB; Net weight 6,060 kg; Block D12b (640 bunches); certificate no. SPO 620704; Transport Internal; Delivery Note KPTDT5020220420110402; Vehicle register No. BK 8071 ET; Driver</li> </ul>	
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		<p>Arisman Simbolon; Batch No. 13-DE100-16462019-24025119.</p> <p>Non-Certified:</p> <ul style="list-style-type: none"> <li>- Weighbridge Ticket No. PTSA522103201 dated 20/04/2022; from Supplier Wan Jumasari Dewi (WJD) to PT Indo Sepadan Jaya – Tanjung Selamat Mill; Delivery date is 20/04/2022; Commodity is Outside FFB; Net weight 1,440 kg; total 90 bunches; Transport General; Delivery Note 002; Vehicle register No. BK 8012 LE; Driver Eko.</li> <li>- Weighbridge Ticket No. PTSA522103202 dated 20/04/2022; from Supplier Wan Jumasari Dewi (WJD) to PT Indo Sepadan Jaya – Tanjung Selamat Mill; Delivery date is 20/04/2022; Commodity is Outside FFB; Net weight 13,728 kg; total 858 bunches; Transport General; Delivery Note 004; Vehicle register No. BK 9061 PO; Driver Sapri.</li> </ul>	
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ol style="list-style-type: none"> <li>a) The name and address of the buyer;</li> <li>b) The name and address of the seller;</li> <li>c) The loading or shipment / delivery date;</li> <li>d) The date on which the documents were issued;</li> <li>e) RSPO certificate number;</li> </ol>	<p>PT ISJ-Tanjung Selamat POM has demonstrated SOP of Traceability (AA-MPM-OP-1400.17.R7), chapter 5.2 indicates the Marketing Manager issued Delivery Order (DO) with information: name and address of production unit, name and address of buyer, contract number, type of product transportation (land/sea), distance, type of product (CPO or PK, certified or non-certified), quantity of product, delivery date, product qualification specification (CPO or PK: FFA, water content, dirt, etc.), Supply chain model (Mass Balance).</p> <p>At the Mill, weighbridge operator printed out CPO or PK weighbridge card, based on DO from marketing which indicates: type of commodity, CPO or PK certified or not-certified; source and destination address; Supply Chain model: (Mass Balance); Certificate number of the Mill; date of delivery, Product quality specification (moisture, FFA, dirt); Contract number/DO number; Quantity, Transport detail (driver name, vehicle number); Buyer address.</p> <p>Sample of Sales Documents:</p>	Complied

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	<p>f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations);</p> <p>g) The quantity of the products delivered;</p> <p>h) Any related transport documentation;</p> <p>i) A unique identification number.</p>	<p>i. Weighbridge ticket No. PTSC122100415; dated 06 April 2022; Seller PT Indo Sepadan Jaya – Tanjung Selamat POM; Buyer PT Rantau Sinar Karsa; Commodity RSPO certified CPO; Supply Chain Model Mass Balance; Quantity 28,540 kg; FFA 3.27%; Moisture 0.32%; Dirt 0.025%; DO No. 04001/DC23/02/22; Supply chain certificate RSPO 620704.</p> <p>ii. Weighbridge ticket No. PTSC122100414; dated 06 April 2022; Seller PT Indo Sepadan Jaya – Tanjung Selamat POM; Buyer PT Rantau Sinar Karsa; Commodity RSPO certified CPO; Supply Chain Model Mass Balance; Quantity 25,320 kg; FFA 3.27%; Moisture 0.32%; Dirt 0.025%; DO No. 04001/DC23/02/22 Supply chain certificate RSPO 620704.</p> <p>iii. Weighbridge ticket No. PTSC122100413; dated 06 April 2022; Seller PT Indo Sepadan Jaya – Tanjung Selamat POM; Buyer PT Rantau Sinar Karsa; Commodity RSPO certified CPO; Supply Chain Model Mass Balance; Quantity 24,430 kg; FFA 3.19%; Moisture 0.35%; Dirt 0.025%; DO No. 04001/DC23/02/22; Supply chain certificate RSPO 620704.</p> <p>iv. Weighbridge ticket No. PTSC122100413; dated 06 April 2022; Seller PT Indo Sepadan Jaya – Tanjung Selamat POM; Buyer PT Rantau Sinar Karsa; Commodity RSPO certified CPO; Supply Chain Model Mass Balance; Quantity 25,740 kg; FFA 3.08%; Moisture 0.26%; Dirt 0.024%; DO No. 04001/DC23/02/22; Supply chain certificate RSPO 620704.</p> <p>Based on sales document verified, information required are included, as follow:</p> <p>a) The name and address of the buyer;</p> <p>b) The name and address of the seller;</p>	
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		<ul style="list-style-type: none"> <li>c) The loading or shipment / delivery date;</li> <li>d) The date on which the documents were issued;</li> <li>e) RSPO certificate number;</li> <li>f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations);</li> <li>g) The quantity of the products delivered;</li> <li>h) Any related transport documentation;</li> <li>i) A unique identification number.</li> </ul>	
3.8.9	<p><b>Outsourcing Activities</b></p> <ul style="list-style-type: none"> <li>i) The mill shall not outsource its milling activities. In cases where he mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification.</li> <li>ii) The mill shall ensure the following: <ul style="list-style-type: none"> <li>a) The mill has legal ownership of all input material to be included in outsourced processes</li> <li>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> </ul> </li> </ul>	<p>The mill does not outsource its milling activities.</p> <p>The transport for RSPO certified sustainable CPO and PK delivery was carried out by CV Jaya Pertama and CV Sejahtera Abadi Medan for certified CPO; and CV Sekawan Jaya for certified Palm Kernel. Contract documents were available.</p> <p>During transport, the mill has legal ownership of the product delivered.</p> <p>The contract is as follow:</p> <ul style="list-style-type: none"> <li>• “Perjanjian Pengangkutan” No. 03/X/SJA-ISJ/2019 dated 1 October 2019 between PT Indo Sepadan Jaya and <b>CV Sejahtera Abadi</b> regarding transport of CPO and PK (valid 3 years).</li> <li>• “Perjanjian Pengangkutan” No. 02/X/skj-ISJ/2019 dated 1 October 2019 between PT Indo Sepadan Jaya and Pengangkutan <b>CV Sekawan Jaya</b> regarding transport of CPO and PK. (valid 3 years).</li> <li>• “Perjanjian Pengangkutan” No. 02/VI/JP-ISJ/2020 dated 4 Juni 2020 between PT Indo Sepadan Jaya and <b>CV Jaya Pertama</b> regarding transport of CPO and PK. (valid 3 years).</li> </ul> <p>In article 7 (Responsibility and Obligation), point 1.m. stated that the contractor willing to meet the requirements of the Supply Chain Certification System when transporting raw materials and be willing to be</p>	Complied

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	d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.	audited by a second party internal auditor and an external party auditor from the certification body appointed by the second party if necessary. The contract has been signed by both parties means that the outsourcing party understood the RSPO Supply Chain requirements.	
3.8.10	The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.	The mill has recorded the name and contact detail of all contractors, as follow: <ul style="list-style-type: none"> <li>• CV Sejahtera Abadi; contact Mr. Darmin Tanudjaja (Owner); address at Jl. Besar Kisaran Desa Sidomulyo Kecamatan Pulo Bandring, Medan.</li> <li>• CV Sekawan Jaya; contact Mr. Irawan Arifin; address at Rantau Prapat, Sumatera Utara.</li> <li>• “Perjanjian Pengangkutan” No. 02/VI/JP-ISJ/2020 dated 4 Juni 2020 between PT Indo Sepadan Jaya and CV Jaya Pertama regarding transport of CPO and PK.</li> </ul>	Complied
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	Standard Operating Procedure – Book Keeping (AA-MPM-OP-1400.18-R4) revision dated 25 February 2015, Chapter 6.5, page 6, mentioned mechanism that Head of Environmental and Sustainability will inform to certification body if there is case of projected overproduction.	Complied
3.8.12	Record keeping i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	Based on review of PT ISJ – Tanjung Selamat POM document and record, the Mill is able to demonstrate complete, up-to-date and accessible records and reports covering all aspects of RSPO Supply Chain Certification Standard requirements.  Records and report verified are as follows: Laporan Harian Pabrik (Mill Daily Report); dated 31/12/2021 and 31/03/2021.	Complied

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	<p>iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</p> <p>iv) For Mass Balance Module, the mill:</p> <p>a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.</p> <p>b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock).</p>	<p>Book Keeping – monthly mass balance record of FFB processed, CPO and PK production, CPO and PK deliveries for period March 2021 to January 2022.</p> <ul style="list-style-type: none"> <li>• Kartu Timbangan (Weighbridge Card) FFB;</li> <li>• Kartu Timbangan (Weighbridge Card) CPO;</li> <li>• Kartu Timbangan (Weighbridge Card) PK;</li> </ul> <p>The procedure of Traceability (AA-MPM-OP-1400.7.R6), requires that all records and reports related to traceability and book keeping are retained for a period of 10 years.</p> <p>Tanjung Selamat POM uses Mass Balance Module for supply chain. Tanjung Selamat POM has record and balances all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on monthly basis, as shown in Book Keeping Mass Balance Report. Monthly report was generated from weighbridge card, summarized daily in mill daily report, summarized monthly in Mill Operation Summary, then summarized in Book Keeping Mass Balance Report.</p> <p>Conversion rate is only applied to provide reliable estimation of CPO and PK produced for annual budget. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system (Book Keeping Mass Balance Report).</p> <p>Tanjung Selamat POM only deliver certified CPO and PK sales from a positive stock. Audit team verified there was no short-selling and/or negative stock at the end of period.</p>	
3.8.13	<p><b>Extraction Rate</b></p> <p>The oil extraction rate (OER) and the kernel extraction rate(KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their</p>	<p>The oil extraction rate (OER) and Kernel extraction Rate (KER) are applied to provide reliable estimation of CPO and PK produced for annual budget. OER and KER are set based upon past experience, documented and applied it consistently.</p>	Complied

	own extraction rates based upon past experience, documented and applied it consistently.	Based on "Distribusi Produksi Bulanan Anggaran 2022" budget for 2022 are as follows: - OER = 20.00% - KER = 4.675%	
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	OER and KER are updated periodically to ensure accuracy against actual performance. Based on daily report dated 31 December 2021, actual OER and KER 2021 are as follows: - OER = 22.46% - KER = 4.12%	Complied
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	Tanjung Selamat POM implement Mass Balance Module. This indicator is not applicable.	Complied
3.8.16	Registration of Transactions i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.	PT ISJ – Tanjung Selamat POM has made Shipping Announcement for certified CPO and PK sold. Shipping Announcement: - Shipping Announcement, with transaction ID No. TR-1e51c37d-b450 for 430.67 MT CSPK Mass Balance; from PT Indo Sepadan Jaya – Tanjung Selamat Mill (RSPO_PO1000002607) as Seller to PT Hari Sawit Jaya - Negri Lama II KCP (RSPO_PO1000003005) as Buyer. Shipping date 31/03/2021; Confirmation date 12/04/2021. - Shipping Announcement, with transaction ID No. TR-16d09d12-8a8a for 390.07 MT CSPO Mass Balance; from PT Indo Sepadan Jaya – Tanjung Selamat Mill (RSPO_PO1000002607) as Seller to Apical (Malaysia) Sdn Bhd (RSPO_PO1000010989) as Buyer. Shipping date	Complied

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		<p>24/12/2021; Ship name MT. ASIA INSPIRE V2109; B/L No. AISV2109-207; Confirmation date 01/03/2022.</p> <ul style="list-style-type: none"> <li>- Shipping Announcement, with transaction ID No. TR-66d7ac57-6510 for 27.51 MT CSPO Mass Balance; from PT Indo Sepadan Jaya – Tanjung Selamat Mill (RSPO_PO1000002607) as Seller to PT. Sari Dumai Sejati (RSPO_PO1000006430) as Buyer. Shipping date 05/02/2022; Ship name MT. Shozan V.2; B/L No. SZ2/LG/YOK-5; Confirmation date 07/03/2022.</li> <li>- Shipping Announcement, with transaction ID No. TR-b0efe392-883a for 315 MT CSPO Mass Balance; from PT Indo Sepadan Jaya – Tanjung Selamat Mill (RSPO_PO1000002607) as Seller to AAA Oils &amp; Fats Pte Ltd (RSPO_PO1000001284) as Buyer. Shipping date 29/03/2021; Ship name MT. ASIA LIBERTY V2102; B/L No. AL2102/LBG/MUN-302; Confirmation date 14/04/2021.</li> </ul> <p>Remove: PT ISJ – Tanjung Selamat POM has done “Remove” in the RSPO IT Platform for certified product which sold as another certification scheme, as transaction ID No. ST-TR-f9d256f8-4c31 for 7,052.28 MT CSPO Mass Balance; Stock Transaction Status: Removed from Certified Stock; Reason For Removal: Sold as ISCC; Removal Date: 11/04/2022.</p>	
3.8.17	<p><b>Claims</b></p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	<p>The procedure for claims is stated in SOP for Traceability (AA-MPM-OP-1400.17-R7) dated 1 October 2019. The mill only makes claims on RSPO Certified product in compliance with RSPO Rules on Market Communications and Claims. Statement of RSPO certified and Mass Balance model are only stated in sales documents of RSPO certified product.</p>	Complied
<b>General corporate communications</b>			
4.1	<p>A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the</p>	<p>PT Indo Sepadan Jaya is a subsidiary of RSPO registered member PT Inti Indosawit Subur. The corporate communication of PT Inti Indosawit Subur</p>	Complied



	principles of the RSPO. Corporate communication is an 'off-product' claim.	can be seen in the company website, under brand Asian Agri at the address <a href="http://www.asianagri.com">www.asianagri.com</a> .	
4.2	<p>In corporate communications a member is allowed to:</p> <ul style="list-style-type: none"> <li>• Display its RSPO membership status</li> <li>• Display the RSPO web address (<a href="http://www.rspo.org">www.rspo.org</a>)</li> <li>• State that the member supports the work of the RSPO</li> <li>• State the member's history with regard to the RSPO.</li> <li>• Use the RSPO trademark to promote its membership of the RSPO.</li> </ul> <p>Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at <a href="http://www.rspo.org">www.rspo.org</a>' where the link must lead to the member's profile page.</p>	<p>Corporate communication in Asian Agri website:</p> <ul style="list-style-type: none"> <li>• Display its RSPO membership status: In the website of Asian Agri, it was stated the company is RSPO Member since February 2006.</li> <li>• Display the RSPO web address: Not in direct manner. In Asian Agri website, company made a link to RSPO website.</li> <li>• State the member supports the work of the RSPO: Not in direct manner. In the website, Asian Agri wrote "In 2006, Asian Agri became a member of the Roundtable of Sustainable Palm Oil (RSPO), a global multi-stakeholder certification system to develop and implement global standards for sustainable palm oil production. We received our 1<sup>st</sup> RSPO certification for our estate in 2010, and in 2012, the certification for our smallholder scheme."</li> <li>• State the member's history with regards to the RSPO: Yes. In the website of Asian Agri, it was stated the company is RSPO Member since February 2006.</li> <li>• Use of RSPO Trademark to promote its membership of the RSPO: in the website, the company does not display RSPO Trademarks and corporate logo.</li> </ul>	Complied
4.3	In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	Yes. In the Asian Agri website, stated that the company is RSPO Member since February 2006. However, it is clear that the statement did not lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	Complied
4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	Yes. In the Asian Agri website, stated that the company is RSPO Member since February 2006. However, it is clear that the statement are clear and did not mislead consumers or other stakeholders as to the certified content of oil palm products in their own products.	Complied

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4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	No, the Asian Agri website did not display the RSPO Corporate Logo.	Complied
<b>Business to business communications</b>			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	PT Indo Sepadan Jaya – Tanjung Selamat POM stated in sales documents, e.g. Weighbridge Ticket that the product they sold is RSPO Certified CPO or PK model MB.	Complied
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	It was verified that when selling certified oil palm product, PT Indo Sepadan Jaya – Tanjung Selamat POM stated the supply chain model and certificate number, e.g. in Delivery Order and Weighbridge Card.	Complied
5.3	Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options: a) If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation. b) If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.	PT Indo Sepadan Jaya – Tanjung Selamat POM is not a distributor or wholesaler, the site is a Palm Oil Mill that process FFFB into CPO and PK. Not applicable.	Not Applicable
5.4	A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product	PT Indo Sepadan Jaya – Tanjung Selamat POM is not a distributor or wholesaler, the site is a Palm Oil Mill that process FFFB into CPO and PK. Not applicable.	Not Applicable

	<p>must not be labelled as certified or sold in such a way that implies RSPO certification.</p> <p>For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p>		
<b>Business to consumer communication</b>			
6.1	<p>Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM is an RSPO certificate holder with certificate number RSPO 620704 valid until 25 May 2020. The certificate holder sold its oil palm product in bulk, no product label attached. No 'product-specific' claims are used.</p> <p>Not applicable.</p>	Complied
6.2	<p>Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM is an RSPO certificate holder with certificate number RSPO 620704 valid until 25 May 2020. The certificate holder sold its oil palm product in bulk, no product label attached. No 'product-specific' claims are used.</p> <p>Not applicable.</p>	Complied
6.3	<p>When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM sold its oil palm product in bulk, no product pack are used.</p> <p>Not applicable.</p>	Complied
6.4	<p>Business to consumer communication shall not include information about the claimant's RSPO membership status.</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM communication has not stated information about the claimant's RSPO membership status.</p>	Complied
6.5	<p>Members shall not communicate to consumers' information about their suppliers' RSPO membership status.</p>	<p>The communication of PT Indo Sepadan Jaya – Tanjung Selamat POM has not mentioned to consumers information about their suppliers' RSPO membership status.</p>	Complied

6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	The site sold its oil palm product in bulk, up to this moment, PT Indo Sepadan Jaya – Tanjung Selamat POM has not use RSPO trademark.	Complied
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	Up to this moment, PT Indo Sepadan Jaya – Tanjung Selamat POM has not use other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products.	Complied
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on <a href="http://www.rspo.org">www.rspo.org</a> .	PT Indo Sepadan Jaya – Tanjung Selamat POM is not a retailer or food service company. Not applicable.	Complied
<b>MODULE B – MASS BALANCE SPECIFIC RULES</b>			
<b>Minimum Mass Balance content</b>			
	95% or above of the oil palm content must be RSPO MB-certified.	PT Indo Sepadan Jaya – Tanjung Selamat Mill produce and sold the RSPO MB Certified 100%.	Complied

	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the non-certified volume must be covered by equivalent volume of RSPO Credits.</p>	<p>There is no percentage of non-certified oil palm within the product RSPO MB.</p>	<p>Complied</p>
<p><b>Labelling and trademark (MB)</b></p>			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> <li>• Surrounded by the text: 'Certified sustainable palm oil'.</li> <li>• The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance (MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim.</li> <li>• The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'.</li> <li>• Wherever the RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4 pt (1.4 mm or 0.06 inch).</li> <li>• In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications &amp; Claims document.</li> </ul>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM was not use labelling and trademark in their product.</p> <p>There are no product partial claims.</p>	<p>Not Applicable</p>

<b>Messaging (MB)</b>			
	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> <li>• [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain.</li> <li>• The volume of [oil palm products]/[palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations.</li> </ul> <p>In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed.</p> <p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <ul style="list-style-type: none"> <li>• Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product.</li> </ul>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM was not messaging in storytelling in product-related communications. It was verified during audit through sales contract, DO and dispatch slip (weighbridge card). There are no product partial claims.</p>	<p>Not Applicable</p>
<p><b>Principle 4: Respect community and human rights and deliver benefit</b></p> <p>Respect community rights, provide equal opportunities, maximise benefits from engagement and ensure remediation where needed.</p>			
<p><b>Criteria 4.1:</b> The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.</p>			
4.1.1	<p><b>(C)</b> A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, supply chain and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.</p>	<p>The company has a corporate policy established on 1 December 2019 in Medan which was ratified by the Managing Director (Kevin Tio). The policy relating to human rights, is explained in point 13, stating that: "The company respects human rights by treating all employees fairly, both in terms of acceptance, valuation, conditions and working environment, as well as representation regardless of tribe, caste, national origin, religion/belief, disability, gender, sexual orientation, membership of trade union political affiliation and/or age".</p>	<p>Complied</p>

		<p>The company's policy is also published to use posters at any strategic places in the plantations (Tanjung Selamat Estate, Pangkatan Estate and Tanjung Selamat Mill. Corporate policy has been socialized/ disseminate to all levels of PT ISJ and PT RSK employees on 25 January 2022 (list of participants can be shown) and on stakeholders (including local contractors) on 24-25 January 2022 which was attended by 25 stakeholders. Separately, the company has also a policy related a Human Rights Defender (HRD), which is stated in the Internal Memorandum No. 049/HO/MEMO/INT/03/20 from Head Operational on 20 March 2020: "Protection against the reporters/defenders of human rights defender from acts of revenge, intimidation and harassment ".</p> <p>The socialization of this policy has been done to all employees in each Estate (Pangkalan and Tanjung Selamat Estate) and Tanjung Selamat Mill on 23 March 2021 (list of attendance was available). However, the company has not yet socialized this policy to stakeholders (external related parties) includes supply chain and local communities.</p> <p>PT Indo Sepadan Jaya has conducted the socialization of Human Right Defender policy to Contractors, Suppliers, local community and Stakeholders on 8 July 2021 and 20 July 2021 and also to Supplier (Supplier TBS), Villages officer staff (kepala Dusun and Sekretaris Desa), contractors (employees transport bus contractors and FFB transporter) and labor union as well attended by 15 participants.</p> <p>While for the internal parties (all level employees at PT ISJ and PT RSK) has been communicated on on 20 August 2021 in PT RSK attended by 62 participants and at PT ISJ on 7 August 2021:</p> <ul style="list-style-type: none"> <li>- To all employees in Tanjung Selamat Estate attended by 47 participants</li> <li>- To All employees in Tanjung Selamat Mill (krani and mandor) and employee's representative attended by 13 participants.</li> </ul>	
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		<p>Company has established the policy of Human Right Defender as per "Memorandum No. 049/HO/MEMO/INT/03/20 tanggal 2 Maret 2020 Perihal Perlindungan terhadap Pelapor/Pembela Hak Asasi Manusia dari tindakan balas dendam, intimidasi dan pelecehan".</p> <p>PT Indo Sepadan Jaya has conducted the socialization of Human Right Defender policy to Contractors, Suppliers, local community and Stakeholders on 8 July 2020 and 20 July 2020 (Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate).</p>	
4.1.2	The unit of certification does not instigate violence or use any form of harassment, including the use of mercenaries and paramilitaries in their operations.	<p>Based on the interview and documents review with the head of the village of Sennah and Tanjung Selamat that PT ISJ and PT RSK there is no any use of employees from mercenaries and paramilitaries use in the operations.</p> <p>Up to this Surveillance audit, there is no issue or case related to the acts of violence against the employees of the company.</p>	Complied
<b>Criteria 4.2:</b> 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	<b>(C)</b> The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.	<p>Company has established a mechanism to handle complaint from external party, as written in "Mekanisme Penanganan Keluhan" – complaint handling mechanism (Doc. No.SOP AA-GL- 5005-RO 01) while complaint from internal regulated under "Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan" – Employee' complaint and resolution mechanism (Doc. No.SOP-AA-HR-3008-RO 05). These mechanisms has been communicated to external parties at the time conducting of communication and consultation with stakeholder, contractor and local communities on 25 January 2022. While for the internal parties (all level employees at PT ISJ and PT RSK) has been communicated on 21-22 January 2020 (list of participants can be shown). Through this communication, the company explained about the mechanism of submission of complaints in detail and lasts in two directions (ask-answer/discussion), so if there are illiterate parties can understood.</p>	Complied



		The procedure is how to handling complaint and grievances, the company keeps confidential complainer and whistleblower. Complaint and grievances is recorded in log Book and in "Formulir Pencatatan Keluh Kesah dan Ketidakpuasan".	
4.2.2	Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	<p>Company has established a mechanism to handle complaint from external party, "Mekanisme Penanganan Keluhan" – complaint handling mechanism (Doc. No.SOP AA-GL- 5005-RO 01) while complaint from internal regulated under "Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan" – Employee' complaint and resolution mechanism (Doc. No.SOPAA- HR-3008-RO 05). These mechanisms have been communicated to external parties at the time conducting of communication and consultation with stakeholder, contractor and local communities on January 2020. While for the internal parties (all level employees at PT ISJ and PT RSK) has been communicated on 21-22 January 2020 (list of participants can be shown).</p> <p>Through this communication, the company explained about the mechanism of submission of complaints in detail and lasts in two directions (ask-answer/discussion), so if there are illiterate parties can understood. The company keeps confidential complainant and whistleblower. Complaint and grievances is recorded in log Book and in "Formulir Pencatatan Keluh Kesah dan Ketidakpuasan".</p>	Complied
4.2.3	The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.	<p>Company is recording each complaint and response provided in the Logbook of "Buku Keluhan Karyawan", where from complaint from external is documented in "Buku Agenda Komplain". Mostly the employee's complaints are complaints about improvements in infrastructure and public facilities.</p> <p>According log book of <i>Buku keluhan karyawan periode 2021-2022</i>, there are several complain form employees and has been responded and the progress of resolution was resolved. Taken Sample:</p>	Complied

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		<ul style="list-style-type: none"> <li>- Complaints on October 18, 2021 from plant maintenance employees related to damage to the walls (cracks), and have been responded to and repaired on October 21, 2021</li> <li>- Complaints on November 3, 2021 from harvest employees related to the bathroom door being damaged, this complaint has been responded to and corrected on November 5, 2021. Tanjung Selamat POM &amp; Pangkatan Estate:</li> </ul> <p>Based on interviews with local village heads and community leaders as well as the most direct services in Labuhan Batu Regency, during the period 2021-2022 (this surveillance audit) there were no complaints/grievance from communities around the plantation.</p>	
4.2.4	<p>The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.</p>	<p>During audit there was no unprecedented conflicts/disputes with stakeholders. During the stakeholder meeting on 19 April 2022 it was confirmed that there was no land conflict found at the estate and Mill.</p> <p>Company has established a mechanism to handle complaint from external party, "Mekanisme Penanganan Keluhan" – complaint handling mechanism (Doc. No.SOP AA-GL- 5005-RO 01) while complaint from internal regulated under "Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan" – Employee' complaint and resolution mechanism (Doc. No.SOPAA- HR-3008-RO 05). These mechanisms have been communicated to external parties at the time conducting of communication and consultation with stakeholder, contractor and local communities on January 2020. While for the internal parties (all level employees at PT ISJ and PT RSK) has been communicated on 21-22 January 2020 (list of participants can be shown).</p> <p>Through this communication, the company explained about the mechanism of submission of complaints in detail and lasts in two directions (ask-answer/discussion), so if there are illiterate parties can understood. The company keeps confidential complainer and</p>	Complied

		<p>whistleblower. Complaint and grievances is recorded in log Book and in "Formulir Pencatatan Keluh Kesah dan Ketidakpuasan".</p> <p>In the event of a complaint that leads to a conflict with stakeholders, the company has also established Procedures related to Conflict Handling SOP No. AA-GL-5003.1-R1 dated August 22, 2011, explains that:</p> <p>After Public Relations (Humas: Hubungan Masyarakat) will receive conflict information (individuals, issues with surrounding communities, other representative institutions, media or newspapers), the company will analyse and map the problem through internal discussions (Estate manager, Managing Director, Regional Head and Stakeholder Relations), then companies through Humas will provide opportunities access to relevant interested parties (Local Government, Legal Apparatus or legal advisor) to obtain legal protection or independent technical assessments (Relevant agencies, for example: Plantation Service, National Land Agency-BPN). In this conflict resolution process, it is carried out through the FPIC process (making an agreement together with the conflicting party and or the institution) that represents it and if this does not meet an agreement, then litigation will be carried out or settlement through legal channels.</p>	
<p><b>Criteria 4.3:</b> The unit of certification contributes to local sustainable development as agreed by local communities.</p>			
4.3.1	<p>Contributions to community development that are based on the results of consultation with local community are demonstrated.</p>	<p>The program to improve the welfare of the surrounding community is included in the CSR program and involve community leaders and village heads around to formulate CSR programs on period 2021-2022. In 2022 the company has compiled 15 types of programs, including programs to improve the welfare of the surrounding community, for example:</p> <ol style="list-style-type: none"> <li>1. Social: <ul style="list-style-type: none"> <li>- Providing Eid package assistance in Kampong Padang Village and Tanjung Selamat Village</li> </ul> </li> </ol>	Complied

		<ul style="list-style-type: none"> <li>- Providing Christmas Dhuafa Package Assistance in Kampung Padang Village</li> <li>- Donation of traditional musical instruments in Tanjung Selamat Village</li> <li>- Providing Sports Equipment Assistance (Badminton &amp; Volley)</li> </ul> <p>2. Economy:</p> <ul style="list-style-type: none"> <li>- Development of the Pottery Handicraft Business in Tanjung Harapan Village by providing assistance to Micro, Small, and Medium Enterprises (UMKM)</li> </ul> <p>3. Education:</p> <ul style="list-style-type: none"> <li>- Assistance for repairing office facilities at SDN 112238 Sepadan Jaya</li> <li>- Furniture Assistance for SDN Alur Naga Pangkatan Village</li> </ul> <p>4. Health</p> <ul style="list-style-type: none"> <li>- Free Health Checkup in Aek Nauli Village/Covid 19</li> <li>- Prevention of Covid-19 in Senah Village, Tanjung Harapan Village and Pangkatan Village</li> </ul> <p>5. Infrastructure:</p> <ul style="list-style-type: none"> <li>- Material assistance for the Kampung Padang Village Mosque House of Worship</li> <li>- Material assistance for the Kampung Padang Village Church House of Worship</li> <li>- Painting the Aek Nauli Hamlet Hall, Kampung Padang Village</li> <li>- Assistance with lighting for Hamlet Lestari, Kampung Padang Village</li> <li>- Tanjung Harapan Village road repair</li> <li>- Renovation of Pangkatan Village Health Center</li> </ul>	
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		<ul style="list-style-type: none"> <li>- Material assistance for 3 houses of worship in Sennah Village, Tanjung Harapan Village and Pangkatan Village.</li> </ul> <p>The Program Plan is recorded in the CSR Tracking 2021 - 2022 document, including:</p> <p>Create Share Value (CSV)</p> <ul style="list-style-type: none"> <li>- Independent Smallholder Training in Preparation for Certification, will be held in April-May 2021.</li> <li>- Assistance for the repair of Cooperative Office buildings and equipment will be carried out in April-May 2021.</li> <li>- Independent Smallholder Coordination Meeting, will be held in June-September 2022</li> <li>- Making an Appeal Sign, carried out in May 2021</li> <li>- Assistance for providing of owl cage, implemented in May 2022</li> <li>- Road Repair Assistance will be implemented in April-May 2022.</li> </ul> <p>Documentation of the realization of the CSR program can be shown at the time of the Audit in the form of the Asian Agri CSR Project Approval Sheet and Budget Details.</p>	
<p><b>Criteria 4.4:</b> 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.</p>			
4.4.1	<p><b>(C)</b> Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed (FPIC) process. Documents related to the history of land tenure and the actual legal or customary use of the land are available.</p>	<p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa already have legal land rights, land rights are obtained from the land compensation process that has been agreed upon between the land owner and the company and there is no coercion and it was voluntary. Some land legality documents (HGU), as follows:</p> <ol style="list-style-type: none"> <li>1. Decree of BPN Head No. 3/HGU/BPN.12/XII/2017 on 21 December 2017, related "Pemberian HGU atas nama PT Indo Sepadan Jaya atas tanah terletak di Kabupaten Labuhan Batu, Provinsi Sumatera Utara"</li> <li>- issuance of land use title (HGU) of PT Indo Sepadan Jaya, with area</li> </ol>	Complied

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		<p><b>123.915 Ha</b> for Tanjung Selamat Estate, valid for 35 years, based on map no. 07/2016 dated 16 May 2016.</p> <p>2. Decree of Menteri Agraria dan Tata Ruang/Kepala badan Pertanahan Nasional No. 20/HGU/KEM-ATR/BPN/III/2021 dated 25 March 2021 and Land Title Certificate No. 1394 year 2021 covering area <b>531.72 Ha</b> for PT Indo Sepadan Jaya and valid until 25 March 2056.</p> <p>3. Decree of Menteri Agraria dan Tata Ruang/Kepala badan Pertanahan Nasional No. 48/HGU/KEM-ATR/BPN/VIII/2021 dated 8 August 2021 and Land Title Certificate No. 1337 year 2021 covering area <b>3,347.01 Ha</b> for PT Indo Sepadan Jaya and valid until 4 August 2056.</p> <p>4. Decree of Menteri Agraria dan Tata Ruang/Kepala badan Pertanahan Nasional No. 5/HGU/BPN/90 dated 13 March 1990 and Land Title Certificate No. 3 year 1993 covering area <b>4,336 Ha</b> for PT Rantau Sinar Karsa and valid until 31 December 2089 (for 75 years).</p> <p>Renewal Hak Guna Usaha (HGU) from Kepala BPN no. 125/HGU/BPN/2004, concerning: Extension of Duration and Renewal of HGU on Land Located in Labuhan Batu Regency, North Sumatra Province (4,336 ha) with Land Certificate no. 3, year 1993 (Valid until 31 December 2080)</p> <p>So that the total legal right used owned by PT ISJ and PT RSK is <b>8,338,645 Ha</b>.</p>	
4.4.2	<p>Copies documents evidencing agreement- making processes and negotiated agreements detailing the FPIC process are available and include:</p> <p>4.4.2a Evidence that a plan has been developed through consultation and discussion held in good faith with all affected groups within the community, with specific assurances that vulnerable, minority and gender groups are asked for their opinions, and that information has</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p>	Complied

	<p>been provided to all affected groups, including in it information about the steps taken to involve them in decision making.</p>		
	<p>4.4.2b Evidence that the unit of certification has respected communities to give or withhold their consent to the operations at the time that these decisions were taken;</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p>	
	<p>4.4.2c Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities. Including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p>	
<p>4.4.3</p>	<p><b>(C)</b> Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p>	<p>In 2014, PT Indo Sepadan Jaya has a cadastral measurements that carried out by Badan Pertanahan Nasional of North Sumatera Region and recorded on the Peta Bidang Tanah/Land Area Map;</p> <ul style="list-style-type: none"> <li>a. Land Area Map No. 12/12/2014, scale 1:20.000; on August 2014, covering area 3,347.01 Ha, location at Labuhan Batu Regency on the location permit No. 503.593/79/Ptnh/2014, dated 20 March 2014.</li> <li>b. Land Area Map No. 12A/12/2014, scale 1:10.000; on August 2014, covering area 531.72 Ha, location at Labuhan Batu Regency on the location permit No. 503.593/79/Ptnh/2014, dated 20 March 2014.</li> </ul>	<p>Complied</p>

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		<p>c. Land Area Map No. 07/2016 dated 16 May 2016, scale 1:10.000; on August 2014, covering area 123.915 Ha, location at Labuhan Batu Regency on the location permit No. 503.593/79/Ptnh/2014, dated 20 March 2014.</p> <p>d. Land Area Map No. 154/1993 dated 5 January 1993, scale 1:50.000; on August 2014, covering area 4,336 Ha, location permit no. 593.41/2834/K year 1989 for PT Rantau Sinar Karsa.</p> <p>Based on interviews with the village heads of Senah and Kampung Padang, it was confirmed that the plantations of PT ISJ and PT RSK bordered the land of the village community and that village communities were allowed access to pass through the plantation areas of PT ISJ and PT RSK.</p>	
4.4.4	All relevant information is available in appropriate forms and languages, including assessment of impact, proposed benefit sharing, and legal arrangements.	Based on public consultation with related stakeholder (government agencies of Labuhan Batu Regency and village representatives from Kampung Padang and Sennah) obtain information that there is no customary or indigenous people within the Tanjung Selamat Estate and Pangkatan Estate concession.	Complied
4.4.5	<b>(C)</b> Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	Based on public consultation with related stakeholder (government agencies of Labuhan Batu Regency and village representatives from Kampung Padang and Sennah) obtain information that there is no customary or indigenous people within the Tanjung Selamat Estate and Pangkatan Estate concession.	Complied
4.4.6	There is evidence that implementation of agreement negotiated through FPIC is annually reviewed in consultation with affected parties.	Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied



<b>Criteria 4.5:</b> 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	<b>(C)</b> Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	<p><b>PT Indo Sepadan Jaya</b></p> <p>Has obtained the legal ownership of land, history of land tenure ownership/control, and the actual legal use of the land:</p> <ol style="list-style-type: none"> <li>1. Izin Lokasi (Location Permit) form North Sumatera Governor no. 7550/Sekr/Tahun 1988 (<math>\pm</math> 3,885 Ha) and no. 593.41/2834/K, year 1989, dated 8 November 1989 (<math>\pm</math> 4,500 ha) for Tanjung Selamat Estate and no,593.41/2834/K, year 1989, dated 8 November 1989 (<math>\pm</math> 4,500 Ha) for Pangkatan Estate.</li> <li>2. Izin Lokasi (Location permit): is based on Decree of Bupati Labuhanbatu Regency No. 503.593/35/Ptnh/2014, dated 14 February 2014, concerning Land Location Permit for the purpose of oil palm plantation business to PT Indo Sepadan Jaya located in Kampung Padang Village Pangkatan District, Labuhan Batu Regency with an area of <math>\pm</math> 118.4 HKeputusan Menteri Kehutanan on 1 October 1993, no. 578/Kpts-II/1993, related "Pelepasan Sebagian Kelompok Hutan S. Bilah – S. Kelundang" yang terletak di Kabupaten Labuhan Batu Propinsi Sumatera Utara seluas 3.475,6 Ha.</li> <li>3. Izin Usaha Perkebunan (Operational Business Permit) from Agriculture Ministry No. HK.350/E4.242/03.89, dated 28th March 1989, renewal no. HK.350/M4.338/04.90, dated 10th April 1990 "Perubahan dan Perpanjangan Persetujuan Prinsip Usaha Perkebunan" become oil palm plantation as <math>\pm</math> 3,500 Ha in location Bilah Hilir Regency, District Labuhan Batu, Province Sumatera Utara" for Tanjung Selamat Estate and No. HK.350/ E4.236/03.89, dated 23 March 1989 and renewal IUP from rubber to oil palm plantation no. HK.350/E4.329/04/90 dated 10 April 1990 related renewal "Perubahan dan Perpanjangan Persetujuan Prinsip Usaha Perkebunan" becomes oil palm plantation as <math>\pm</math> 3,150 Ha di Bilah Hilir</li> </ol>	Complied

		<p>Regency, District Labuhan Batu, Sumut” for Pangkatan estate.</p> <ol style="list-style-type: none"> <li>4. Renewal IUP in 2013 for Tanjung Selamat estate from Governor of North Sumatera no. 522.2/87/BPPTSU/ 2/1.3/IX/2013, dated 9th September 2013 for ± 3,885 Ha dan Mill capacity 45 tonnes FFB/hour.</li> <li>5. IUP no. 522.2/186/BPPTSU/2/1.2/X/2015, dated 30th October 2015 regarding Izin Perluasan Usaha Perkebunan PT. Indo Sepadan Jaya for area 118.4 ha.</li> <li>6. Decree of BPN Head No. 3/HGU/BPN.12/XII/2017 on 21 December 2017, related “Pemberian HGU atas nama PT Indo Sepadan Jaya atas tanah terletak di Kabupaten Labuhan Batu, Provinsi Sumatera Utara” - issuance of land use tittle (HGU) of PT Indo Sepadan Jaya, with area 123.915 Ha for Tanjung Selamat Estate, valid for 35 years, based on map no. 07/2016 dated 16 May 2016.</li> <li>7. Decree of Menteri Agraria dan Tata Ruang/Kepala badan Pertanahan Nasional No. 20/HGU/KEM-ATR/BPN/III/2021 dated 25 March 2021 and Land Title Certificate No. 1394 year 2021 covering area <b>531.72 Ha</b> for PT Indo Sepadan Jaya and valid until 25 March 2056.</li> <li>8. Decree of Menteri Agraria dan Tata Ruang/Kepala badan Pertanahan Nasional No. 48/HGU/KEM-ATR/BPN/VIII/2021 dated 8 August 2021 and Land Title Certificate No. 1337 year 2021 covering area 3,347.01 Ha for PT Indo Sepadan Jaya and valid until 4 August 2056.</li> </ol> <p><b>PT Rantau Sinar Karsa:</b></p> <ol style="list-style-type: none"> <li>1. Hak Guna Usaha (HGU)/Land title based on SK BPN no. 5/HGU/BPN/90, dated 13 March 1990 (4,336 Ha) with land certificate no. 3, year 1993 for Pangkatan Estate.</li> <li>2. Renewal Hak Guna Usaha (HGU) from Kepala BPN no. 125/HGU/BPN/2004, concerning: Extension of Duration and Renewal</li> </ol>	
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		<p>of HGU on Land Located in Labuhan Batu Regency, North Sumatra Province (4,336 ha) with Land Certificate (Sertifikat) no. 3, year 1993 (Valid until 31 December 2080)</p> <p>Based on document verification, management unit has no land expansion since November 2005.</p>	
4.5.2	<p><b>(C)</b> FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions. All the relevant information and documents are made available, and community have option of resourced access to independent third-party advice through a documented, long-term and two- way process of consultation and negotiation.</p>	<p>Based on document verification, management unit has no land expansion since November 2005.</p> <p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p>	Complied
4.5.3	<p>Evidence is available that affected local peoples understand they have the right to say 'agree' or 'not agree' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.</p>	<p>Based on document verification, management unit has no land expansion since November 2005.</p> <p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p>	Complied
4.5.4	<p>To ensure local food and water security and as part of the FPIC process, SEIA participation and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of land allocations process.</p>	<p>Based on document verification, management unit has no land expansion since November 2005.</p> <p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p>	Complied

4.5.5	Evidence is available that the affected communities and rights holders have had the option to access information and advice, that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	Based on document verification, management unit has no land expansion since November 2005. Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
4.5.6	Evidence is available that the communities or their representatives gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	Based on document verification, management unit has no land expansion since November 2005. Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
4.5.7	After 15 November 2018, new lands will not be acquired for plantations and mills as a result of recent (after November 2005) expropriations in the national interest (eminent domain) without FPIC process, except in cases of smallholders benefitting from agrarian reform or anti-drug programmes.	Based on document verification, management unit has no land expansion since November 2005. Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
4.5.8	<b>(C)</b> New lands are not acquired in areas inhabited by communities in voluntary isolation.	Based on document verification, management unit has no land expansion since November 2005. Based on documents review and interview with local government and local communities surrounding the company, it was noted that no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied

<p><b>Criteria 4.6:</b> 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.</p>		
<p>4.6.1</p>	<p><b>(C)</b> A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was conformed that the company has existed since 1980. There was no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.</p> <p>Mechanism to identify and calculate fair compensation or loss of legal or customary rights to land set out in the standard operating procedure (SOP) No. AA-GL-5003-1-R1, dated 5th December 2009 and has undergone first revisions on 22nd August 2011. The mechanism described is similar to conflict resolution procedures involving community representatives and other stakeholders.</p> <p>Furthermore, management unit has established procedure to handle complaint from external party, as written in "<i>Mekanisme Penanganan Keluhan</i>" – complaint handling mechanism (Doc. No.SOP AA-GL- 5005-RO 01) while complaint from internal regulated under "<i>Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan</i>" – Employee' complaint and resolution mechanism (Doc. No.SOP-AA-HR-3008- RO 05). These mechanisms were communicated to external parties and disseminated to PT Indo Sempadan Jaya employees. Based on interview with Tanjung selamat village head, Gender committee leader and worker union leader; they understood the procedure and mechanism to communicating complaint and/or grievance to company.</p> <p>The procedure is how to handle complaint and grievances, the company keeps confidential complainer and whistleblower. Complaint and grievances are recorded in logbook and in "<i>Formulir Pencatatan Keluh Kesah dan Ketidakpuasan</i>".</p>

4.6.2	<b>(C)</b> A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	Management unit has a mechanism to identify and calculate fair compensation or loss of legal or customary rights to land set out in the standard operating procedure (SOP) No. AA-GL-5003-1-R1, dated 5th December 2009 and has undergone first revisions on 22nd August 2011. The mechanism described is similar to conflict resolution procedures involving community representatives and other stakeholders.	Complied
4.6.3	Evidence is available that equal opportunities are provided to both men and women to hold land titles for smallholdings (if possible based on local law, customs and/or agreement).	Based on documents review and interview with local government and local communities surrounding the company, it was noted the company has existed since 1980. There was no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
4.6.4	The process and outcomes of any negotiated agreements, compensation and payments are documented with evidence of the participation of affected parties and made available to them.	Based on documents review and interview with local government and local communities surrounding the company, it was noted the company has existed since 1980. There was no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
<b>Criteria 4.7:</b> 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	<b>(C)</b> A mutually agreed procedure for identifying people entitled to compensation is in place.	Based on documents review and interview with local government and local communities surrounding the company, it was noted the company has existed since 1980. There was no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
4.7.2	<b>(C)</b> A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	Based on documents review and interview with local government and local communities surrounding the company, it was noted the company has existed since 1980. There was no customary land or other legal rights	Complied

		within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	
4.7.3	Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	Based on documents review and interview with local government and local communities surrounding the company, it was noted the company has existed since 1980. There was no customary land or other legal rights within the company areas and in smallholder plantation. In addition, there is no land dispute between the company and communities surrounding their operational areas.	Complied
<b>Criteria 4.8:</b> The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrated that they have legal customary, or user rights.			
4.8.1	Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	<p><u>Tanjung Selamat Estate:</u>            Based on information management, verification of documents "Risalah Panitia B" No. 67/PPT/a/1989 dated 24 November 1989 by BPN Regional Office of North Sumatra province and also Hectare Statement mentions an indication that there is no land dispute between the company and the community. On period 2020-2021 there is no dispute occurs at Tanjung Selamat Estate.</p> <p><u>Pangkalan Estate:</u>            Based on the results of the public consultation with the Land Office-BPN of Labuhan Batu Regency on 26 March 2019 stated that there is a community claim on the area of HGU PT RSK:            That HGU No. 3/Sennah whose rights expired on December 31, 2020 based on the Decree of the Head of the National Land Agency No. 125 HGU/BPN/2004 dated October 28, 2004 regarding the granting of an extension of the term and renewal of HGU on land located in Kab. Labuhanbatu and has been registered for the extension of the HGU period ending on December 31, 2045 on a land area of 4,336 Ha as described in the measuring letter dated January 5, 1993 No. 151/1993. From this,</p>	Complied

		<p>there is a problem with the demands of 4 (four) farmer groups: Farmers and Fishermen Group, KT Bomban Seberang Seberang, KT Makmur Parduaan, and KT Dusun V, VI, VII for the land with an area of approximately 2,062.16 Ha which is located on the river border. Merbau Afdeling II (map attached).</p> <p>Then the problem was handled by the Mediation team of the Prov. Land Bandan Regional Office. North Sumatra on October 2, 2020 which was attended by all representatives of the parties including the Head of the North Sumatra Province Plantation Service, the Regent of Labuhanbantu, Representatives of PT Rantau Sinar Karsa and the head of Senaah Village as well as the 4 farmer groups concerned, with the following results:</p> <ol style="list-style-type: none"> <li>a. The community has conveyed that PT RSK can pay attention to the demands of farmer groups kelompok</li> <li>b. PT RSK is willing to pay attention to the community in accordance with the legal corridor</li> <li>c. The farmer groups will submit the details of their wishes and completeness of the documents in writing to the Regional Office of the National Land Agency Prov. North Sumatra in the not too distant future</li> <li>d. Further discussions will be held after the Regional Office of the National Land Agency Prov. North Sumatra received details of the wishes and completeness of the documents in writing from each farmer group.</li> </ol> <p>Furthermore, on December 10, 2020, a final degree meeting was held with recommendations/conclusions:</p> <ol style="list-style-type: none"> <li>a) In accordance with the conclusion of the mediation meeting on October 13, 2020, the farmer groups will submit details of their wishes in the near future, but until now (the meeting was held) there were no details desired by the farmer groups. However, on December 8, 2020, the Regional Office of BPN Prov. North Sumatra</li> </ol>	
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		<p>only received a letter from the Tani Makmur Perduaan group regarding a request for the return of 600 hectares of land.</p> <p>b) PT RSK has paid attention to the surrounding community by carrying out social responsibility tasks in accordance with applicable regulations.</p> <p>c) Related to the demands of the community represented by KT (Kelompok Tani) Makmur Perduaan, KT Nelayan, KT Tani Bomban Bidang Seberang and KT Dusun V, VI, VII Pangkatan Village and KT Teluk Lesung for HGU area no. 3/Sennah registered in the name of PT Rantau Sinar Karsa to take legal action because no agreement was reached through mediation.</p> <p>d) Furthermore, the Regional Office of the BPN, North Sumatra Province, stated that: the process of issuing HGU no. 3/Sennah on behalf of PT Rantau Sinar Karsa covering an area of 4,366 hectares located in Pangkatan and Sennah Villages, Bilah Hilir sub-district, Labuhanbatu Regency, Prov. North Sumatra has complied with the applicable laws and regulations and the land is used in accordance with the decree granting its rights, so that if there are parties who object to take legal action.</p> <p>The condition of the land, at this time is still not planted by the company because the land is flooded land. The company has tried to do planting on the land, but has not succeeded in planting it with good plant growth. (Land map attached)</p>	
4.8.2	<p><b>(C)</b> Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.</p>	Refer to 4.8.1 above.	Complied

4.8.3	Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4).	Refer to 4.8.1 above.	Complied
4.8.4	For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).	Based on the results of the public consultation with the Head of Sennah Village in PT RSK on 19 February 2021 stated that there is a community claim on the area of HGU PT RSK. Refer to 4.8.3 above.	Complied
<b>Principle 5: Support smallholder inclusion</b> Include smallholders in RSPO supply chains and improve their livelihoods through fair and transparent partnerships.			
<b>Criteria 5.1:</b> The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.			
5.1.1	Current and previous period prices for FFB are publicly available and accessible by smallholders.	The company has displayed the FFB price in Mill's notice board in front of the weighbridge station, all FFB suppliers can see it and able to access the FFB price by phone.  The company cooperates with the surrounding community in terms of purchasing FFB and recorded in "Pernyataan dan Jaminan" - Statement and Guarantee as a supplier of FFB. The document stated that: <ol style="list-style-type: none"> <li>1. FFB that supplied to Tanjung Selamat POM came from land that has been owned/controlled/cultivated in accordance with the legislation, especially in the field of land and plantation.</li> <li>2. FFB supplied does not originate from unauthorized areas, such as:               <ol style="list-style-type: none"> <li>a. Protected Forest Area</li> <li>b. Industrial Forest Area</li> <li>c. Production Forest Area</li> <li>d. Conservation area</li> </ol> </li> </ol>	Complied

		The implementation of FFB pricing for the period of April 2022 was verified with the records and based on these records that the pricing of FFB was in accordance with procedures and applicable regulations as well, it was transparently informed to all independent smallholders.	
5.1.2	<b>(C)</b> Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	Based on interview with management representative i.e. public affair staff, sustainability and plasma manager obtained information that the actual prices informed directly to the CSV supplier. The company has displayed the FFB price in Mill’s notice board in front of the weighbridge station, all FFB suppliers can see it and able to access the FFB price by phone. The FFB prices information also informed and explain by phone and direct message to all FFB supplier by Mill Manager. There is no dispute related to FFB payments so far.	Complied
5.1.3	<b>(C)</b> Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	Based on interview with management representative i.e. public affair staff, sustainability and plasma manager obtained information that the actual prices informed directly to the CSV supplier. The actual prices also informed in front of mill gate. There is no dispute related to FFB payments so far.  There is no RSPO certified smallholder engage with Tanjung Selamat POM so far.	Complied
5.1.4	<b>(C)</b> Evidences is available that all parties, including women and independent representative organization assisting smallholders where requested, are involved in the decision making processes and understand the contracts. These include involving finance, loans/credits, and re-payments through FFB price reductions for replanting and/or, other support mechanisms where applicable.	There is no RSPO certified smallholder engage with Tanjung Selamat POM so far.	Complied
5.1.5	Contracts are fair, legal and transparent and have an agreed timeframe.	There is an agreement in buying and selling FFB between Bumdes Tebing Tinggi Pangkatan Sejahtera and PT Indo Sepadan Jaya, contract number: 01/CSV-KTS/X/2019 dated 24 October 2019 and this agreement is ended until one of the parties terminates the agreement, explained in Article 12,	Complied

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		<p>Regarding Term: <i>"Perjanjian ini akan berlangsung sejak ditandatangani dan tetap mengikat para pihak sepanjang tidak diakhiri oleh para pihak"</i>.</p> <p>The agreement/contract documents between the company and the contractor is sighted such as for replanting. The contract was acknowledged by both parties and well understood. The contract contained all relevant information such as payment method, work requirements, force majeure, contract period, cancellation of contract, etc. These contract documents are jointly signed and made in duplicate and held by each party (company and supplier).</p> <p>Regarding FFB pricing, the contract is stated in Article 7; Price of FFB, states: <i>"Harga pembelian TBS dari kebun pihak kedua mengacu pada harga yang berlaku pada saat penjualan TBS kepada pihak pertama. Penetapan harga TBS oleh pihak pertama berdasarkan harga pasar dan harga TBS luar"</i>. Price changes will be informed one day before the changes, and it applicable for large size FFB (more than 8 kg). Mechanism for FFB price has been known, understood and explained to FFB suppliers</p> <p>Transparently, this agreement was made and witnessed by several stakeholders, including: Tebing Tinggi Pangkat Village Head and Labuhan Batu Office Head and 4 other witnesses consisting of (internal company and local communities). In the contract, it was affirmed related to the legality in Article 6: Rights and obligations of the Second Party, stated: <i>"Pemegang perjanjian ini harus memiliki segala bentuk perizinan yang diperlukan, baik dalam pengelolaan perkebunan kelapa sawit maupun dalam hal pelaksanaan perjanjian ini"</i>.</p>	
5.1.6	<p><b>(C)</b> Agreed payments are made in a timely manner and receipts specifying price, weigh, deductions and amount paid are given.</p>	<p>Agreed payments are made in a timely manner and receipts specifying.</p> <p>The agreement/contract documents between the company and the contractor is sighted such as for replanting. The contract was acknowledged by both parties and well understood. The contract contained all relevant information such as payment method, work</p>	Complied

		<p>requirements, force majeure, contract period, cancellation of contract, etc.</p> <p>Regarding FFB pricing, the contract is stated in Article 7; Price of FFB, states: "<i>Harga pembelian TBS dari kebun pihak kedua mengacu pad harga yang berlaku pada saat penjualan TBS kepada pihak pertama. Penetapan harga TBS oleh pihak pertama berdasarkan harga pasar dan harga TBS luar</i>". Price changes will be informed one day before the changes, and it applicable for large size FFB (more than 8 kg). Mechanism for FFB price has been known, understood and explained to FFB suppliers.</p> <p>Regarding payments for FFB purchased, this is explained in the Cooperation Agreement document in Article 9; regarding FFB payments, stated:</p> <ul style="list-style-type: none"> <li>a. Payment of the price of second party FFB, will be made after accounting for the obligations of the second party installment to the first party based on this agreement</li> <li>b. Payment as referred to in paragraph 1 (above) will be made by the first party to the second party within a period of no later than 30 (thirty) working days, after receipt of evidence and supporting documents submitted by the supplier or second party are fully received by the first party.</li> </ul> <p>The FFB payment document can be shown at the time of the audit, in the form of: weigh ticket, FFB payment slip (including: weight Vehicle number, FFB net weight, FFB price for the period, tax payment etc.).</p>	
5.1.7	Weighing equipment is verified by an independent third party on a regular basis.	Calibration of the FFB weigh bridge has been carried out by <i>Balai Standardisasi Metrologi Legal Regional I Dirjen Perlindungan Konsumen dan Tertib Niaga Direktorat Metrologi Labuhan Batu</i> on 03 September 2021 and recorded of Test Result Statement No. 004/PKTN.4.9/KHP/09/2021 for UTTP types: Bridge Scales, Trademark: Avery Weigh-Tronix; ZMS10; 190250016 with a capacity of 50,000 kg / 10 kg (valid until 1 year).	Complied

		This calibration is carried out at least once a year and regularly PT Indo Sepadan Jaya always calibrate the weigh bridge.	
5.1.8	The unit of certification supports Independent smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholder on who runs the Internal Controlling System (ICS), who holds the certificate, and who owns and sells certified materials.	For independent Smallholder, supports is provided in the form of CSV Program (Create Share Value). Member of CSV who have cooperation with the company are CV Palta Jaya, Kopkun Anug Jaya Mandiri SJH, Koperasi Mandiri Tani Sejahtera (MTS) and CV Bumdes Tebing Tinggi Pangkatan Sejahtera. Form of support is the company give coaching to the independent smallholder related good agriculture practices, organisation and administration. Those independent smallholders expected to be certified in next few years.	Complied
<p><b>Specific Guidance for 5.1.8:</b>          The agreement is not only limited to the management of ICS, certificate holder, and who own/sell certified materials but also should include the party managing benefits of the certification, including settings of account that will be used to manage funds from credit sales.</p>			
5.1.9	<b>(C)</b> The unit of certification has a grievance mechanism for smallholders, and all grievances raised are dealt with in a timely manner.	<p>Company has established a mechanism to handle complaint from external party, as written in "Mekanisme Penanganan Keluhan" – complaint handling mechanism (Doc. No.SOP AA-GL- 5005-RO 01) while complaint from internal regulated under "Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan" – Employee' complaint and resolution mechanism (Doc. No.SOP-AA-HR-3008-RO 05). These mechanisms have been communicated to external parties and disseminated to PT Indo Sempadan Jaya employees.</p> <p>The procedure is how to handle complaint and grievances, the company keeps confidential complainer and whistleblower. Complaint and grievances is recorded in log Book and in "Formulir Pencatatan Keluh Kesah dan Ketidakpuasan".</p> <p>Based on Buku Agenda Komplain, that there is no complaints from Stakeholders during period Y2021.</p>	Complied
<p><b>Criteria 5.2:</b> The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.</p>			

<p>5.2.1</p>	<p>The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.</p>	<p>PT ISJ has 7 independent smallholders who work together and are members of the CSV (Create Share Value) Program as follows:</p> <table border="1" data-bbox="1104 480 1883 831"> <thead> <tr> <th>Estate</th> <th>Farmer Group</th> <th>Area (Ha)</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Tanjung Selamat</td> <td>Gapoktan Sumber Rezeki</td> <td>364</td> </tr> <tr> <td>Koperasi andiri Tani Sejahtera</td> <td>357</td> </tr> <tr> <td>BUMDES Sejahtera</td> <td>941</td> </tr> <tr> <td>Asosiasi WJD</td> <td>1.714</td> </tr> <tr> <td>Asosiasi KS</td> <td>600</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>3,976</b></td> </tr> </tbody> </table> <p>The company has established a CSV coaching program for the 2021 period. The realization CSV Program for period Y2021, as follow:</p> <ul style="list-style-type: none"> <li>- Farmer Training in Certification Preparation was carried out on 31 March 2021</li> <li>- Independent Smallholder Coordination Meetings are held 2 times a year, the last one was in March 2021</li> <li>- Making an Appeal Sign, in October 2021</li> <li>- Making of owl cages assistance: Pilot owl cage in November 2021</li> <li>- Road Repair Assistance in November 2021</li> </ul> <p>Based on an interview with the CSV person in charge (Mr. Hendra Jaminsa) consultation with farmers was carried out on February 7, 2020 which was attended by 32 independent smallholders and farmer group leaders, that there are several expectations from farmers, including:</p>	Estate	Farmer Group	Area (Ha)	Tanjung Selamat	Gapoktan Sumber Rezeki	364	Koperasi andiri Tani Sejahtera	357	BUMDES Sejahtera	941	Asosiasi WJD	1.714	Asosiasi KS	600	<b>Total</b>		<b>3,976</b>	<p>Complied</p>
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		<ul style="list-style-type: none"> <li>- Relatively stable FFB price</li> <li>- BMP coaching assistance in increasing production</li> <li>- Assistance in maintaining production road access to the factory for smooth delivery of FFB to the mill</li> </ul> <p>Some of the farmers' hopes have been realized by PT ISJ, including:</p> <ul style="list-style-type: none"> <li>- Assistance for production facilities in the form of procurement of 346 tons of fertilizer with payments made on credit for 6 months.</li> <li>- Repair of production roads and axle roads along 147 Km</li> <li>- Planting a Host Plan of 100 points for pest and disease control</li> <li>- Installation of 19 owl cages for rat pest control.</li> </ul> <p>The PT ISJ CSV team has provided guidance to independent smallholder by conducting several training activities, including:</p> <ul style="list-style-type: none"> <li>- Training related to the use of fertilizers on November 26, 2020 was attended by 33 farmers</li> <li>- Farmer Training in Preparation for Certification was carried out on February 7, 2020 which was attended by 32 farmers and farmer group leaders.</li> </ul> <p>In supporting the legality of independent smallholder land, PT ISJ has provided assistance in efforts to process the legality of farmers' land to obtain a Certificate of Ownership (SHM), until December 2020 the certificates of SHM that have been owned by farmers are as follows:</p> <ul style="list-style-type: none"> <li>- Owned SHM: 456 Ha</li> <li>- Have Village Letter: 3,413 Ha</li> <li>- No data yet: 107 Ha.</li> </ul>	
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<p>5.2.2</p>	<p>The unit of certification develops and implements livelihood improvement programmes, including at least capacity building to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).</p>	<p>PT Indo Sepadan Jaya has collaborated with smallholders around plantations and is incorporated in the CSV (Create Share Value) Program, namely: village with a total of 13 farmer groups.</p> <p>In 2021 there is a program to increase the area of CSV area of 140 Ha located in SP4 and SP6.</p> <p>The Company has settled the CSV development program for the period 2021, the realization of the program until December 2021 is as follows:</p> <ul style="list-style-type: none"> <li>- Farmer Training in Certification Preparation was carried out on 31 March 2021</li> <li>- Independent Smallholder Coordination Meetings are held 2 times a year, the last one was in March 2021</li> <li>- Making an Appeal Sign, in October 2021</li> <li>- Making of owl cages assistance: Pilot owl cage in November 2021</li> <li>- Road Repair Assistance in November 2021</li> </ul> <p>PT IIS has realized some independent smallholder expectation, including:</p> <ul style="list-style-type: none"> <li>- Production facility assistance in the form of fertilizer procurement as much as 346 tons with payment made by credit for 6 months.</li> <li>- Repair of production roads and axle roads along 6 km, Providing assistance to farmers for road maintenance in the form of providing 383 tons of gravel material.</li> <li>- Planting the Host Plan as many points for pest and disease control</li> <li>- Installation of 5 units of owl cages for rat pest control.</li> </ul> <p>In supporting the legality of independent smallholder land, PT IIS has provided assistance in the effort to process the legality of farmers' land to</p>	<p>Complied</p>
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		<p>obtain a Freehold Certificate (SHM), until December 2020 the SHM certificates that have been owned by farmers are as follows:</p> <ul style="list-style-type: none"> <li>- Already have Certificate of SHM (Sertifikat Hak Milik): 106 Ha (12,7%)</li> <li>- Has a Village Letter (SKT/SKGR): 726 Ha (87,3%).</li> </ul>																		
5.2.3	<p>Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.</p>	<p>PT ISJ has 7 smallholders who work together and are members of the CSV (Create Share Value) Program as follows:</p> <table border="1" data-bbox="1104 598 1883 946"> <thead> <tr> <th>Estate</th> <th>Farmer Group</th> <th>Area (Ha)</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Tanjung Selamat</td> <td>Gapoktan Sumber Rezeki</td> <td>364</td> </tr> <tr> <td>Koperasi andiri Tani Sejahtera</td> <td>357</td> </tr> <tr> <td>BUMDES Sejahtera</td> <td>941</td> </tr> <tr> <td>Asosiasi WJD</td> <td>1.714</td> </tr> <tr> <td>Asosiasi KS</td> <td>600</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>3,976</b></td> </tr> </tbody> </table> <p>The company has established a CSV coaching program for the 2021 period. The realization CSV Program for period Y2021, as follow:</p> <ul style="list-style-type: none"> <li>- Farmer Training in Certification Preparation was carried out on 31 March 2021</li> <li>- Independent Smallholder Coordination Meetings are held 2 times a year, the last one was in March 2021</li> <li>- Making an Appeal Sign, in October 2021</li> <li>- Making of owl cages assistance: Pilot owl cage in November 2021</li> <li>- Road Repair Assistance in November 2021</li> </ul>	Estate	Farmer Group	Area (Ha)	Tanjung Selamat	Gapoktan Sumber Rezeki	364	Koperasi andiri Tani Sejahtera	357	BUMDES Sejahtera	941	Asosiasi WJD	1.714	Asosiasi KS	600	<b>Total</b>		<b>3,976</b>	Complied
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		<p>Based on an interview with the CSV person in charge (Mr. Hendra Jaminsa) consultation with farmers was carried out on February 7, 2020 which was attended by 32 farmers and farmer group leaders, that there are several expectations from farmers, including:</p> <ul style="list-style-type: none"> <li>- Relatively stable FFB price</li> <li>- BMP coaching assistance in increasing production</li> <li>- Assistance in maintaining production road access to the factory for smooth delivery of FFB to the mill</li> </ul> <p>Some of the farmers' hopes have been realized by PT ISJ, including:</p> <ul style="list-style-type: none"> <li>- Assistance for production facilities in the form of procurement of 346 tons of fertilizer with payments made on credit for 6 months.</li> <li>- Repair of production roads and axle roads along 147 Km</li> <li>- Planting a Host Plan of 100 points for pest and disease control</li> <li>- Installation of 19 owl cages for rat pest control.</li> </ul> <p>The PT ISJ CSV team has provided guidance to smallholder farmers by conducting several training activities, including:</p> <ul style="list-style-type: none"> <li>- Training related to the use of fertilizers on November 26, 2020 was attended by 33 farmers</li> <li>- Farmer Training in Preparation for Certification was carried out on February 7, 2020 which was attended by 32 farmers and farmer group leaders.</li> </ul> <p>In supporting the legality of smallholder land, PT ISJ has provided assistance in efforts to process the legality of farmers' land to obtain a Certificate of Ownership (SHM), until December 2020 the certificates of SHM that have been owned by farmers are as follows:</p>	
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5.2.4	(C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	<p>The PT ISJ CSV team has provided guidance to smallholder farmers by conducting several training activities, including:</p> <ul style="list-style-type: none"> <li>- Training related to the use of fertilizers on 31 March 2021 was attended by 34 farmers.</li> <li>- Farmer Training in Preparation for Certification was carried out on 31 March 2021 which was attended by 34 farmers and farmer group leaders.</li> <li>- Pest and Disease Training was carried out on 15 May 2021 which was attended by 34 farmers and farmer group leaders.</li> <li>- Weed Control training was carried out on 31 March 2021 which was attended by 34 farmers and farmer group leaders.</li> <li>- Fertilizing Training carried out was on 31 March 2021 which was attended by 100 farmers and farmer group leaders.</li> </ul>	Complied
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	<p>The CSV Program Achievement Report up to December 2021 has been reported in the Tanjung Selamat plantation annual report and the report has been reviewed in January 2022 which will then be used as a CSV program in 2022. This report can be access by public.</p> <p>Based on the results of the 2021 CSV report review, the results are as follows:</p> <ul style="list-style-type: none"> <li>- Based on the progress report on the achievement of the CSV program for the 2021 period, the area of the CSV program has reached 3,976 hectares.</li> <li>- There are farmer groups that are no longer active, the farmer groups will be eliminated.</li> <li>- Road maintenance will be improved for period Y2022.</li> </ul>	Complied

<p><b>Principle 6: respect workers' rights and conditions</b>          Protect workers' rights and ensure safe and decent working conditions.</p>		
<p><b>Criteria 6.1:</b> Any form of discrimination is prohibited.</p>		
<p>6.1.1</p>	<p><b>(C)</b> A publicity available non-discrimination and equal opportunity policy is implemented in such way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p>	<p>Equal Opportunity policy is stated in "Kebijakan Perusahaan", dated 01<sup>st</sup> December 2014 "Company Treats employees fairly, whether in terms of acceptance, judgment, conditions and work environment, and representation irrespective of race, tribe, caste, national origin, religion/faith, disability, gender, sexual orientation, union membership, political affiliation and/or age.</p> <p>This policy has been informed to all employees and being placed into noticed board in public area and easlily accessed.</p> <p>Company also has SOP about the new employment recruitment. According on SOP: AA-HR-305.2-R0 dated 1 February 2009 about "Penerimaan Karyawan Baru" (Recruitment and Selection of Employee), the company will accept new employee based on their capabilities and qualifications. This policy has been communicated to worker. The policy describe the organization recognize and respect to the rights of local, migrant or urban worker.</p> <p>Worker register for mill and estates mentioned that all workers came from different backgrounds (race, religion, gender, etc). Ethnical diversity of worker and during interview with workers, no discrimination was identified based on religion, ethnic, gender. No evidence of discrimination found during the audit. Company provided working tools to the workers, relevant to the nature of the work performed.</p> <p>According to data of employees distribution, employee composition is consists of several religions, ethnicities and races. During interview with workers and labor union on 20/04/2022 confirmed that there is no discrimination issue occur.</p> <p>This employee list proves that the company does not practice any form of</p>

		discrimination, employees are given the opportunity to work regardless of ethnicity, religion, origin, and gender.	
6.1.2	<b>(C)</b> Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against. Evidence includes migrant workers non-payment of recruitment fees.	<p>Worker register for mill and estates mentioned that all workers came from different backgrounds (race, religion, gender, etc). Ethnical diversity of worker and during interview with workers, no discrimination was identified based on religion, ethnic, gender. No evidence of discrimination found during the audit.</p> <p>Company provided working tools to the workers, relevant to the nature of the work performed.</p> <p>During interview with workers and Labor union on 20/04/2022 confirmed that there is no discrimination occurs in PT Indo Sepadan Jaya and PT Rantau Sinar Karsa.</p>	Complied
6.1.3	The unit of certification demonstrates that the recruitment selection, hiring access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.	<p>Company has a SOP related to new employment recruitment. According on SOP Rekrutment dan Seleksi Karyawan No. SOP: AA-HR-305.2-R0 dated 1 February 2009 regarding "<i>Penerimaan Karyawan Baru</i>" (Requiritment and Selection of Employee), the company will accept new employee based on their capabilities and qualifications. This procedure ware communicated to all employees in the workplace and stakeholders as well on 25 January 2022.</p> <p>There are two types of employees that are applied in PT ISJ and PT RSK, which are permanent employees (known as SKU-B and SKU-H) and daily workers (known as BHL/PHL). Worker register for mill and estates mentioned that all workers came from different backgrounds (race, religion, gender, etc). Ethnical diversity of worker and during interview with workers, no discrimination was identified based on religion, ethnic, gender. No evidence of discrimination found during the audit.</p> <p>Permanent Employee (SKU-H and SKU-B) is confirmed under the joint work Agreement (PKB), while the Daily worker with the daily work agreement with a minimum validity period of 1 year.</p>	Complied

		<p>Based on interview with the HR Dept., that recruitment of employees is based on an analysis of workforce needs and within it has considered, the required competencies, experience and expertise required. For this reason, employee acceptance tests and interviews will be conducted. Employee assessments are always carried out every 6 months as a basis for being able to promote positions or levels/groups which will affect to the monthly salary.</p> <p>Sample taken for recruitment process/promotion process at Tanjung Selamat Mill on period 2021 and promotion of permanent employee on Pangkatan Estate:</p> <ol style="list-style-type: none"> <li>1. Employee promotion, based on Internal Memorandum of HR Ops. Plantation 1 No. 237/HR-RO1/MEMO/09/2021 dated 13 September 2021, on behalf of Irwan Sagita (Pangkalan Estate employee) starts from 13 September 2021.</li> <li>2. Employee promotion, based on Internal Memorandum of HR Ops. Plantation 1 No. 24/HR-RO1/MEMO/09/2021 dated 13 September 2021, on behalf of Meliadi (Tanjung Selamat Estate employee) starts from 13 September 2021.</li> </ol>	
6.1.4	<p>Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.</p>	<p>The company policy that was signed by Managing Director (Mr. Kelvin Tio) on 1<sup>st</sup> December 2019 on point 15 of the policies stated that: "prevent sexual harassment and various forms of violence against women and protect their reproductive rights".</p> <p>There is a gender committee actively meets and discussing general agenda and other issue related to handling sexual harassment, dissemination of sexual harassment prevention.</p> <p>Based on interview with Gender Committee, company has implemented the protection of women reproductive rights, in form of maternal leave, period leave, and regular pregnancy check for female sprayers and strictly prohibit pregnant and/or breastfeeding female worker applying pesticides. The last pregnancy checks on February 2022; in Afdeling I: 31 workers,</p>	Complied

		<p>Afdeling II as many 21 workers, Afdeling III as many 18 workers and Afdeling IV as many 31 workers. The result of pregnancy test is "negative".</p> <p>When in pregnancy checking there are confluence workers who stated "positive", then based on the company's policy above, the woman workers to be transferred to other work whice not related to chemistry (spray or fertilizing).</p>	
6.1.5	<p><b>(C)</b> A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p>	<p>The company has formed a Gender Committee at Tanjung Selamat Estate and Mill which is chaired by Romasi Banjarnahor and Ms. Ratna Dewi Ginting as a secretary, based on the Gender Committee Organizational Structure as of 26 August 2014. Coordinators are assigned at each Afdiling; Afdeling 1: Ms. Katarina Hutasoit, Afdeling 2: Ms. Misnawati, Afdeling 3: Ms. Find Dahlia Manurung and Afdeling 4: sdri. Ratih Pratiwi and membership are all female workers in PT ISJ and SSR.</p> <p>On 2021/2022 Gender Committee Work Program has been established including the issues that will be discussed at the meeting, including:</p> <ul style="list-style-type: none"> <li>- Receive female employee complaint.</li> <li>- Accepting all Defending and guaranteeing the rights of women workers.</li> <li>- Carry out routine immunization of children to mothers who have toddlers.</li> <li>- Conduct family health education with environmental cleanliness.</li> </ul> <p>The regular monthly gender committee meeting was held on January 2022 which discussed the protection of the rights of women workers from the company, the meeting was attended by 7 members of committee (a list of attendance can be shown at the time of the audit). Meeting dated 10 April 2022 discussing awareness to women workers, imunisation, family healthcare. Based on the records of the routine meeting and</p>	Complied



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		interviews with management, that during the period 2021-ytd 2022 there were no cases related to women workers.	
6.1.6	There is evidence of equal pay for the same work scope.	<p>The application of wages for the period of 2021 – 2022 still uses the basis of wages from 2020 based on the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhan Batu Regency in 2020 of IDR 3,284,500 per month.</p> <p>Based on interviews with the Manpower and Transmigration Office of Labuhanbatu Regency, there is no sectoral minimum wage setting for the 2021-2022 period in Lauhan Batu Regency, so that the determination of the minimum wage for the 2022 period still follows the minimum wage in the 2020 period, which is IDR 3,284,500 per month.</p> <p>Verification of sample employee salary slips and payroll documents for the January 2022 period, as follows:</p> <p>Verification is carried out on samples of employee salary slips and payroll documents for the January 2022 period, as follows:</p> <ol style="list-style-type: none"> <li>1. Name : Morina Sitompul (PHL)              Position : Upkeep at Pangkatan Estate              Working day : 18 working days,              Basic salary : IDR 2,364,840 (@ IDR 131.380 per day);              Premium process : -  <u>Deduction</u>              BPJS TK : IDR 65.689,-              BPJS Kesehatan : IDR 30.100,-              Pension : IDR 56.500,-              Net Salary : IDR 2.242.651,-</li> <li>2. Name : Anugerah (PHL)              Position : Harvester, Tanjung Selamat Estate              Working day : 20 day,</li> </ol>	Complied

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		<p>Basic salary : IDR 2,627,600 (@ IDR 131,380 per day);          Harvesting premium: IDR 861,191  <u>Deduction:</u>          BPJS TK : IDR 65,689,-          BPJS Kesehatan : IDR 33,000,-          Pension : -          Net Salary : IDR 3,390,102,-</p> <p>Based on the employee salary slips above, that PT RSK and PT ISJ has implemented a minimum wage in accordance with applicable regulations.</p>	
<p><b>Criteria 6.2:</b> 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).</p>			
6.2.1	<p><b>(C)</b> Documentation of pay and working conditions in accordance with applicable labour laws are available to the workers in national languages and explained to them in language they understand.</p>	<p>The application of wages for the period of 2021 – 2022 still uses the basis of wages from 2020 based on the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhan Batu Regency in 2020 of IDR 3,284,500 per month.</p> <p>Based on interviews with the Manpower and Transmigration Office of Labuhanbatu Regency, there is no sectoral minimum wage setting for the 2021-2022 period in Lauhan Batu Regency, so that the determination of the minimum wage for the 2022 period still follows the minimum wage in the 2020 period, which is IDR 3,284,500 per month.</p> <p>The company is also gives a scripts/payslip to employees before salary is given, salary slip also contains basic salary, allowances, premium, labor health coverage (BPJS Ketenagakerjaan and Kesehatan) and deduction as well. Payslip documents are made in Indonesian so they can be understood by all workers.</p> <p>Verification of sample employee salary slips and payroll documents for the January 2022 period, as follows:</p>	Complied

		<p>Verification is carried out on samples of employee salary slips and payroll documents for the January 2022 period, as follows:</p> <p>1. Name : Morina Sitompul (PHL)          Position : Upkeep at Pangkatan Estate          Working day : 18 working days,          Basic salary : IDR 2,364,840 (@ IDR 131.380 per day);          Premium process : -  <u>Deduction</u>          BPJS TK : IDR 65.689,-          BPJS Kesehatan : IDR 30.100,-          Pension : IDR 56.500,-          Net Salary : IDR 2.242.651,-</p> <p>2. Name : Anugerah (PHL)          Position : Harvester, Tanjung Selamat Estate          Working day : 20 day,          Basic salary : IDR 2,627,600 (@ IDR 131,380 per day);          Harvesting premium: IDR 861,191  <u>Deduction:</u>          BPJS TK : IDR 65,689,-          BPJS Kesehatan : IDR 33,000,-          Pension : -          Net Salary : IDR 3,390,102,-</p> <p>The Company has already set wage standard based on wages set by the government recorded on Memorandum no. ###/HR-R01/MEMO/04/2020, dated 12 January 2020; regarding: "Kenaikan Upah</p>	
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		<p>Pekerja Golongan SKUB” and also the determination of the daily wage for BHL (Daily workers) and PKWT employees (certain time workers). On this memorandum is also determine regarding structure of wage for each level worker (SKU-H and AKU-B).</p> <p>Determination and implementation of wage both of PT ISJ and PT RSK has accordance with the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhan Batu Regency in 2020 and UU no. 11/2020 regarding manpower as well.</p>	
6.2.2	<p><b>(C)</b> Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed.</p>	<p>The company have established work agreement for permanent employees through joint work agreement (PKB-Perjanjian Kerja Bersama) in term for 2 years. During the audit the PKB is for period of 2018 – 2020 and has done registered by Dirjen PHI/JSK the Ministry of Employment on 4 July 2018.</p> <p>The renewal of PKB or working agreement for 2021 – 2023 are still under process of approval and registration to Ministry of Manpower. According the provisions in the PKB it is stated that if the new PKB is not yet available, the old PKB is still valid to be used as a reference.</p> <p>The company has set employment provisions in accordance with the rules and legal requirement. It is stated on employment contract off daily labour on article 1 about the types of work, working hours (maximum 40 hours per week and working from Monday to Saturday) and the wages has provides is based on waging regulation (Decree of Governor of North Sumatera) in effect at January 2020. Statements about wages, stated in PKB in Article V concerning Wages-Upah; stated: “Pekerja harian Tetap dan Pekerja Bulanan diberi upah berupa uang yang ditetapkan berdasarkan kesepakatan bersama dengan BKS-PPS dengan PD.FSP.PP-SPSi Propinsi yang bersangkutan sesuai dengan peraturan perundangan Otonomi Daerah yang berlaku, yaitu upah uang ditambah beras pekerja</p>	Complied

		<p>senilai/sejumlah 15 Kg (Upah BKS-PPS), dengan mengingat situasi ekonomi dan kemampuan perusahaan”.</p> <p>The Joint working Agreement (PKB 2018-2020 period) and the daily labour contract of the wage was presented in Bahasa Indonesia, so all employees can understand it and this PHL work agreement is handed over to the workers concerned after being described by the management (through KTU), so that employees who can not read the writing can understood.</p> <p>Based on the Berita Acara Serah Terima Perjanjian PHL dated 6 January 2020, there are 20 BHL workers who have accepted this PHL work agreement, for example:</p> <ul style="list-style-type: none"> <li>- Working Agreements of PHL No. 001/PKHL/KTS/01/2020 on behalf of Sunardi.</li> <li>- Working Agreements of PHL No. 076/PKHL/KTS/II/2021 on behalf of Anggi Irawan Nasution as plantation upkeep.</li> <li>- Working Agreements of PHL No. 083/PKHL/KET/II/2021 dated 3 January 2022 on behalf of Perlindungan Telaumbanua as plantation upkeep.</li> </ul> <p>Determination of wages (including benefits and other bebenefit), working hours (including hours and overtime pay) and working days have been regulated in the PKB Period 2018-2020 in Article V; Upah - Wages, which explains:</p> <ul style="list-style-type: none"> <li>a) Permanent workers are given wages, the value of which is determined by the employer on the condition that it is not lower than government regulations.</li> <li>b) Certain permanent workers are given wages (Basic Salary and Rice) in accordance with the status of the group/level whose value is determined by the employer with provisions not lower than government regulations</li> </ul>	
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		<p>c) Permanent workers receive additional wages (UMP / UMSK) and / or attendance incentives as stipulated further in separate provisions.</p> <p>Rice allowance is: 9 kg and each anal (maximum 3 children) is given 7.5 kg per month, which consists of the basic salary and rice allowance. Rice supply is given once a month. Rice supply is intended to be of good quality and is considered appropriate for the health of the Worker and the gift is linked to attendance.</p> <p>Provisions on holidays and leave (both maternity leave and menstruation leave) have been regulated in Article VIII regarding Non-working Days; including: absenteeism, rest days of the week, official holidays, annual leave, maternity leave and others.</p> <p>The company is also gives a scripts/payslip to employees before salary is given, salary slip also contains basic salary, allowances, premium, labor health coverage (BPJS Ketenagakerjaan and Kesehatan) and deduction as well. Based on sample salary slip shown that the company has paid wages employees salary according to the working days and it is applied in a fair to all employees.</p>	
6.2.3	<p><b>(C)</b> There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.</p>	<p>The company has explained the rights and obligations of workers through the Collective Labor Agreement for the period 2018-2020 and PHL work agreements, including regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal.</p> <p>Provisions on holidays and leave (both maternity leave and menstruation leave) have been regulated in Article VIII regarding Non-working Days; including: absenteeism, rest days of the week, official holidays, annual leave, maternity leave and others.</p> <p>The company is also gives a scripts/payslip to employees before salary is given, salary slip also contains basic salary, allowances, premium, labor health coverage (BPJS Ketenagakerjaan and Kesehatan) and deduction as well. Based on sample salary slip shown that the company has paid wages</p>	Complied

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		<p>employees salary according to the working days and it is applied in a fair to all employees.</p> <p>Take some samples:</p> <ul style="list-style-type: none"> <li>- Payslips have been explained on 6.2.1 above and it proven to have complied with the applicable laws and regulations.</li> <li>- Overtime Order for Tanjung Selamat Mill workers on behalf of Kosiman (Loading Ramp) ordering overtime on January 11, 2022 from 15.00 – 16.00 (1 hour) and complied with the applicable laws and regulations</li> <li>- Overtime Order for Tanjung Selamat Mill workers on behalf of Maruasas (Equipments) overtime order on January 11, 2022 from 14.00 – 17.00 (3 hours) and complied with the applicable laws and regulations</li> <li>- Annual Leave Application Letter on behalf of Anwar Yasin (warehouse staff) dated 7 February 2022 and has been approved by Estate Manager for 12 days annual leave on period 2021. It is complied with the applicable laws and regulations</li> </ul> <p>Based on interviews with workers, that the application of weekly rest/rest days at PT ISJ and PT RSK is on Sundays and/or days that have been determined by the government.</p>	
6.2.4	<p><b>(C)</b> The unit of certification provides adequate housing. Sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.</p>	<p>The company has provided public facilities for its employees in the form of: Housing, Child Care Center-BPA, electricity supply (gensets) for housing and clean water supply, clinics, sports facilities, employee halls, provision of school buses for houses of worship (mosques and churches). The list of public facilities include:</p> <p>PMKS Tanjung Selamat:</p> <ul style="list-style-type: none"> <li>- Emplacement – Employee Housing (type: E1: 190 units, E2: 78 units, D1: 12 units)</li> <li>- Employee hall (1 unit)</li> </ul>	Complied

		<ul style="list-style-type: none"> <li>- Clinic (1 unit)</li> <li>- Mosque (1 unit)</li> <li>- Church (1 unit)</li> <li>- Child care (2 units)</li> </ul> <p>Tanjung Selamat Estate:</p> <ul style="list-style-type: none"> <li>- Emplacement – Employee Housing (type: E4: 200 unit, E2: 100 unit, D1: 12 unit)</li> <li>- Elementary school (1 unit)</li> <li>- Clinic (1 unit)</li> <li>- School bus (2 unit)</li> <li>- Ambulance (1 unit)</li> <li>- Mosque (5 unit)</li> <li>- Church (3 unit)</li> </ul> <p>Pangkalan Estate:</p> <ul style="list-style-type: none"> <li>- Employee housing (type: C121: 4 unit, CM: 1 unit, C1: 4 unit, D1- semi permanent: 16 doors, D2- semi permanent: 4 doors, D2 kayu: 20 doors, E1-semi permanent: 54 doors, E2 kayu: 100 doors, E40: 198 doors, etc.)</li> <li>- Elementary school (1 unit SD Bina Dharma)</li> <li>- Clinic (1 unit)</li> <li>- Scool bus (2 unit)</li> <li>- Ambulance (1 unit)</li> <li>- Mosque (3 unit)</li> <li>- Church (1 unit)</li> </ul>	
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		<ul style="list-style-type: none"> <li>- Sports field (2 units of football, 1 unit of badminton, 1 unit of volleyball)</li> <li>- 3 units of Child care (location in: main camp, merbau, pulau intan)</li> <li>- Electricity by 3 units Genset</li> <li>- Clean water using 3 drilled wells (main camp, merbau, diamond island)</li> <li>- Landfill at Block C91s</li> </ul> <p>The Company has provided a clinic at the plantations and has permit from Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu namely "Surat Izin Operasional Klinik Pratama Klinik Asian Agri Sehat Aek Nabara" No. 503.445.1/177/DPMPSTP-BP4/2017 dated 7 November 2017 and valid for 5 years. The company also provides a doctor who is responsible in klinik on behalf of dr. Nahdhia and has permit "Surat Izin Praktik (SIP) Dokter from Dinas Penanaman Modan dan Pelayanan Terpadu Satu Pintu No. 503.446.1/283/DMPMTSP-BP4/2017 dated 5 December 2017 and valid until 11 September 2023.</p> <p>Based on the verification of employee complaint documents (regarding housing facilities) in 2022, there are complaints related to employee housing damage and have been responded to and by making repairs to employee housing damage, an example is taken:</p> <ul style="list-style-type: none"> <li>- Complaints on 18 February 2022 from plant maintenance employees related to damage to the walls (cracks), and have been responded to and repaired on 18 February 2022.</li> <li>- Complaints on 3 November 2021 from harvest employees related to the bathroom door being damaged, this complaint has been responded to and corrected on 5 November 2021.</li> </ul> <p>Based on visits to employee housing in Afdeling II Tanjung Selamat Estate and employee housing Afdeling III Pangkatan Estate, it was observed that the employee housing conditions were still quite good (livable), clean</p>	
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		water facilities in the form of water wells (for bathing, washing and toilet/MCK purposes), electrical connection (using a generator). Based on observations during the audit, it was confirmed that there were no complaints related to over crowded house, employee housing with poor conditions, sufficient clean water needs, waste disposal facilities which are always transported every 2 days to be taken to the final waste disposal site. Sucofindo conducted a clean water inspection on 6 December 2021.	
6.2.5	The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	<p>Worker receives rice by organization that was distributed twice a month. This was mentioned in the "Collective Work Agreement" (PKB) between employees and the organization.</p> <p>In addition, organization has provided special area in place for local market. Local market provides food for worker. The market is nearby the company site and company also provide minimarket, namely "Waserda Bina Mandiri"</p>	Complied
6.2.6	A DLW is paid to all workers in accordance with applicable regulations, including workers who work on a piece rate/quota basis, the calculation of which is based on a quota that can be achieved during regular working hours.	<p>The application of wages for the period of 2021 – 2022 still uses the basis of wages from 2020 based on the Decree of the Governor of North Sumatra No. 188.44/17/KPTS/2020 dated January 13, 2020 regarding the Sectoral Minimum Wage of Labuhan Batu Regency in 2020 of IDR 3,284,500 per month.</p> <p>Based on interviews with the Manpower and Transmigration Office of Labuhanbatu Regency, there is no sectoral minimum wage setting for the 2021-2022 period in Lauhan Batu Regency, so that the determination of the minimum wage for the 2022 period still follows the minimum wage in the 2020 period, which is IDR 3,284,500 per month.</p> <p>The company also made calculations related to DLW, based on the wages given to employees as costs given by the company:            Following is DLW Calculation:</p>	Complied

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No.	In Kind Benefits	Total
1.	Housing (Cost of Building: 30 years) + (Annual Maintenance: Number of Houses) ÷ 12 Months	255,43
2.	Electricity & Water (Annual cost of water & electricity ÷ Number of houses) ÷ 12 Months	248,717
3.	Education [(Total cost not including teacher and non teacher labour cost + school transport + school building maintenance + food for children) ÷ number of workers] ÷ 12 months	68,129
4.	Creche Facilities (TPA) (Building maintenance + Food for children + supplies + caretaker cost) ÷ Number of workers	13,027
5.	Helathcare (Kesehatan) (Maintenance of clinic, medicine & medical materials, ambulance transport cost + cost of helathcare workers) ÷ Number of workers	407
6.	Food	54,801
7.	Sport & Recreation Facilities	3,432
	<b>Total Cost of In Kind Benefits</b>	<b>643,943</b>
	<b>Average Monthly Take Home Salary per Worker</b>	<b>2,693,286</b>
	<b>Total Value of Prevailing Wage</b>	<b>3,337,229</b>

This DLW was compared with the 2020 standard minimum wage of Rp 3,284,500, the company has provided living expenses to employees amounting to Rp 3,337,229 per month or greater than Rp 52,729 per month from the monthly wage.

**PROCEDURAL NOTE:**

The RSPO has published guidelines on the calculation of Decent Living Wage (DLW) in June 2019. Since Indonesia does not have DLW benchmark yet, the RSPO Secretariat will conduct a DLW benchmark study in accordance with the Global Living Wage Coalition (GLWC) and Indonesian laws and regulations.

In the meantime, until DLW benchmark for Indonesia is endorsed by the RSPO, the unit of certification carries out interim measures that was published by RSPO (dated 11 November 2019), including:

1. Payment of minimum wages in accordance with applicable regulations
2. Assessment of wages paid (prevailing wages) and in-kind benefits.

Once the DLW benchmark is available, this procedural note is no longer applicable.		
6.2.7	<p>Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal</p>	<p><u>Tanjung Selamat Estate:</u>            In 2021 Tanjung Selamat Estate has proposed the Promotion of PHL Harvesters to become SKUs for 48 harvesters, with details: based on Memorandum No. 002/HR-ro1/memo-01-21 on January 6, 2021 promotion of 40 employees and based on Memorandum No. 279/HR-ro1/memo/09/21 September 14, 2021 as many as 8 harvesters.            Based on the employee master as of January 2022, there are 188 harvesters for the area of Mature Plants (TM) covering an area of 3,976 Ha. There were 188 harvesters, consisting of 105 permanent workers (SKU) and 83 non-permanent workers (PHL).            Tanjung Selamat Estate has compiled a PHL Harvester Promotion Program to become permanent workers (SKU) which has been recognized and approved by the Labuhanbatu Regency Manpower Office with time frame three years.            Based on this PHL promotion to SKU program, it is explained as follows:</p> <ul style="list-style-type: none"> <li>- In the first semester of 2022, the proposal has been submitted and has been approved by the Dept. HRD for the promotion of PHL harvesters to SKU as many as 14 harvesters. While in the second semester of 2022, 14 harvesters will be resubmitted in November-December 2022.</li> <li>- Each Semester will promote 14 harvesters.</li> </ul> <p><u>Pangkalan Estate:</u>            In 2021 Pangkatan Estate has proposed the Promotion of PHL Harvesters to become SKUs for 14 harvesters, based on Memorandum No. 237/HR-RO1/MEMO/09/2021 dated 13 September 2021.            Based on the employee master as of January 2022, there are 104 harvesters for the area of Mature Plants (TM) covering an area of 3,202</p>

		<p>Ha. There were 104 harvesters, consisting of 41 permanent workers (SKU) and 63 non-permanent workers (PHL).</p> <p>Pangkalan Estate has compiled a PHL Harvester Promotion Program to become permanent workers (SKU) which has been recognized and approved by the Labuhanbatu Regency Manpower Office with time frame three years.</p> <p>Based on this PHL promotion to SKU program, it is explained as follows:</p> <ul style="list-style-type: none"> <li>- In the first semester of 2022, the proposal has been submitted and has been approved by the Dept. HRD for the promotion of PHL harvesters to SKU as many as 10 harvesters. While in the second semester of 2022, 10 harvesters will be resubmitted in November-December 2022.</li> <li>- Each semester will promote 11 harvesters.</li> </ul> <p><u>Tanjung Selamat Mill:</u></p> <p>In 2021 Tanjung Selamat Mill has proposed the Promotion of PHL Harvesters to become SKUs for 1 worker, based on Memorandum No. 428/HR-RO1/MEMO/12/2021 dated 24 December 2021 on behalf of Indra Syah Roja Ritongan for the position of laboratory staff.</p> <p>Based on the employee master as of January 2022, there are 91 workers, consisting of 80 permanent workers (SKU) and 11 non-permanent workers (includes: 9 workers as PHL and 2 workers as PKWT).</p> <p>Tanjung Selamat Mill has compiled a PHL Harvester Promotion Program to become permanent workers (SKU) which has been recognized by the Labuhanbatu Regency Manpower Office as of January 2022 to 2023.</p> <p>Based on this PHL promotion to SKU program, it is explained as follows:</p>	
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		<ul style="list-style-type: none"> <li>- In the first semester of 2022, the proposal has been submitted and has been approved by the Dept. HRD for the promotion of PHL to SKU as many as 2 workers. While in the second semester of 2022, 2 workers will be resubmitted in November-December 2022.</li> <li>- Furthermore, in the first and second semesters of 2023, the plan will propose promotion of 4 workers (includes: 2 workers as PHL and 2 workers as PKWT). The promotion program with time frame two years Each Semester will promote 3 workers.</li> </ul>	
<p><b>Criteria 6.3:</b> 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	<p><b>(C)</b> A published statement recognizing freedom of association and right to collective bargaining in national languages is available and is explained to all workers in languages that they understand, and is demonstrably implemented.</p>	<p>Freedom of association policy, dated 26<sup>th</sup> November 2012, written in Bahasa Indonesia, this policy has been informed to all employees and being placed into public area easily accessed.</p> <p>PT Indo Sepadan Jaya (Tanjung Selamat and Pangkatan Estate) has established a Labor Union in accordance with the Decision Letter of PD FSPPP - SPSI of North Sumatra No. Kep-24/ORG/PC FSPPP-LBR/IX/2019, dated 3 September 2019 regarding "Penguatan Pengurus Unit Kerja Serikat Pekerja Pertanian dan Perkebunan – Serikat Pekerja Seluruh Indonesia (PUK SP.PP-SPSI) PT Indo Sepadan Jaya Kebun Tanjung Selamat Kec. Kampung Rakyat, Kabupaten Labuhanbatu Selatan Masa Bakti 2019-2024", and has been registered with the Manpower Office of Labuhanbatu Regency. 26/DTK-VIII/ 2001 dated August 30, 2001 Chaired by Josmart Tamba and Saymsul Saragih as secretarist.</p> <p>Worker union in PT Rantau Sinar Karsa has formed according to "Surat Keputusan PC FSP.PP-SPSI Wilayah Kabupaten Labura No. Kep 22/ORG/PC FSPPP-LBR/VII/2019, dated 8 July 2019 regarding</p>	Complied

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		<p>"Pengukuhan Pengurus Unit Kerja PUK SP.PP-SPSI PT Rantau Sinar Karsa Kec. Pangkatan, Kab. Labuhan Batu periode 2019-2024". Worker union has been registered in Dinas Tenaga Kerja Kabupaten Labuhan Batu No. 26/DTK-VIII/2001 since dated 30 August 2001. Worker Union always conducts communication and consulting with management to discuss the employment issue.</p>	
6.3.2	<p>Minutes of meetings between the unit of certification with trade unions or worker representatives who are freely elected, are documented in the national languages and available upon request.</p>	<p>Worker Union always conducts communication and consulting with management, some meetings with management. Sample taken of record of meeting between company and labour union is conducted regularly, e.g.:</p> <ol style="list-style-type: none"> <li>1. On 13 August 2021, meeting between Management PT Indo Sepadan Jaya and PUK FSPP-SPSI PT Indo Sepadan Jaya to discuss about provision of PPE, housing facility, clean water and covid-19 mitigation.</li> <li>2. On 12 March 2022, Meeting between Management PT Indo Sepadan Jaya and PUK FSPP-SPSI PT Indo Sepadan Jaya to discuss about discipline of finger print, prohibition of alcohol drink.</li> <li>3. On 13 April 2022, the meeting was discussed related Tunjangan Hari Raya (THR), Annual wages increment, bonus and patrol during Iedul Fitri Holiday.</li> <li>4. On 5 April 2022, meeting with the management to discuss related the maintenance and repairing the workers housing facility.</li> </ol>	Complied
6.3.3	<p>Management does not interfere with the formation or operation of registered labour organizations/unions, or other freely elected representatives for all workers, including migrant and contract workers.</p>	<p>The union has 385 members, consisting of: Pangkatan Estate (PT RSK): 70 workers, PT ISJ: Tanjung Selamat Mill: 74 members, Tanjung Selamat Estate: 241 members.</p> <p>Based on interviews with the head workers' unions of the Tanjung Selamat Estate and Pangkatan Estate, the management of PT ISJ and PT RSK did not intervene and influence the organizational structure in terms of establishing the organizational structure. Trade unions can freely recruit</p>	Complied

		their members and as a sign of membership, the union also provides its membership card.	
<b>Criteria 6.4:</b> Children are not employed or exploited.			
6.4.1	A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.	<p>A formal policy for the protection of children, including prohibition of child labour and remediation are available in "Kebijakan Perusahaan" signed by Managing Director on 1st December 2019. In the policy stated that Company are prohibited to employ the child in the company operation. Child employee are under age 18th years old according to UU No. 13 Tahun 2003.</p> <p>The policy are included in the service contract and supplier agreement, sample seen:</p> <ul style="list-style-type: none"> <li>- Agreement contract with CPO/PK transporter Pengangkutan Sekawan Jaya "Perjanjian Pengangkutan Nomor: 02/X/SKJ-ISJ/2021" dated 1st October 2021; at Article 7 point e. "Tidak mempekerjakan anak dibawah umur yang dilarang oleh peraturan perundangan ketenagakerjaan yang berlaku"</li> <li>- Agreement contract with PT Buana Putra Jaya Lestari No. 01/SPJ/LEGISJ/III/21 dated 16 March 2021 – 30 March 2021, Scope of work: housing building. Annex 1 No. 7 "Menjamin bahwa tenaga kerja pihak ke dua bukan pekerja anak yang dilarang oleh Undang-undang ketenagakerjaan".</li> <li>- Agreement Contract of FFB supplying on behalf of BUMDES Tebing Tinggi Sejahtera No. 008/TBS/ISJ/2021 dated 1 May 2021.</li> </ul> <p>The contract was described several company policies, including:</p> <ul style="list-style-type: none"> <li>- The seller is willing to show the legality document of ownership</li> <li>- Prohibition of child labor, forced labor and human trafficking</li> </ul>	Complied



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		<ul style="list-style-type: none"> <li>- Call to uphold human values and prohibit retaliation against Human Rights Defenders (HRD) and prohibit harassment and intimidation</li> </ul> <p>Heavy equipment rental agreement (Wheel Loader) on behalf of Nurkanim Saragih No. 168/E1PTS/09/20 dated 2 September 2020. It is explained in the contract regarding the prohibition of working children on:</p> <ul style="list-style-type: none"> <li>- Point a; The Second Party is obligated to make payment of salaries/wages in accordance with the provisions of the minimum wage determined by the applicable Government.</li> <li>- Point b; The second party guarantees that the second party does not employ minors that are prohibited by applicable labor laws and regulations.</li> <li>- Point c; obliged to maintain the functional preservation of the environment as well as to prevent and deal with environmental pollution and destruction in accordance with the provisions of Law no. 32 years 2009.</li> </ul>	
6.4.2	<b>(C)</b> Documented evidence on the fulfilment of worker’s minimum age requirements in accordance with applicable regulation and verification procedures for age requirements, are available.	<p>Based on document verification of list employe Tanjung Selamat Mill, Tanjung Selamat Estate and Pangkatan Estate confirmed that there is no workers under age of 18 years old; the youngest workers birthday were 1996 and 1997 or 24/25 years old.</p> <p>Company also has procedure for employee recruitment as per SOP AA-HR- 305.2 – RO Rekrutmen dan Seleksi Karyawan, dated 1 February 2009. Stated in Section 7.0 Tahapan Seleksi – usia minimum kandidat yang diterima adalah 18 tahun, minimum age employee hiring accepted was 18<sup>th</sup> years old.</p>	Complied
6.4.3	<b>(C)</b> Young person maybe employed only for non-hazardous work with protective restrictions in place for that work.	<p>There is no young person under 18 years old employ in PT Indo Sepadan Jaya Tanjung Selamat Mill, Tanjung Selamat Estate and Pangkatan Estate.</p> <p>Based on document verification of list employe Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate confirmed that there is no</p>	Complied

		workers under age of 18 years old; the youngest workers birthday were 1996 and 1997 or 24/25 years old.	
6.4.4	The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	<p>A formal policy for the protection of children, including prohibition of child labour and remediation are available in "Kebijakan Perusahaan" signed by Managing Director on 1st December 2019. In the policy stated that Company are prohibited to employ the child in the company operation. Child employee are under age 18th years old according to UU No. 13 Tahun 2003.</p> <p>The policy are included in the service contract and supplier agreement, sample seen:</p> <p>Agreement contract with CPO/PK transporter Pengangkutan Sekawan Jaya "Perjanjian Pengangkutan Nomor: 02/X/SKJ-ISJ/2019" dated 1st October 2019; at Article 7 point e. "Tidak mempekerjakan anak dibawah umur yang dilarang oleh peraturan perundangan ketenagakerjaan yang berlaku"</p> <p>Agreement contract with PT Buana Putra Jaya Lestari No. 01/SPJ/LEG-ISJ/III/19 dated 16 March 2019 – 30 March 2019, Scope of work: housing building. Annex 1 No. 7 "Menjamin bahwa tenaga kerja pihak ke dua bukan pekerja anak yang dilarang oleh Undang-undang ketenagakerjaan".</p>	Complied
<b>Criteria 6.5:</b> There is no harassment or abuse in the workplace, and reproductive rights are protected.			
6.5.1	<b>(C)</b> A policy to prevent sexual and all other form of harassment and violence is documented, implemented and communicated to all levels of the workforce.	A policy to prevent sexual and all other form of harassment and violence are available in "Kebijakan Perusahaan" signed by Managing Director on 1 <sup>st</sup> December 2019. In the policy point 15 stated that "Mencegah pelecehan seksual dan berbagai bentuk kekerasan terhadap perempuan serta melindungi hak-hak reproduksinya". The policy has been communicated to all level workforce, sample seen: socialization to workers of Tanjung Selamat Estate on 25 January 2022, attend by 60 workers; socialization to workers of Pangkatan Estate on 11 March 2022	Complied

		attend by 40 workers. Socialization to workers also conducted through muster morning and banner/poster available in Afdeling/Mill Office.	
6.5.2	<b>(C)</b> A policy to protect the reproductive rights of all, especially of women, is documented, implemented and communicated to all levels of the workforce.	A policy to protect the reproductive rights of all, especially of women are available in "Kebijakan Perusahaan" signed by Managing Director on 1 <sup>st</sup> December 2019. In the policy point 15 stated that "Mencegah pelecehan seksual dan berbagai bentuk kekerasan terhadap perempuan serta melindungi hak-hak reproduksinya". The policy has been communicated to all level workforce, sample seen socialization to workers of Tanjung Selamat Estate on 25 January 2022, attend by 60 workers; socialization to workers of Pangkatan Estate on 11 March 2022 attend by 40 workers. Socialization to workers also conducted through muster morning and banner/poster available in Afdeling/Mill Office.	Complied
6.5.3	Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified in accordance with applicable regulations in Indonesia.	Management has conducted surveys and consultations with 30 female workers using the direct interview method in January 2020 to identify the needs of female workers who have children/babies under 5 years old and are still breastfeeding. From the results of the survey and consultation, management issued several policies, including: <ul style="list-style-type: none"> <li>- Policy for employees who are breastfeeding, based on the Memorandum of the Plantation Manager No. 171/ES-KPT/MEMO/01/20 dated January 4, 2020, stated: the company guarantees female employees to breastfeed their children during working hours, by giving time and place to all female employees who have babies to breastfeed their children once for 45 minutes. : in the morning at 10.00-10.45 WIB at the clinic or afdeling office or 11.30 - 12.15 WIB.</li> <li>- Periodic check-ups at the clinic to monitor the baby's health by providing POSYANDU services once a month at the Central TPA (Child Care Center) including the provision of immunizations and vitamins.</li> </ul>	Choose an item.

		<p>The company has provided menstrual leave for female employee in accordance with the recommendation from paramedic in clinic, and this is in line with "Perjanjian Kerja Bersama" and applicable regulations.</p> <p>The company has granted the right for maternity leave the women who gave birth in accordance with the applicable rules and "Perjanjian Kerja Bersama".</p> <p>The company has consistently performed pregnancy tests to women workers who worked as a fertilizer and spraying every 1 month.</p> <p>The company has a policy of not hiring female labor during pregnancy or breast-feeding for the kind of work that endanger such as fertilizer or spraying by temporarily moving the work force to other types of work.</p>	
6.5.4	<p>A grievance mechanism, which respects anonymity and protects complainants where requested, as long as the complaint is supported with adequate information, is documented, implemented and communicated to all levels of the workforce.</p>	<p>Company has establish Standard Operating Procedure, No. SOP: XX-HR-308.5-RO; Revision: 0, December 11<sup>th</sup> 2009: Employees complaints: submission and settlement. Mechanism for complaints management where it needs to protect its confidentiality for complaint submitter was found in company policy's draft as in one of points of this policies stated that:</p> <p><i>"To provide appropriate information for those who inquiry it and to protect its confidentiality for whistle blower cases in accordance to law regarding environmental and social issue, food safety, health and safety work, so that it enables them to more participate to the decision making processes for improving company's performance".</i></p> <p>Policies that have been made by companies related to the protection of women's rights such as;</p> <ol style="list-style-type: none"> <li>a. The company has provided menstrual leave for female employee in accordance with the recommendation from paramedic in clinic, and this is in line with "Perjanjian Kerja Bersama" and applicable regulations.</li> <li>b. The company has granted the right for maternity leave the women</li> </ol>	Complied

		<p>who gave birth in accordance with the applicable rules and "Perjanjian Kerja Bersama".</p> <ul style="list-style-type: none"> <li>c. The company has consistently performed pregnancy tests to women workers who worked as a fertilizer and spraying every 1 month.</li> <li>d. The company has a policy of not hiring female labor during pregnancy or breast-feeding for the kind of work that endanger such as fertilizer or spraying by temporarily moving the work force to other types of work.</li> <li>e. The company has consistently performed regular health checks for sprayers every six months.</li> </ul> <p>The company has conducted training and socialization prevention of sexual harassment in the workplace to the Committee members for example gender socialization on 11 January 2022, on "<i>Sosialisasi Pelecehan Seksual dan Kebijakan Hak Reproduksi</i>".</p> <p>On 2021 Period, Gender Committee Work Program has been established including the issues that will be discussed at the meeting, including:</p> <ul style="list-style-type: none"> <li>- Defending and guaranteeing the rights of women workers</li> <li>- Carry out routine immunization of children to mothers who have toddlers</li> <li>- Conduct family health education with environmental cleanliness</li> </ul> <p>Realization of Gender committee programe on 2021, such as:</p> <p>On February 23 March 2021; socialization to female workers related to the protection of women, children workers and sexual harassment at Tanjung Selamat Estate was attended by as many as 14 women workers. Socialization to female workers related to the sexual harassment policy on 21 January 2021 was attended by 25 participants.</p> <p>Based on the records of the routine meeting and interviews with management, that during the period 2021-ytd 2022 there were no cases related to women workers or sexual harassment.</p>	
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<b>Criteria 6.6:</b> No forms of forced or trafficked labour are used.			
6.6.1	<p><b>(C)</b> All work is voluntary and the following are prohibited:</p> <ul style="list-style-type: none"> <li>• Retention of identity documents or passports;</li> <li>• Payment of recruitment fees;</li> <li>• Contract substitution without worker’s consent</li> <li>• Involuntary overtime;</li> <li>• Lack of freedom of workers to resign</li> <li>• Penalty for termination of employment, unless the unit of certification and the workers agree to the penalty and it is stated in the employment agreement</li> <li>• Debt bondage</li> <li>• Withholding of wages</li> </ul>	<p>During audit and according to work contract, confirmed that all work is voluntary and there is no:</p> <ul style="list-style-type: none"> <li>• Retention of identity documents or passports;</li> <li>• Payment of recruitment fees;</li> <li>• Contract substitution without worker’s consent</li> <li>• Involuntary overtime;</li> <li>• Lack of freedom of workers to resign</li> <li>• Penalty for termination of employment, unless the unit of certification and the workers agree to the penalty and it is stated in the employment agreement</li> <li>• Debt bondage</li> <li>• Withholding of wages</li> </ul> <p>No form of forced labor occur in PT Indo Sepadan Jaya and PT Rantau Sinar Karsa. Company has a policy to comply with manpoer regulation UU No. 13 Tahun 2003. Company also has a policy to prevent and prohibit the forced labor as per “Kebijakan Perusahaan” signed by Managing Director on 1st December 2019. Stated in Company Policy point 17 “<i>Tidak memberikan pekerjaan dibawah ancaman, sanksi atau hukuman dimana pekerja tidak memiliki kebebasan untuk menyepakati pelaksanaan pekerjaan</i>”.</p>	Complied
6.6.2	<p><b>(C)</b> Where temporary (Specified Time Work Agreement/PKWT) or migrant workers are employed, a specific labour policy and procedures are established and evidence of implementation is available.</p>	<p>There is no migrant workers in PT Indo Sepadan Jaya – Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate. Based on the employees master on period January 2022, it was identified that there were 3 workers with PKWT status.</p> <p>For permanent workers, term and condition Company has agreement in PKB which contain term and condition for workers.</p>	Complied

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		<p>For casual workers contract available in "Perjanjian Kerja Harian Lepas". Labour policy are provided in "Kebijakan Perusahaan" and procedure to manage the workers are available in SOP AA-HR-305.2 – RO Rekrutmen dan Seleksi Karyawan, dated 1 February 2009.</p> <p>PT Indo Sepadan Jaya – Tanjung Selamat POM and Estate and PT Rantau Sinar Karsa – Pangkatan Estate has issued the specific labour policy and procedures for temporary workers (PHL/PKWT); The policy and procedure are issued for each unit as below:</p> <ul style="list-style-type: none"> <li>- Tanjung Selamat POM: Memorandum No. 009/Mill-PTS/INT/07/2020 dated 24 July 2020.</li> <li>- Tanjung Selamat Estate: Memorandum No. 171/ES-KTS/MEMO/07/2020 dated 23 July 2020.</li> <li>- Pangkatan Estate: Memorandum No. 266/ MEMO/INT/07/2020 dated 01 July 2020.</li> </ul> <p>The policy and procedure has been communicated to temporary workers at Tanjung Selamat POM on 25 July 2020, in Tanjung Selamat Estate on 3 August 2020 and in Pangkatan Estate on 4 July 2020.</p> <p>The procedure was explain the detail of mechanism for temporary workers recruitment, promotion of temporary workers to be permanent workers, term and condition and requirement of temporary workers in accordance with National regulation (UU No. 13 tahun 2003).</p>	
<p><b>Criteria 6.7:</b> The unit of certification ensures that the working environment under its control is safe and without undue risk to health.</p>			
6.7.1	<p><b>(C)</b> The responsible person(s) for H&amp;S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p>	<p>PT Indo Sepadan Jaya Tanjung Selamat POM and Estate has appointed the responsible person for H&amp;S is identified as per P2K3 (Safety Committee Meeting). P2K3 has an approval from Manpower and Transmigration Office.</p> <p><b><u>Tanjung Selamat POM</u></b></p>	Complied

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		<p>P2K3 Tanjung Selamat POM has been formed and has an endorsement/approval from Manpower Office Sumatera Utara Province according to "Surat Keputusan Kepala UPT Pengawasan Ketenagakerjaan Wilayah IV Dinas Tenaga Kerja Provinsi Sumatera Utara Nomor: KEP.88-7/P2K3/WIL-IV/DTK/SU/2021 tentang Pengesahan Panitia Pembina Keselamatan dan Kesehatan Kerja (P2K3) di Perusahaan" dated 8 February 2021. Safety Officer or "Ahli K3 Umum" OSH expert was assigned as P2K3 secretary. Safety Officer on behalf Fahreza Hafiz has a license from Ministry of Manpower with decree letter Nomor 5/17418/AS.02.04/XII/2021 dated 29 December 2021 Tentang Penunjukan Ahli K3 umum, valid until 29 December 2024.</p> <p><b><u>Tanjung Selamat Estate</u></b></p> <p>P2K3 Tanjung Selamat Estate has been formed and has an endorsement/approval from Manpower Office Sumatera Utara Province according to "Surat keputusan Kepala Dinas Tenaga Kerja Kabupaten Labuhan Batu Nomor : KEP.21-7/P2K3/WIL-IV/DTK/SU/2022 tentang Pengesahan Panitia Pembina Keselamatan dan Kesehatan Kerja di Perusahaan" dated 17 February 2022. Safety Officer or "Ahli K3 Umum" OSH expert was assigned as P2K3 secretary. Safety Officer on behalf Karten Malau has a license from Ministry of Manpower with licence number No. Reg. 47023/PK3/AJ/12/2021/P1 dated 30 September 2021 valid until 30 September 2024.</p> <p><b><u>Pangkalan Estate</u></b></p> <p>P2K3 Pangkatan Estate has been formed and has an endorsement/approval from Manpower Office Sumatera Utara Province according to Surat keputusan Kepala UPT Pengawasan Ketenagakerjaan Wilayah IV Dinas Tenaga Kerja Provinsi Sumatera Utara Nomor : KEP.387-7/P2K3/WIL-IV/DTK/SU/2021 tentang Pengesahan Panitia Pembina Keselamatan dan Kesehatan Kerja di Perusahaan" dated 17 Juni 2021. Safety Officer or "Ahli K3 Umum" OSH expert was assigned as P2K3 secretary. Safety Officer on behalf M. Danu Utomo has a license from</p>	
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		<p>Ministry of Manpower with licence Number No. Reg.97900/PK3/AJ/12/2021/PO dated 10 May 2021 and valid until 10 May 2024.</p>	
<p>6.7.2</p>	<p>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.</p>	<p>There were established several documented procedures related to accident and emergency procedure in local language Bahasa Indonesia. Accident and emergency procedures no. AA-EMS-446-PR (operation control), AA-EMS-447-PR (Emergency preparedness), AA-EMS-001-FM (Emergency plan), AA-EMS-003-FM (Emergency incident), and AA-EMS-004-FM (Emergency incident Reporting).</p> <p>According to the emergency procedure, the emergency conditions have been identified including Fire and explosion at buildings; land fire; earthquake; flooding; chemical spill and poisonings also waste water ponds spillage. The procedures described the roles and responsibilities of each emergency response team include the mechanism how to conduct medical evacuation to near hospital/local health centre, the emergency contact number of each internal emergency team and external related parties such as public fire station at local area Kabupaten Labuhan Batu and Public health centre were also available.</p> <p>Company has formed the emergency response team as per "Struktur Organisasi Tanggap Darurat". During audit can be demonstrated emergency response team for Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate. Emergency response team has conducted the regular training to response the emergency situation, sample seen: Basic Fire training on 5 February 2021 and 9 October 2022.</p> <p>Emergency drill has been conducted each year, latest emergency drill for land fire conducted on on 9 February 2021 in Tanjung Selamat Estate, 9 October 2022 in Tanjung Selamat POM and on 12 June 2021 in Pangkatan Estate. Evidence of emergency drill can be demonstrated during audit including Scenario and minutes of emergency drill as per "Pengujian Kesiagaan Tanggap Darurat".</p>	<p>Non-compliance</p>

		<p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa has appointed the licenced First Aider which is Foreman in each department/Afdeling. First aid training has been carried out by company, sample seen: First aid training for field foreman in Pangkatan Estate on 10 January 2020 attended by 26 field foreman; First aid training for Field Foreman in Tanjung Selamat POM and Tanjung Selamat Estate on 6 January 2020. Refreshment training conducted on 22 March 2022. First aid training deliver by company doctor and paramedic.</p> <p>First aid equipment are available in the worksite both in Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate. Sample seen:</p> <ul style="list-style-type: none"> <li>- At Tanjung Selamat POM, there are 12 first aid equipment available at Secuity Pos, Office, Laboratory, Warehouse, Workshop, Mill operation office, Clarification station, Engine Room station, Boiler station, Water Treatment plant, Press Station, Sterilizer station, Hazardous waste storage.</li> <li>- At Tanjung Selamat Estate, first id equipment are available in the office, childcare, workshop, warehouse and each field foreman Afdeling I – IV with total first aid equipment 30 unit.</li> <li>- At Pangkatan Estate, there are 40 first aid equipment are available in office, childcare, workshop, warehouse and each field foreman.</li> </ul> <p>Record of accident are available in "Laporan kecelakaan Kerja" Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate. Report of accident period January – December 2021 are available. Each accident case were followed up by investigation as record in "Rekaman Kecelakaan Kerja" woch explain the detail of accident case, rootcause analysis and follow up action.</p> <p>Accident report are review in regular basis each month through P2K3 meeting. Record of P2K3 meeting can be demonstrated during audit, sample seen: P2K3 meeting 22 March 2022.</p> <p><b>Non conformance:</b></p>	
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		<p>The implementation of emergency procedures at the Tanjung Selamat POM is not consistently applied.</p> <p><b>Objective Evidence:</b></p> <p>Tanjung Selamat POM has a procedure for Emergency Procedure and Emergency equipment. However, during field visit and test the hydrant it was found that there was a leakage from the hydrant installation, no action taken by the unit to repair the installation.</p>	
6.7.3	<p><b>(C)</b> Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM and Supply bases has demonstrated the record of realization the OHS program 2021 including use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting.</p> <p>Tanjung Selamat Estate and Pangkatan Estate has provide sanitation facilities for spraying operator, so that workers can change out of PPE, wash and put on their personal clothing. Sanitation facilities provide in area of Agrochemical warehouse with separate place.</p> <p>Based on field visit to Tanjung Selamat Estate and Pangkatan Estate can be demonstrated that sanitation facilities are well function and sufficient for spraying workers.</p>	Complied
6.7.4	<p>All workers are provided medical care and covered by accident insurance. Costs incurred from work related incidents, leading to injury or illness, are covered in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.</p>	<p>All workers have been provided with medical care and accident insurance (BPJS Ketenagakerjaan &amp; BPJS Kesehatan).</p> <p>The insurances were still valid as seen by the recent slip payment in January – December 2021 for estate and mill.</p> <p>Several insurance payments are reviewed and are in accordance with the number of workers. For example, auditor has verified the BPJS Ketenagakerjaan (Accident and pension insurance) and Kesehatan receipt of payments period of January 2022 for total of 91 workers from Tanjung</p>	Complied

		<p>Selamat POM, 599 workers from Tanjung Selamat Estate and 467 workers from Pangkatan Estate.</p> <p>Based on interview with sampled worker during the field visit in estate and mill, the affected workers received appropriate medical treatment from the insurance policy.</p>	
6.7.5	Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	<p>PT Indo Sepadan Jaya EHS team prepares safety index. The safety index is monitoring tool, indicating number of worker (at each operating units), number of major and minor accident as well as the lost time injury.</p> <p>The monitoring carried out on monthly basis and results were discussed during safety committee meeting. The incident statistics include man-hours, lost time accident and Frequency rate (FR) and Severity rate (SR) were reported quarterly as P2K3 report by safety officer to Manpower office, sample seen: P2K3 report period October – December 2021 Tanjung Selamat Estate reported on February 2022.</p> <p>In Tanjung Selamat POM Tanjung Selamat Estate and Pangkatan Estate there is a record of accident report and incident statistics include man-hours, lost time accident and Frequency rate (FR) and Severity rate (SR) were made by safety officer:</p> <ul style="list-style-type: none"> <li>- Tanjung Selamat Estate: During 2021 there were 2 accident occur with category medical aid with lost time injury 4 mandays or 28 manhours, frequency rate 1.11 and saverity rate 3.34 (days) or 23.40 (hour).</li> <li>- Pangkatan Estate During 2021 there were no accident occur and no lost time injury, frequency rate 0 and saverity rate 0.</li> <li>- Tanjung Selamat POM: During 2021 there were 4 accident occur with category first aid, there is no lost time injury.</li> </ul>	Complied

**Principle 7: Protect the environment, conserve biodiversity and ensure sustainable management of natural resources.**

**Criteria 7.1:** Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

<p>7.1.1</p>	<p><b>(C)</b> IPM plans are implemented and monitored to ensure effective pest control.</p>	<p>Integrated Pest Management (IPM) was implemented and documented in related records, e.g. <i>"Monitoring Pengendalian Hama UPDKS March 2022"</i>, <i>"Rekap Serangan Hama dan Penyakit"</i>, Pest Census Summary form B2 (Ulat Api &amp; Ulat Kantong), <i>"Data Titik Sensus Ulat Api"</i>, <i>"Ringkasan Sensus Hama Tikus"</i>, <i>"Sensus Kandang Burung Hantu"</i>, <i>"Formulir A4 Sensus Burung Hantu"</i>.</p> <p>Summary of IPM in Tanjung Selamat Estate period March 2022; attack of <i>Setora nitens</i> above APK is 38 Ha, average 15 caterpillar/frond; below APK is 247 Ha, average 7 caterpillar/frond. Control being done using fogger. No new infested <i>Oryctes</i> found; controlled using Lamda sihalotrin 1% in monthly intervals. No new infested <i>Molusca</i> found; controlled using Sibutox 10 gr/palm in monthly intervals. Termite infestation found based on "Deteksi dan Pengendalian Hama Rayap" period January 2022, there was 1,626 palms controlled, consist of 78 palms in Div. 1; 774 palms in Div. 2; 510 palms in Div. 3 and 264 palms in Div. 4. Control has been done on infested palms and isolation using Fipronil at dosage 1,5 cc/liter water.</p> <p>Detection and census of <i>Ganoderma</i>, conducted by 4 rounds in a year. Control done by felling manually, chopping and making hole 1,5 m x 1,5 m x 1 m. Based on <i>Ganoderma</i> census period February 2022, there was 21 palms felled in Div. 4.</p> <p>Program and Progress of Host Plant upkeep; interpolation done to replace dead palms. Watering program for newly planted host plants until they are 1 month old. Weeding / spraying is carried out with a target of once every 2 months. Compound fertilization 15:15:6:4 at a dose of 5 gr/palms at the age of 3 and 6 months after planting.</p> <p>Available R&amp;D Visit Report No. VA-KTS-JUL-FULL-02-2021 dated 5-9 July 2021 and Report No. R&amp;D-P&amp;D-KTS-October-03-2021 on 1-3 October 2021. Described attack of leaf eater caterpillar ± 99 Ha, its biological control using <i>Paecilomyces sp.</i> and <i>Beauveria sp.</i> fungi; attack of rat,</p>	<p>Complied</p>
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		<p>barn-owl box, <i>Tirathaba sp.</i>, <i>Ganoderma spp</i> and Hatch &amp; Carry mobile for spreading of <i>Elaeidibius camerunicus</i>.</p> <p>Available R&amp;D Visit Report (R&amp;D-P&amp;D-KPT-September-03-2021) based on visit 20-21 September 2021. Described that <i>Oryctes rhinoceros</i> is still found infestation at Mature area that bordering with Immature area at intensity 1-2 palms/line.</p> <p>Tanjung Selamat and Pangkatan Estate has implemented biological control to minimize or eliminate pest and disease, e.g. by use of barn owl and planting beneficial plants such as <i>Casia sp.</i>, <i>Antigonon leptopus</i> and <i>Turnera subulatta</i>.</p>	
7.1.2	Invasive species are not to be used according to applicable regulation in managed areas, unless plans to prevent and monitor their spread are implemented.	<p>Inventory and identification of invasive species in the Tanjung Selamat and Pangkatan Estate has been done according to the List listed in the regulation "Minister of Environment and Forestry Regulation No. P.94/MENLHK/SEKJEN/KUM.1/12/2016".</p> <p>The unit of certification has a list of existing invasive species and evaluate the status of control in certified area on 27 November 2020 in Tanjung Selamat Estate, on 4 November 2020 in Pangkatan Estate. Some species are naturally existing in the area and the spreading are controlled manually, e.g. <i>Clidemia hirta</i>, <i>Imperata cylindica</i> and <i>Mikania micranta</i>. There are no species in the list that used to manage areas in unit of certification.</p> <p>Activity of inventory and identification of Invasive Species has been included into the Conservation Management Plan to be periodically carried out.</p>	Complied
7.1.3	There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	Based on field visit and document review, there is no use of fire for pest control in whole area of Tanjung Selamat and Pangkatan Estate.	Complied
<p><b>Criteria 7.2:</b> Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.</p>			

7.2.1	<p><b>(C)</b> Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised.</p>	<p>Justification of pesticide used is explained under company procedure of weed control - "SOP Pengendalian Gulma No. AA-APM-OP-11100.08- R1" dated 1 November 2008. Chapter IV explains the weed control program for woody, grass, fern, caladium, wild banana (Musa Sp), Asystasia, etc. It does explain active ingredients use to control such weed, dosage per application, type of nozzle used and volume of spraying per application. Chapter V explains selection of pesticide and its active ingredients content, nature of the pesticide and target species. Chapter VII describes calculation of actual area implemented per hectare plantation (spray factor), spraying rotation and spraying output.</p> <p>Spraying works were conducted by selected spraying on specific target, for example weeds spraying on circle, path and TPH (FFB Collecting Point) Other areas beside specific area were not applied. Riparian area along the river are prohibits to be performed spraying to minimize and reduce the negative environmental impact to the river and ecosystem. Pesticide and herbicide used by company was registered in the book of pesticides - "Komisi Pesticida" and has permit from government.</p>	Complied															
7.2.2	<p><b>(C)</b> Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) are provided.</p>	<p>The company has recorded list of herbicides used, completed with active ingredient, LD50, WHO class, trademark, target, registration number and expiry date.</p> <p>Type, volume used and volume per Ha of pesticide in Tanjung Selamat Estate in 2021:</p> <table border="1" data-bbox="1099 1142 1962 1366"> <thead> <tr> <th>Trade Mark</th> <th>Active Ingredients (A.I)</th> <th>Register No.</th> <th>E.D</th> <th>Volume</th> </tr> </thead> <tbody> <tr> <td>Basta 150 SL (liter)</td> <td>Isoprofilamina Glifosat 480 g/L</td> <td>RI. 01030120175826</td> <td>06/10/2022</td> <td>44</td> </tr> <tr> <td>Metaprima 20WP (liter)</td> <td>Methyl Metsulfuron</td> <td>RI. 01030120031897</td> <td>03/09/2023</td> <td>220.00</td> </tr> </tbody> </table>	Trade Mark	Active Ingredients (A.I)	Register No.	E.D	Volume	Basta 150 SL (liter)	Isoprofilamina Glifosat 480 g/L	RI. 01030120175826	06/10/2022	44	Metaprima 20WP (liter)	Methyl Metsulfuron	RI. 01030120031897	03/09/2023	220.00	Complied
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		<table border="1"> <tr> <td>Bionasa 75WG (liter)</td> <td>2.4 D Dimetil Amina 865 g/l</td> <td>RI. 01030120041957</td> <td>03/09/2023</td> <td>400</td> </tr> <tr> <td>Supremo 480SL (liter)</td> <td>Isoprofilamina Glifosat 480 g/L</td> <td>RI. 01030120021712</td> <td>02/05/2022</td> <td>110</td> </tr> <tr> <td>Polydor 25 EC (liter)</td> <td>Fipronil 50 g/l</td> <td>RI.01010120041994</td> <td>12/11/2023</td> <td>99</td> </tr> </table> <p>Type, volume used and volume per Ha of pesticide in Tanjung Selamat Estate in period Y 2021:</p> <table border="1"> <thead> <tr> <th>Trade Mark</th> <th>Active Ingredients</th> <th>Register No.</th> <th>E.D</th> <th>Volume</th> </tr> </thead> <tbody> <tr> <td>Basta 150 SL</td> <td>Isoprofilamina Glifosat 480 g/L</td> <td>RI. 01030120175826</td> <td>06/10/2022</td> <td>3,799</td> </tr> <tr> <td>Metaprima 20WP</td> <td>Methyl Metsulfuron</td> <td>RI. 01030120031897</td> <td>03/09/2023</td> <td>1,182</td> </tr> <tr> <td>Bionasa 75WG</td> <td>2.4 D Dimetil Amina 865 g/l</td> <td>RI. 01030120041957</td> <td>03/09/2023</td> <td>102</td> </tr> <tr> <td>Supremo 480SL</td> <td>Isoprofilamina Glifosat 480 g/L</td> <td>RI. 01030120021712</td> <td>02/05/2022</td> <td>13,854</td> </tr> <tr> <td>Polydor 25 EC</td> <td>Fipronil 50 g/l</td> <td>RI.01010120041994</td> <td>12/11/2023</td> <td>10,480</td> </tr> </tbody> </table>	Bionasa 75WG (liter)	2.4 D Dimetil Amina 865 g/l	RI. 01030120041957	03/09/2023	400	Supremo 480SL (liter)	Isoprofilamina Glifosat 480 g/L	RI. 01030120021712	02/05/2022	110	Polydor 25 EC (liter)	Fipronil 50 g/l	RI.01010120041994	12/11/2023	99	Trade Mark	Active Ingredients	Register No.	E.D	Volume	Basta 150 SL	Isoprofilamina Glifosat 480 g/L	RI. 01030120175826	06/10/2022	3,799	Metaprima 20WP	Methyl Metsulfuron	RI. 01030120031897	03/09/2023	1,182	Bionasa 75WG	2.4 D Dimetil Amina 865 g/l	RI. 01030120041957	03/09/2023	102	Supremo 480SL	Isoprofilamina Glifosat 480 g/L	RI. 01030120021712	02/05/2022	13,854	Polydor 25 EC	Fipronil 50 g/l	RI.01010120041994	12/11/2023	10,480	
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7.2.3	<p><b>(C)</b> Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.</p>	<p>Use of pesticide are minimized as part of the plan, and in accordance with IPM Plans, there are no pesticide application outside of the targeted species and planned intervals. Pesticide are only used to reduce / eliminate existing pest, which has exceeded the economic threshold. It also evident that in controlling pest, the unit of certification committed to always reduce pesticide usage and give priority to the prevention of mechanical, biological and integrated pest management.</p>	Complied																																													



7.2.4	There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in Indonesia best practice guidelines.	The company use fipronil as prophylactic control of termite, the prophylactic use fipronil are described in SOP of Pest and Disease Control (AA-APM-OP- 1100.10-R3) Section 8.5 Control of Termite. Fipronil is a WHO class II insecticide. It described that for prophylactic, 6 palms around infested palm is applied 3 liter insecticide on ground with 30 cm radius.	Complied
7.2.5	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat, are not to be used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to: 7.2.5a Judgment of the threat and verify why this is a major threat.	There are no pesticides that categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat used by the unit of certification.	Complied
	7.2.5b Why there is no other alternative which can be used.	Please see above	
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	Please see above	
	7.2.5d Process to limit the negative impacts of the application.	Please see above	
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	Please see above	
7.2.6	<b>(C)</b> Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they conduct.	Pesticides are only applied and handled by trained spraying workers who have received appropriate training. Training for pesticides applicator uses was delivered on 19 April 2019 by PT Syngenta Indonesia. Training certificate were evident. Due to Covid-19 pandemic, there are no specific training for pesticides in 2020, however refreshment training for SOP and WI regarding spraying work was conducted regularly in morning briefing. Training covered handling of agrochemical concentrate and spraying method including pesticide hazard and use of PPE.	Complied

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7.2.7	<b>(C)</b> Storage of all pesticides in accordance with recognized best practices.	<p>SOP for pesticide storage has been provided in SOP "Pengangkutan dan Penyimpanan Bahan Kimia AA-KL-02-EFP" dated 1 February 2008. Pesticides are stored in the determined area separated from fertilizer and other chemicals.</p> <p>Pesticide storage is provided in Divisions as well as in central storage. Agrochemical storage is locked areas with limited access. The storage is ventilated. MSDS and hazard symbol label are provided nearby of pesticides. Emergency shower and eyewash are also provided to anticipate in case of an emergency of agrochemical handling. PPE for handling of pesticides provided including boots, apron, safety glass, respiratory mask and hand gloves.</p> <p>The possible spillage is managed. Secondary containment is provided around the pesticide storage area. Spill kit is also provided in the area.</p> <p>Storage of pesticides found to be in accordance with hazard identification and risk assessment and national guideline for limited pesticide use. Empty chemical containers had been used for mixing chemicals for spraying pesticides in the field. The management of waste material from empty pesticide container disposed through hazardous waste store as per procedure "Penanganan Limbah Industri B-3 AA-KL-06-EFP" dated 1 November 2008.</p> <p>The company has temporary hazardous waste storage where all hazardous waste from all estates and mills collected.</p>	Complied
7.2.8	All pesticide containers that are disposed of and/or used for other purposes are managed according to applicable regulations and/or instructions on the packaging.	<p>SOP for proper disposal of pesticide waste material was described in "Penanganan Limbah Industri B-3 AA-KL-06-EFP" dated 1 November 2008. Pesticide waste was reuse as mixing water for the next spraying activity. All empty pesticides containers were triple rinsed and stored in the temporary storage of hazardous wastes.</p> <p>The management of waste material from empty pesticide container disposed through hazardous waste store according to the procedure. The</p>	Complied

		<p>company has licensed temporary hazardous waste storage where all empty pesticide containers from agrochemical storage collected.</p> <p>Record of hazardous waste coming in and coming out are available in "Neraca Limbah B3".</p> <p>Personnel interviewed can clearly explain the mechanism of pesticide waste handling including MSDS and personal protective equipment as well as first aid.</p>	
7.2.9	<p><b>(C)</b> Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.</p>	<p>Based on interview with Estate Management, surrounding community and field observation, there was no pesticide applied aerially in PT Indo Sepadan Jaya – tanjung Selamat Estate and PT Rantau Sinar Karsa – Pangkatan Estate.</p>	Complied
7.2.10	<p><b>(C)</b> Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</p>	<p>Annual medical check-up was conducted for all workers handling with chemical, such as pesticide, herbicide, and fertilizer.</p> <p>The latest medical check-up performed On 28-29 July 2021 – location in at company medical healthcare attended by workers of fertilizer applicators, spraying applicator and PIC in pesticides storage (89 workers)</p> <p>The result of MCU has communicated to related workers according to "Berita Acara Sosialisasi MCU" dated 14 October 2021.</p>	Complied
7.2.11	<p><b>(C)</b> No pesticide-related work is carried out by pregnant or breastfeeding women, or people with medical limitations and they are offered other equivalent work alternatives.</p>	<p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa prohibits pregnant or breast-feeding women to perform chemical spraying. To mitigate, estate performed monthly pregnancy test.</p> <p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa has also kept the record that spraying is not conducted by pregnant or breast-feeding women. The company has been conducting PP Test (pregnant test) every month.</p> <p>The last of pregnancy test conducted on March 2022. All the female sprayer in well condition and not being pregnant nor breast feeding.</p>	Complied
<p><b>Note For 7.2.11</b></p>			

Referring to Act No. 13 of 2003 concerning Manpower, Act No. 35 of 2014 concerning Child Protection, and taking into account the risks of hazards on palm oil plantations and mills on the development and physical, mental and social health of children, the national interpretation mandates that the unit of certifications does not employ people under the age of 18 for pesticide spraying. For this reason, the provisions of young workers under 18 years in indicator 7.2.11 are irrelevant.

**Criteria 7.3:** Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.

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>PT Indo Sepadan Jaya has shown the document of waste management plan under "Evaluasi Aspek Dampak Lingkungan" nomor: EMS-431-003-LT latest review on January 2022. The identification of waste and pollution sources including used lubricant and filter, old battery, used laboratory chemical, clinical/medical waste, mill effluent, EFB, smoke, dust, fiber and shell, empty agrochemical container, boiler ash, scrap iron, used tires, waste water and domestic household refuse.</p> <p>Hazardous and medical waste is disposed to the register collectors while domestic waste disposed to the landfill, organic and an organic waste is separate in line site, organic waste to the landfill and some of inorganic waste is collected for re-cycle.</p> <p>PT Indo Sepadan Jaya has also established the procedure to manage the waste generated from all activity, such as:</p> <ul style="list-style-type: none"> <li>- Procedure AA-KL-05-EFP, procedure of non-hazardous waste handling covering: mill water (used rail, used part, ex chemical non-hazardous/toxic, EFB, fiber, shell), estate waste (used polybag, ex fertilizer sack), office waste (used paper, used work equipment), Workshop waste (used hose, used drum, scraped/used parts, used tire), power generator waste (used hose, used parts, scarped), Logistic waste (ex-fertilizer sack, used drum).</li> <li>- Procedure AA-KL-11-EFP, procedure of laboratory waste handling.</li> <li>- Procedure to utilize the fiber and shell (solid waste) as a boiler fuel SOP No. AA-MPM-OP-1400.04-R1 "Pemanfaatan fiber untuk bahan bakar".</li> </ul>	Non-compliance
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		<ul style="list-style-type: none"> <li>- EFB (Empty Fruit Bunch) utilization as a mulching or organic fertilizer according to SOP Pemupukan AA-APM-OP-1100.09-R1.</li> </ul> <p>PT Indo Sepadan Jaya has a licence for hazardous waste storage based on "Keputusan Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten labuhan Batu Nomor: 503.660.3/556/DPMP-TSP-BP2MNP/2019 Tentang Pemberian Izin Pengelolaan Limbah B3 Untuk Kegiatan Penyimpanan Limbah B3 kepada PT ISJ" valid for 5 years.</p> <p><b>Non conformance:</b></p> <p>A waste management plan is not implemented in accordance with applicable laws and regulations.</p> <p><b>Objective Evidence:</b></p> <p>During field visit to WWTP it was found that flowmeter for waste water both in and out let were not function and the waste water still discharge to the river. In addition, according to the information from Mill Assistant it has not function since 3 weeks ago.</p> <p>PT ISJ has obtained permit for Waste Water Discharge to River/water body according to the Decree Letter from Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Labuhan Batu No. 503/660.31/397/DPM-PTSPBP2MMP/2018 tanggal 21 September 2019. Decree stipulated among others "Memasang Alat Ukur Debit / Install Flowmeter in the Outlet".</p>	
7.3.2	Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	PT Inti Indosawit Subur has a waste management plan, identifying type and source of waste and the disposal plan. PT Inti Indosawit Subur prepared a procedure to handle hazardous waste titled "Prosedur Penanganan Limbah B3" No.AA-KL-06-EFP explains methods to collecting the waste, recording in balance and disposal through licensed third party transporter.	Complied

		<p>The company store hazardous waste in temporary storage with permit, The hazardous waste is sent to the registered collector/transporter which approved by Environmental Ministry, namely PT Indostar Cargo.</p> <p>Based on interview with workers who are handling of pesticides that they understood of disposed empty containers pesticides, such as: Empty chemical containers re-used only for mixing purposes, unusable are triple rinsed, punctured and disposed to the approval collector.</p>	
7.3.3	The unit of certification does not use open fire for waste disposal.	<p>All waste products has been identified and documented under the "Evaluasi Aspek- Dampak Lingkungan" (Environmental Aspect impacts). Domestic waste is the main concern to be manage. Both Mill and Estate, has periodically schedule to manage the domestic waste. Regulation of domestic waste management refer to "UU No. 18 Tahun 2008 tentang Pengelolaan Sampah". PT Indo Sepadan Jaya and PT Rantau Sinar karsa has provide landfill for domestic waste. During field visit to landfill area at Tanjung Selamat Estate and Pangkatan Estate shown that landfill area has well managed and domestic waste handling in accordance with procedure and regulation.</p> <p>There is no open fire for waste disposal. PT Indo Sepadan Jaya also has a policy of Zero burning.</p>	Complied
<b>Criteria 7.4:</b> Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
7.4.1	Good agricultural practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts is documented.	<p>The unit of certification has established procedure soil fertility in "SOP AA-APM-OP-1100.09. R1" - SOP Pemupukan, consist of type and recommendation of fertilizer for immature and mature areas, cycle, dosage and when fertilizer is applied. The company has applied management strategy to maintain soil fertility according to the procedure. Manuring was performed manually with spreading the fertilizer by person uniformly in each palm oil trees in accordance with dosage which has defined by Research and Development recommendation.</p>	Complied

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		Fertilizers were applied to maintain and increase soil fertility, fertilizer applied in accordance to the fertilizer recommendation which created based on soil and leaf analysis. Records of fertilizer application in Tanjung Selamat and Pangkatan Estate 2021 as well as recommendation are available in "Fertilizer Application and Recommendation 2021".	
7.4.2	Analysis of tissue samples (e.g. leaves) and soil on a regular basis to monitor and manage changes in soil fertility and plant health is documented.	<p>Analysis of tissue samples were implemented. Records of periodical leaf sampling and visual analysis were available. Foliar Analysis Report shows that leaf sampling and analysis has been done recently in July 2021. The result has been used to develop fertilizer recommendation of 2022.</p> <p>For Tanjung Selamat Estate, it was shown "Foliar Analysis Report" PT Indo Sepadan Jaya – Tanjung Selamat Estate as per Laboratory Report No. 202/INT/R&amp;D/JUL/L/21 dated 25 July 2021 by R&amp;D PT Nusa Pusaka Kencana Analytical &amp; QC Laboratory, total sample 19 and Laboratory Report No. 185/INT/R&amp;D/JUL/L/21 dated 17 July 2021, total samples 22. And For Pangkatan Estate as per Laboratory Report No. 221/INT/R&amp;D/JUL/L/21 dated 17 July 2021, total samples 15.</p> <p>Evidence of soil analysis was shown on as per Laboratory Report No. 02/RD-NT/S/AGT/19 dated 13 August 2019 by R&amp;D PT Nusa Pusaka Kencana Analytical &amp; QC Laboratory, Tanjung Selamat Estate, total samples 18.</p> <p>Evidence of soil analysis was shown on as per Laboratory Report No. 041/RD-NT/S/AGT/19 dated 13 August 2019 by R&amp;D PT Nusa Pusaka Kencana Analytical &amp; QC Laboratory, Pangkatan Estate, total samples 17.</p>	Complied
7.4.3	A nutrient recycling strategy is in place, which include the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.	Nutrient recycling strategy performed by application of bunch ash. In 2021 it was applied 542,250 kg of bunch ash from budget 615,000 kg in Tanjung Selamat Estate. There is no application EFB and POME in Tanjung Selamat and Pangkatan Estate since the plantation area is peat.	Complied

7.4.4	Records of fertilizer inputs are maintained.	<p>All fertilizer input recorded in "Laporan Unit Kebun (LUK)", a monthly report covers all of upkeep activities. Below are record of recommendation and realization of fertilizer in Tanjung Selamat Estate for period January – December 2021:</p> <p><b>Tanjung Selamat Estate</b></p> <table border="1"> <thead> <tr> <th>Type of Fertilizer</th> <th>Recommendation (Kg)</th> <th>Actual (Kg)</th> </tr> </thead> <tbody> <tr> <td>AC</td> <td>1,511,633</td> <td>1,511,633</td> </tr> <tr> <td>RP</td> <td>461,268</td> <td>461,268</td> </tr> <tr> <td>MOP</td> <td>2,505,767</td> <td>2,505,767</td> </tr> <tr> <td>Dolomite</td> <td>1,005,892</td> <td>1,005,892</td> </tr> <tr> <td>HGFB</td> <td>80,787</td> <td>80,787</td> </tr> <tr> <td>CuSO<sub>4</sub></td> <td>21,469</td> <td>21,469</td> </tr> <tr> <td>ZnSO<sub>4</sub></td> <td>22,533</td> <td>22,533</td> </tr> <tr> <td>Mix CuZn</td> <td>1,224</td> <td>1,224</td> </tr> <tr> <td>Bunch Ash</td> <td>545,250</td> <td>545,250</td> </tr> </tbody> </table> <p><b>Pangkalan Estate</b></p> <table border="1"> <thead> <tr> <th>Type of Fertilizer</th> <th>Recommendation (Kg)</th> <th>Actual (Kg)</th> </tr> </thead> <tbody> <tr> <td>Hi-Key</td> <td>213,801</td> <td>202,737</td> </tr> <tr> <td>AC</td> <td>392,254</td> <td>380,071</td> </tr> <tr> <td>RP</td> <td>210,728</td> <td>208314</td> </tr> <tr> <td>Dolomite</td> <td>410,167</td> <td>383,764</td> </tr> <tr> <td>HGFB</td> <td>36,289</td> <td>36,292</td> </tr> </tbody> </table>	Type of Fertilizer	Recommendation (Kg)	Actual (Kg)	AC	1,511,633	1,511,633	RP	461,268	461,268	MOP	2,505,767	2,505,767	Dolomite	1,005,892	1,005,892	HGFB	80,787	80,787	CuSO <sub>4</sub>	21,469	21,469	ZnSO <sub>4</sub>	22,533	22,533	Mix CuZn	1,224	1,224	Bunch Ash	545,250	545,250	Type of Fertilizer	Recommendation (Kg)	Actual (Kg)	Hi-Key	213,801	202,737	AC	392,254	380,071	RP	210,728	208314	Dolomite	410,167	383,764	HGFB	36,289	36,292	Complied
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<b>Criteria 7.5:</b> Practices minimise and control erosion and degradation of soils.															
7.5.1	<b>(C)</b> Maps that identify marginal and fragile soils, including steep sloped land are available.	<p><b>Tanjung Selamat Estate:</b>  Map of peat soil is available in place with scale 1 : 20.000, including:</p> <ol style="list-style-type: none"> <li>1. Peta Kerja Kebun Tanjung Selamat, contained block number, Afdeling, hectares, road, river and housing complex.</li> <li>2. Peta Citra Landsat year 2002.</li> <li>3. Elevation Map; contain 0 – 8% (3.855 ha)</li> <li>4. Topography Map; contain 2.5 – 12.5 m above sea level</li> <li>5. Soil and Suitability Map; <ol style="list-style-type: none"> <li>a. Peat &lt; 1 meter: 1.602 ha</li> <li>b. Peat 1 – 3 meter: 2.101 ha</li> <li>c. Peat &gt; 3 meter: 152 ha</li> </ol> Total: 3,855 ha</li> <li>6. Soil Serial Map</li> </ol> <p><b>Pangkalan Estate:</b></p> <ul style="list-style-type: none"> <li>o Peta Citra Landsat 7 ETM, path 128, raw: 058, PT Rantau Sinar Karsa Kebun Pangkatan, year 2002, scale 1:20.000</li> <li>o Soil Serial Map, covers 3,855 ha, scale 1:20.000:</li> </ul>	Complied												

		<ul style="list-style-type: none"> <li>a. Typic Endoaquults Pangkatan Series.</li> <li>b. Sapric Haplohemists Pangkatan Series.</li> <li>c. Typic Haplohemist Pangkatan Series.</li> <li>o Soil Suitability Map, scale 1:20.000; <ul style="list-style-type: none"> <li>a. Typic Endoaquults – Slope: 0-3% (856 ha)</li> <li>b. Typic Haplohemist, Peat &lt; 1 m; Slope 0-3% (746 ha)</li> <li>c. Sapric Haplohemist, Peat 1 - 3 m; Slope: 0-3% (2,101 ha)</li> <li>d. Sapric Haplohemist, Peat &gt; 3m; Slope 0-3% (152 ha)</li> </ul> </li> <li>o Marginal Suitable Area (S3): ± 746 ha (19,4%)  Unsuitable Area with Condition (N1): ± 3,109 ha (80,6%).</li> </ul>	
7.5.2	The replanting of palm oil is not conducted extensively on steep terrain in accordance with applicable regulations.	Based on elevation map, there is no steep terrain in Tanjung Selamat and Pangkatan Estate, therefore there is no replanting in steep terrain. It was also confirmed during field visit to Tanjung Selamat Estate and pangkatan Estate.	Complied
7.5.3	New palm oil planting is not conducted on steep terrain in accordance with applicable regulations.	Based on elevation map, there is no steep terrain in Tanjung Selamat and Pangkatan Estate, therefore there is no replanting in steep terrain. It was also confirmed during field visit to Tanjung Selamat Estate and pangkatan Estate.	Complied
<b>Criteria 7.6:</b> Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.			
7.6.1	<b>(C)</b> Evidence of long-term land suitability for oil palm cultivation, soil maps or soil surveys that identify marginal and fragile soils, including steep terrain are available, in planning and operations.	Tanjung Selamat Estate: Map of peat soil is available in place with scale 1 : 20.000, including: <ul style="list-style-type: none"> <li>– Peta Kerja Kebun Tanjung Selamat, contained block number, Afdeling, hectares, road, river and housing complex.</li> <li>– Peta Citra Landsat year 2002.</li> <li>– Elevation Map; contain 0 – 8% (3,855 ha)</li> </ul>	Complied

		<ul style="list-style-type: none"> <li>- Topography Map; contain 2.5 – 12.5 m above sea level</li> <li>- Soil and Suitability Map;             <ul style="list-style-type: none"> <li>a. Peat &lt; 1 meter: 1,602 ha</li> <li>b. Peat 1 – 3 meter: 2,101 ha</li> <li>c. Peat &gt; 3 meter: 152 ha</li> <li>Total: 3,855 ha</li> </ul> </li> <li>- Soil Serial Map</li> </ul> <p>Pangkalan Estate:</p> <ul style="list-style-type: none"> <li>- Peta Citra Landsat 7 ETM, path 128, raw: 058, PT Rantau Sinar Karsa Kebun Pangkatan, year 2002, scale 1:20.000</li> <li>- Soil Serial Map, covers 3,855 ha, scale 1:20.000             <ul style="list-style-type: none"> <li>o Typic Endoaquults Pangkatan Series.</li> <li>o Sapric Haplohemists Pangkatan Series.</li> <li>o Typic Haplohemist Pangkatan Series.</li> </ul> </li> <li>- Soil Suitability Map, scale 1:20.000;             <ul style="list-style-type: none"> <li>o Typic Endoaquults – Slope: 0-3% (856 ha)</li> <li>o Typic Haplohemist, Peat &lt; 1 m; Slope 0-3% (746 ha)</li> <li>o Sapric Haplohemist, Peat 1 - 3 m; Slope: 0-3% (2,101 ha)</li> <li>o Sapric Haplohemist, Peat &gt; 3m; Slope 0-3% (152 ha)</li> <li>o Marginal Suitable Area (S3): ± 746 ha (19.4%)</li> <li>o Unsuitable Area with Condition (N1): ± 3,109 ha (80.6%)</li> </ul> </li> <li>- Elevation Map, scale 1:20.000; Flat (0 - 8%): 3,855 ha.</li> </ul>	
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		<p>Drainability Assessment to determine the long-term viability of the necessary drainage for oil palm growing has been conducted and documented in "<i>Studi Drainase Di Areal Gambut Kebun Pangkatan PT Rantau Sinar Karsa (RSK), April 2016</i>".</p> <p>The conclusions from this study are as follows:</p> <ul style="list-style-type: none"> <li>- Pangkatan Estate elevation ranges from 6 to 13 m asl, and it is above the merbau river with the lowest contour height is 1.3 m.</li> <li>- The actual drainage class in general is S-3 which means that water excess can be released when the Merbau River water level is at the lowest level (LWL).</li> <li>- Pangkatan Estate has a vary peat depth from 1 to &gt; 3 m with good maturity level (saprik).</li> </ul> <p>Minimum economic life span of peatlands in Pangkatan Estate is about 74.6 years and may change according to land management and drainage system.</p> <p>Drainability Assessment in Tanjung Selamat Estate has been conducted and documented in "<i>Laporan Studi Drainase Di Areal Gambut Kebun Tanjung Selamat PT. Indo Sepadan Jaya, Maret 2017</i>".</p> <p>The conclusions from this study are as follows:</p> <ul style="list-style-type: none"> <li>- Elevation range at Pangkatan Estate are 7 – 11 m asl, and it is above Kalundang river with the lowest contour 7.6 m.</li> <li>- The actual drainage class at Tanjung Selamat Estate in general is S-2 which means that water excess can be released when the Kalundang River water level is at the middle level (MWL) to lowest level (LWL).</li> <li>- Tanjung Selamat Estate has a vary peat depth from 1 to &gt; 3 m with middle - good maturity level (hemik - saprik).</li> </ul>	
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		Minimum economic life span of peatlands at Tanjung Selamat Estate is about 103.3 years (4 planting period) and may change according to land management and drainage system.																	
7.6.2	Extensive planting on marginal and fragile soils is avoided or, if necessary, carried out according to the best-practice soil management plan.	There is no extensive planting conducted by unit of certification. Currently the whole area is replanting. The youngest planting in Tanjung Selamat Estate is 2017 and in Pangkatan Estate is 2020.	Complied																
7.6.3	Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	Map of soil based on soil survey as described in indicator 7.6.1 has been used to guide drainage and irrigation system, roads and other infrastructure.	Complied																
<b>Criteria 7.7:</b> No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.																			
7.7.1	<b>(C)</b> No new planting on peatlands, regardless of depth, after 15 November 2018, in existing plantation areas, as well as in new development areas.	There is no new planting process performed by the unit of certification.	Not Applicable																
7.7.2	Peat areas within the managed area are inventoried, documented and reported to the RSPO Secretariat (effective from November 15, 2018).	The unit of certification has inventoried and documented peat areas within the managed area, the RSPO Peat Inventory document has been reported to RSPO Secretariat as evident in email to GHG unit of RSPO Secretariat on 14 November 2019. RSPO has acknowledge the report.	Not Applicable																
<b>PROCEDURAL NOTE:</b> Maps and other documentation for peatlands are provided, prepared and shared according to the RSPO Working Group (Peatland Working Group / PLWG) audit guide (See Procedural Notes for Indicator 7.7.5 below).																			
7.7.3	<b>(C)</b> Subsidence of peat is monitored, documented and minimised.	<p>Subsidence of peat is monitored in the Peat Subsidence Measurement document. The following is an example of data for the period June - September and September - December 2021 in Tanjung Selamat Estate:</p> <table border="1"> <thead> <tr> <th>Block</th> <th>Previous (cm)</th> <th>Recent (cm)</th> <th>Subsidence (cm)</th> </tr> </thead> <tbody> <tr> <td colspan="4">Period: Jun – Sep 2021</td> </tr> <tr> <td>A16f</td> <td>22.0</td> <td>22.0</td> <td>0</td> </tr> <tr> <td>B13j</td> <td>21.5</td> <td>21.5</td> <td>0</td> </tr> </tbody> </table>	Block	Previous (cm)	Recent (cm)	Subsidence (cm)	Period: Jun – Sep 2021				A16f	22.0	22.0	0	B13j	21.5	21.5	0	Complied
Block	Previous (cm)	Recent (cm)	Subsidence (cm)																
Period: Jun – Sep 2021																			
A16f	22.0	22.0	0																
B13j	21.5	21.5	0																

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		C14i	21.0	21.2	0.2		
		D13g	19.0	19.0	0		
		Period: Sep – Dec 2021					
		A16f	23	23.0	0		
		B13j	22	22.0	0		
		C14i	22	22.5	0.5		
		D13g	22	22.5	0.5		
		The company monitors peat subsidence, based on Peat Substance Measurement for the period July - December 2021 in Pangkatan Estate:					
		Block	Previous (cm)	Recent (cm)	Subsidence (cm)		
		D17j	0	1	1		
		D20c	0	0	0		
		C20b	0	0	0		
		A17a	1	1	1		
		A16d	0	0	0		
		A18b	2	1	1		
		A18j	0	0	0		
		B19i	0	0	0		
		B14e	0	0	0		
		B19l	0	0	0		
		B18g	2	1	1		

		<p>Minimizing peat subsidence performed by water management plan, constructing water gate, water level measurement and subsidence measurement. The company has established a documented water management program to ensure that subsidence of peat soils is minimized and monitored. There is sufficient evidence that the defined program was implemented. The company has installed water gate, main drain gate, peat subsidence monitoring, and washing drainage regularly, also monitoring of water level, main gate water lever, peat subsidence level.</p>											
7.7.4	<p><b>(C)</b> Availability of implementation evidence of the water and land cover management program.</p>	<p>The unit of certification has documented water and ground cover management program and maintained records of monitoring subsidence of peat soils, i.e.:</p> <ul style="list-style-type: none"> <li>- Water Level Monitoring, using water level pole.</li> <li>- Monitoring of Peat Subsidence, using peat subsidence pole.</li> <li>- Water Table Monitoring, using piezometer.</li> </ul> <p>Monitoring of water level and water table performed twice in a month. During visit to water table at Block B13i Tanjung Selamat Estate, found that water table is 50 cm from surface. During visit to water table at Block D13j Pangkatan Estate, found that water table is 50 cm from surface. Peat subsidence during field visit is 0 cm since September 2020, or 12 cm since 2015.</p> <p>The total monitoring points for groundwater level are 19 points. Groundwater level regulation activities are documented in the document "Pemantauan Muka Air Tanah". The following is an example of Groundwater Level Monitoring for the period of December 2021:</p> <table border="1" data-bbox="1104 1209 1845 1393"> <thead> <tr> <th>Block</th> <th>Date</th> <th>Ground Water Level (cm)</th> <th>Rainfall (mm)</th> </tr> </thead> <tbody> <tr> <td>A16f</td> <td rowspan="2">29/12/2021</td> <td>42</td> <td rowspan="2">112</td> </tr> <tr> <td>B13j</td> <td>44</td> </tr> </tbody> </table>	Block	Date	Ground Water Level (cm)	Rainfall (mm)	A16f	29/12/2021	42	112	B13j	44	Complied
Block	Date	Ground Water Level (cm)	Rainfall (mm)										
A16f	29/12/2021	42	112										
B13j		44											

		C14i		48				
		D13q		52				
		The following is a record of the ground water level in Pangkatan Estate, based on groundwater level report period December 2021.						
		<b>Monitoring Point</b>			<b>Ground Water Level (cm)</b>			
		<b>Latitude</b>		<b>Longitude</b>				
		2° 9' 12.58" N		99° 59' 01.21" E		39		
		2° 11' 35.28" N		99° 58' 35.76" E		49		
		2° 11' 36.76" N		99° 59' 42.80" E		41		
		2° 12' 42.84" N		99° 59' 51.18" E		56		
7.7.5	<p><b>(C)</b> Drainability assessments are conducted for plantations planted on peat following the RSPO Drainability Assessment Procedure, or other method recognized by RSPO, (at least five years or in accordance with the provisions of the RSPO Drainability Assessment Procedure) before replanting. The results of the assessment are used to determine the period of replanting to be carried out, as well as to gradually replace oil palm cultivation for at least 40 years or two cycles, (whichever is longer), before reaching the natural gravitational drainage limit for peat. If oil palm is gradually replaced, it is replaced by other commodity crops that are better suited for higher groundwater levels (paludiculture) or rehabilitated with natural vegetation.</p>	<p>Drainability Assessment to determine the long-term viability of the necessary drainage for oil palm growing has been conducted and documented in "<i>Studi Drainase Di Areal Gambut Kebun Pangkatan PT Rantau Sinar Karsa (RSK), April 2016</i>". Drainability assessment conducted by Research and Development department of company.</p> <p>The conclusions from this study are as follows:</p> <ol style="list-style-type: none"> <li>1. Pangkatan Estate elevation ranges from 6 to 13 m asl, and it is above the merbau river with the lowest contour height is 1.3 m.</li> <li>2. The actual drainage class in general is S-3 which means that water excess can be released when the Merbau River water level is at the lowest level (LWL).</li> <li>3. Pangkatan Estate has a vary peat depth from 1 to &gt; 3 m with good maturity level (saprik).</li> <li>4. Minimum economic life span of peatlands in Pangkatan Estate is about 74.6 years and may change according to land management and</li> </ol>					Complied	



		<p>drainage system.</p> <p>PT Rantau Sinar Karsa – Pangkatan Estate has performed re-assessment of drainability in January 2020 following the RSPO Drainability assessment procedure 2019 and Peat Restoration Policy (based on Decree of Direktorat Jenderal Pengendalian Pencemaran dan Kerusakan lingkungan”, summary of the study as follow:</p> <ol style="list-style-type: none"> <li>1. The natural drainage limit of the Pangkatan Estate is 79 cm obtained from the average water level of the Merbau River in 2018-2019.</li> <li>2. The largest depth of peat in the Pangkatan Estate is 5.9 m.</li> <li>3. Pangkatan Estate elevation ranges from 1.3 to 6.5 m above the Merbau River.</li> <li>4. The rate of peat subsidence can be divided into 3 groups, namely shallow peat 0.7 cm/year, medium peat 1.7 cm/year and deep peat 3 cm/year.</li> <li>5. Pangkatan Estate reaches the natural drainage limit soonest after 53 years on block B18c, so that the deadline for replanting can be done in block B18c is 13 years.</li> </ol> <p>Drainability Assessment in Tanjung Selamat Estate also has been conducted and documented in "<i>Laporan Studi Drainase Di Areal Gambut Kebun Tanjung Selamat PT Indo Sepadan Jaya, March 2017</i>".</p> <p>The conclusions from this study are as follows:</p> <ol style="list-style-type: none"> <li>1. Elevation range at Pangkatan Estate are 7 – 11 m asl, and it is above Kalundang river with the lowest contour 7.6 m.</li> <li>2. The actual drainage class at Tanjung Selamat Estate in general is S-2 which means that water excess can be released when the Kalundang River water level is at the middle level (MWL) to lowest level (LWL).</li> <li>3. Tanjung Selamat Estate has a vary peat depth from 1 to &gt; 3 m with middle - good maturity level (hemik - saprik).</li> </ol>	
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		<p>Minimum economic life span of peatlands at Tanjung Selamat Estate is about 103.3 years (4 planting period) and may change according to land management and drainage system.</p> <p>Replanting program and activity in Pangkatan Estate has been done in 2020 and Tanjung Selamat Estate has been done in 2017 and there is no more replanting program and activity after 2020.</p>	
<p><b>PROCEDURAL NOTE:</b> For 7.7.5: Detailed information on the RSPO Drainability Assessment Guide along with related concepts and detailed actions is contained in the Guidelines currently being adjusted / tested by the RSPO Working Group on Peatlands (Peatland Working Group / PLWG). The final version must obtain PLWG approval in January 2019 and will include additional Guide on the steps to be followed after deciding not to replant and the consequences for other stakeholders, farmers, local communities, and the unit of certification concerned. It is recommended that the trial methodology period is proposed to be extended for 12 months for all relevant management units (ie management units that have plantations on peat) to utilize the methodology and provide input to PLWG so that existing procedures can be further refined as needed before January 2020. The unit of certification has the option to delay replanting until the issuance of the revised Guidelines for the guidelines. Additional guidance for alternative commodity crops and rehabilitation of natural vegetation will be regulated by the PLWG.</p>			
7.7.6	<p><b>(C)</b> All existing plantations on peat are managed according to applicable laws and/or "RSPO Guidelines for Best Management Practices (BMP) for Oil Palm Cultivation that are already on Peatlands", version 3 (June 2019) along with related audit guidelines (May 2019).</p>	<p>The unit of certification has established a procedure of Water Management AA-SOP-OP-1100.17-R1. The procedure has designed as required by RSPO Guideline for Best Management Practises (BMP). Documented water management program to ensure that subsidence of peat soils is minimized and monitored has been established. There is sufficient evidence that the defined program was implemented. Water management procedure for peat land is implemented, the company has installed water gate, main drain gate, peat subsidence monitoring, and clean drainage regularly, also monitoring of water level and water table, main gate water level and peat subsidence level.</p> <p>The organization has documented water and ground cover management program and maintained records of monitoring subsidence of peat soils, i.e.:</p> <p>Water Level Monitoring, using water level pole.</p> <ul style="list-style-type: none"> <li>- Monitoring of Peat Subsidence, using peat subsidence pole. There are 4 pole subsidence installed in Tanjung Selamat Estate Block A16f, B13i, C14i and D13j. In Pangkatan Estate there are 12 subsidence</li> </ul>	Complied

		<p>poles installed in Block A18i, A18b, A16e, A17a, H92e, G92d, G92i, B18g, B18b, C91n, D17i and C91h.</p> <ul style="list-style-type: none"> <li>– Water Table Monitoring, using piezometer. There are 4 piezometers installed in Tanjung Selamat Estate Block A16f, B13i, C14i and D13j. While in Pangkatan Estate there are 12 piezometers installed in Block A18i, A18b, A16e, A17a, H92e, G92d, G92i, B18g, B18b, C91n, D17i and C91h.</li> </ul> <p>Monitoring of water level and water table performed twice in a month. During visit to water table at Block B13i Tanjung Selamat Estate, found that water table is 50 cm from surface. During visit to water table at Block D13j Pangkatan Estate, found that water table is 50 cm from surface. Peat subsidence during field visit is 0 cm since September 2020, or 12 cm since 2015.</p> <p>Based on the meeting in November 2018 at the Directorate General of Environmental Pollution and Damage Elimination of the Ministry of Environment and Forestry - "<i>Direktorat Jenderal Pengendalian Pencemaran dan Kerusakan Lingkungan Kementerian Lingkungan Hidup dan Kehutanan</i>", PT Indo Sepadan Jaya is included in the Peat Restoration policy. So based on a letter from the Directorate General of Environmental Pollution and Damage Elimination of the Ministry of Environment and Forestry No. S.320/PPKL/PKG/PKL.6/11/2018 dated 22 November 2018, regarding the follow-up to the implementation of the restoration of peat ecosystems and the submission of a map of indications of damage to the peat ecosystem, that the company is mandatory to restore the function of the peat ecosystem as stipulated in PermenLH No. P.16/MENLHK/SETJEN/ KUM.1/2017 concerning technical guidelines for restoring peat ecosystem.</p> <p>Tanjung Selamat Estate, PT Indo Sepadan Jaya has implemented a peat ecosystem restoration plan and recorded on "<i>Rencana Pemulihan</i></p>	
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		<p><i>Ekosistem Gambut</i>” and the document was sent to the Minister of Environment and Forestry on 11 March 2019, the document contains:</p> <ol style="list-style-type: none"> <li>1) PT Indo Sepadan Jaya Peat Ecosystem Recovery Plan Document.</li> <li>2) Map of peatland use area. As well as monitoring points for peat land.</li> </ol> <p>Receipt of Plantation Unit Peat Damage Indication Map and/or Plantation Activities for submission in the form of Peat Ecosystem Damage Indication Map and/or Plantation Activities with no. S.320/PPKL/PKG/PKL.0/11/2018 dated 26 November 2018.</p> <p>Available decree of “Direktur Jenderal Pengendalian Pencemaran dan Kerusakan Lingkungan” dated 26 July 2019, regarding “Penaatan Tinggi Muka Air Tanah dan Titik Stasiun Pemantauan Curah Hujan PT Indo Sepadan Jaya”. Described map of monitoring point, person in charge, monitoring schedule once in two weeks, reporting obligation in three month intervals to “Direktur Jenderal Pengendalian Pencemaran dan Kerusakan Lingkungan Kementerian Lingkungan Hidup dan Kehutanan”; Governor of North Sumatera and Regent of Labuhanbatu Selatan Regency.</p> <p>Pangkalan Estate, PT Rantau Sinar Karsa has established and sent Document of Peatland Ecosystem Restoration Plan to the “Direktorat Jenderal Pengendalian Pencemaran dan Kerusakan Lingkungan Kementerian Lingkungan Hidup dan Kehutanan” on 5 November 2019. Available letter from the Director General No. S.94/PPKL/PKG/PKLO/4/2019 dated 1 April 2019 regarding Instructions for implementing peat ecosystem restoration and submitting indications maps of peat ecosystem damage. Available map of damage to the peat ecosystem as attachment of Note No. S.94/PPKL/PKG/PKLO/4/2019 dated 1 April 2019 in scale 1:24,000. The Ministry of Environment and Forestry has acknowledged the restoration plan.</p>	
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7.7.7	<p><b>(C)</b> All peat areas not planted and reserved in managed areas (regardless of depth) are protected as 'peatland conservation areas'; unit of certification are prohibited from constructing drainage channels, building roads and new electricity lines on peatlands; unless if it is for a non- corporate land clearance. Peatlands are managed in accordance with 'RSPO Best Management Practices for the Management and Rehabilitation of Natural Vegetation related to Oil Palm Cultivation that already exists in Peatlands' (the latest version) along with relevant audit guidelines.</p>	<p>Based on field visit, interview and document review, there is no addition (extension) planting on peat in Tanjung Selamat and Pangkatan Estate. All peat area planted are inside the existing plantation.</p>	Complied
<p><b>Criteria 7.8:</b> Practices maintain the quality and availability of surface and groundwater.</p>			
7.8.1	<p>A water management plan is available and is implemented to support efficient use of water sources and continuous availability and avoid negative impacts on other users in the catchment. The plan referred to contains the following matters:            7.8.1a The unit of certification does not limit access to clean water or does not pollute the water used by the community.</p>	<p>PT Indo Sepadan Jaya – Tanjung Selamat POM and supply bases have established water management plan, consist of management water supply for domestic, water consumption and measurement of water quality. Identification water need as regulated in "Peraturan Menteri PU No.14/PRT/M/2010 (domestic consumption is 60 liters/person/day and water needed for mill processing, Ground and surface water resources and its permit, management and monitoring waste water, included domestic waste water.</p> <p>The Company has a water management document, both in the estate and mill. Monitoring the implementation of water management has been implemented on a regular basis, such as surface water quality monitoring each semester at Kalundang river (upstream and downstream) and merbau river (Upstream and downstream) are available in the report of RKL/RPL. Company has analysed water quality each semester to ensure the compliance against PP No. 82 tahun 2001 regarding water quality standard, the result of water quality monitoring on 26 January 2022 by Laboratory PT ITEC Solution Indonesia (sample No. D.01.106-1.i-AP.22 and D.01.106-1.J-AP.22) shown that water quality is complies with national regulation.</p>	Complied

		<p>Procedure SOP AA-APM-OP-1100.05. R1 "Konservasi Tanah dan Air" has been established to maintain the quality and availability of water. Procedures was also established for protection and management of riparian buffer zones at or before replanting. Procedure mentioned that in 50m on the left and right side of riparian buffer zones, estates are prohibited to apply agrochemical, used manual manuring and river bank was planted by erosion barrier crop (planting of "vetiver" grass, <i>Pheronema canescens</i> and <i>Bamboosa sp</i>). The organisation also has policy that prohibits estates for planting in 50m on the left and right side of riparian buffer zones at or before replanting. Warning board placed regarding prohibition to apply agrochemicals and fertiliser in the buffer zone. Riparian buffers of small natural water courses were 50 metres wide on both sides of the rivers as defined in the procedure AA-KL-12-EFP "Restorasi Riparian dan Areal Sekitar Danau/Waduk atau Mata Air lainnya". Several evidence of maintaining quality and availability of water were evident, such as plan and realisation of riparian management, installation of warning boards, planting erosion prevention plan (e.g. <i>Pheronema canescens</i>, <i>Terminalia cattapa</i>, <i>Bamboosa sp</i> and vetiver grass) and monitoring of water quality.</p> <p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa does not limit access to clean water or does not pollute the water used by the community. Company has monitor clean water quality each semester to ensure the water use by community and employee are met with standard Permenkes No. 32 Tahun 2017 regarding clean water quality standard. Latest monitoring on 29 July 2021 by Laboratory BTKLPP Kelas I Medan shown that water quality is met with the standard.</p>	
	<p>7.8.1b Workers have adequate access to clean water.</p>	<p>Company provide the clean water for workers at housing area with ground water (drill well) at Ukui Estate and clean water from Mill for Mill workers Housing. Regular water analysis was performed to monitor the water quality. Water analysis performed by accredited laboratory "BTKLPP Kelas I Medan" each semester for Clean water. Sample seen on Clean Water</p>	

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		<p>analysis at Tanjung Selamat POM , Tanjung Selamat Estate and Pangkatan Estate 29 July 2022 by Laboratory BTKLPP Kelas I Medan; standard refer to PermenKes No. 32 year 2017 Appendix I, Chapter IIA, analysis result shown that all parameter analyzed are met with the standard regulation.</p> <p>Interview with workers during onsite audit confirmed that they have adequate access to clean water provide by company.</p>	
7.8.2	<p><b>(C)</b> Water courses and wetlands are protected, including the maintenance and restoration of riparian zones and other buffer zones during or before replanting, in accordance with the "RSPO Manual on BMPs for the management and rehabilitation of riparian reserves" (April 2017) or Simplified Guide Management and Rehabilitation of Riparian Reserves (2018).</p>	<p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa has establish management plan to protect water courses and wetlands, including securing and maintaining appropriate riparian.</p> <ul style="list-style-type: none"> <li>- Riparian restoration with forest vegetation plant/tree.</li> <li>- Establish zone for zero chemical. No spraying and fertilizing along riparian zone. Based on visit in riparian zone (Sempadan Sungai Kalundang in Tanjung Selamat Estate and Sungai Merbau in Pangkatan Estate)</li> <li>- Conserve natural vegetation in riparian zone</li> <li>- Restricted to conduct replanting palm oil in riparian area</li> </ul> <p>During field visit to Kalundang River at Tanjung Selamat Estate and Merbau River at Pangkatan Estate can be shown that riparian area are well maintained, no chemical application near to riparian, no disturbance on riparian, natural vegetation are protected and the signboard information and awareness are available.</p>	Complied
7.8.3	<p>Mill effluent is managed according to applicable regulations. The quality of mill effluent discharged, especially BOD (Biochemical Oxygen Demand) is monitored in accordance with applicable regulations.</p>	<p>Tanjung Selamat POM has effluent treatment system (WWTP), which consists of Colling Pond, Primary Anaerobic pond, Secondary Anaerobic pond, Acidification pond, and Buffering pond. Procedure of WWTP operation available in Mill Policy Manual (MPM) dated February 1, 2013, chapter AA-MPM-OP-1400.13-R1.</p> <p>Tanjung Selamat POM has install Biogas power plant (Methane capture) since 2019 to generate electrical power by using waste water treatment.</p>	Complied

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The biogas system has Anaerobic MBR system through digester Thermophilic fermentation, and anaerobic membrane tank.

According to effluent monitoring data, all produced mill effluent used for Biogas plant and after following the flow process of WWTP the waste water which has fullfill the standard/threshold discharged to the river. Mill holds permit to discharge waste water into the river from local authority through Decree number 503.660.31/397/DPMP TSP-BP2MNP/2018, issued on 21<sup>st</sup> September 2018 valid for 5 years.

As required by permit, Mill conducts monthly check on discharged effluent in cooperation with accredited Laboratory (Laboratorium Balai Teknik Kesehatan Lingkungan dan Pengendalian Penyakit (BTKLPP) Kelas I Medan). According to recent testing result, all parameter of applied effluent has met the applicable threshold of PerMenLH No. 05 tahun 2014 Lampiran III regarding standard of effluent discharge to the river.

Sample seen effluent monitoring year 2021:

Parameter	Standard (mg/l)	Hasil Analisa					
		Jan	Feb	Mar	Apr	Mei	Jun
TSS	250	63	82	127	85	85	63
pH	6.0 – 9.0	7.22	7.01	6.82	6.94	6.97	7.02
BOD	100	49.38	43.96	82.64	52.79	53.26	39.85
COD	350	172.8	153.9	289.2	184.6	186.4	139.5
Minyak dan Lemak	25	6.5	7.5	13.5	8.3	6.7	8.2
Nitrogen total	50	1.84	1.46	2.46	2.26	1.82	1.64

Parameter	Hasil Analisa
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		Standard (mg/l)	Jul	Aug	Sept	Okt	Nov	Des
	TSS	250	42	87	49	38	52	82
	pH	6.0 – 9.0	7.18	7.22	7.16	7.01	6.97	6.75
	BOD	100	22.97	51.93	25.82	26.97	43.99	36.48
	COD	350	80.40	181.8	90.37	94.40	154.0	127.7
	Minyak dan Lemak	25	3.8	9.7	6.9	6.2	9.2	11.8
	Nitrogen total	50	1.56	2.28	2.46	2.48	2.16	2.65

Waste water analysis result for January – March 2022 still in process of analysis by laboratory and result of testing has not been issued.

7.8.4	Mill water use per tonne of FFB is monitored and recorded.	<p>Tanjung Selamat POM has recorded the mill water use per ton FFB, includes monitoring of water usage for mill processing and domestic usage. The results of water usage monitoring is recorded in the "Mill Operation Summary" year 2021, updated in December 2021. The actual of water consumption (m<sup>3</sup>/ton TBS) in December 2021 is lower than budget.</p> <table border="1" data-bbox="1102 571 1805 1302"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="2">2021</th> </tr> <tr> <th>Water Volume (m<sup>3</sup>)</th> <th>Water consumption (m<sup>3</sup>/ton TBS)</th> </tr> </thead> <tbody> <tr><td>January</td><td>15,860</td><td>0.96</td></tr> <tr><td>February</td><td>13,670</td><td>0.96</td></tr> <tr><td>March</td><td>17,600</td><td>0.95</td></tr> <tr><td>April</td><td>18,460</td><td>0.95</td></tr> <tr><td>May</td><td>16,675</td><td>0.96</td></tr> <tr><td>June</td><td>15,434</td><td>0.96</td></tr> <tr><td>July</td><td>18,351</td><td>0.96</td></tr> <tr><td>August</td><td>20,118</td><td>0.96</td></tr> <tr><td>September</td><td>19,635</td><td>0.95</td></tr> <tr><td>October</td><td>15,812</td><td>0.96</td></tr> <tr><td>November</td><td>14,885</td><td>0.95</td></tr> <tr><td>December</td><td>15,130</td><td>0.95</td></tr> </tbody> </table>	Month	2021		Water Volume (m <sup>3</sup> )	Water consumption (m <sup>3</sup> /ton TBS)	January	15,860	0.96	February	13,670	0.96	March	17,600	0.95	April	18,460	0.95	May	16,675	0.96	June	15,434	0.96	July	18,351	0.96	August	20,118	0.96	September	19,635	0.95	October	15,812	0.96	November	14,885	0.95	December	15,130	0.95	Complied
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**Criteria 7.9:** Efficiency of fossil fuel use and the use of renewable energy is optimised

<p>7.9.1</p>	<p>Plans to increase the efficiency of fossil fuel use and to optimize renewable energy are available, monitored and documented</p>	<p>All energy used in both mills is monitored and recorded under document of "Laporan Unit Pabrik 2021" and "Pemakaian Energi Pabrik Tanjung Selamat 2021". Fossil fuel records are maintain and trends shown. Energy use records include accurate measurements of renewable energy use per tonne of FFB processed. All the fibre and most of shell consumed internally as boiler fuel.</p> <p>Tanjung Selamat POM is using 100% fiber and most of shell production for power generation during FFB processing. The fiber and nut shell is by-product from CPO production. Tanjung Selamat POM has calculated the total energy required for process, based on FFB tonnage x steam required to process one ton FFB x energy required to generate one kg steam. Tanjung Selamat POM has also calculated the potential energy generated from using fiber and nut shell. From calculation it was known that there is energy surplus, whereby used as power generation when mill is in operation but not processing FFB (electricity source, cleaning, etc.).</p> <p>PT Indo Sepadan Jaya and PT Rantau Sinar Karsa has prepared the program for improving efficiency of the use of fossil fuels and to optimize renewable energy under "Program Manajemen Lingkungan" year 2021/2022. To improving efficiency of the use of fossil fuels such monitoring on use of fossil fuels. Fossil fuel records was maintenance and the trends shown. Energy use records include accurate measurements of renewable energy use per ton of FFB processed. Fossil fuel usage is recorded for operational purpose, including the efficiency analysis.</p> <p>Since January – December 2021, shell usage for boiler fuel was 2,645 ton and Fiber usage as boiler fuel was 24,263 ton.</p> <p>From the total energy use for palm oil mill process can be shown that renewable energy use was 93% and energy from fossil fuel was 7%.</p> <p>Fossil fuel usage is recorded for operational purpose, including the efficiency analysis.</p>	<p>Complied</p>
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		<p>During audit, can be shown that efficiency for diesel fuel usage has been minimize by monitoring klep stell, air cleaner maintenance, tire pressure monitoring, and stel nozzle monitoring.</p>	
<p><b>Criteria 7.10:</b> Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.</p>			
<p>7.10.1</p>	<p><b>(C)</b> GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.</p>	<p>By June 2019 PT ISJ has operate Methane Capture.            PT Indo Sepadan Jaya has established "SOP Mitigasi gas Rumah Kaca AA-MPM-OP-1400.19.R1, dated 1 March 2015". Identification of pollutan and GHG has been implemented by Tanjung Selamat POM, Tanjung Selamat Estate and Pangkatan Estate, such as: usage of anorganic fertilizer, pesticide, fossil fuel usage, peat land, and POME.            Based on Significant pollution and GHG emission was identified, for estates comes from using of pesticides, action plan to reducing pesticide was made such as program of integrated pest control where minimize to use chemical/pesticides.            The Certificate Holder has Strategic and Mitigation Plan to reduce GHG emission, in example as follow:            1. Sector: Plantation operation                1.1. Identification of Emission Sources: Land Clearing and Planting (Land Use Change)                    1.1.1. Activities: Land Clearing                        1.1.1.1. Potential Mitigation Options:                            • Adopted Zero Burning Land Clearing methods                            • No Land Clearing in areas that identified as HCV area</p>	<p>Complied</p>

		<ul style="list-style-type: none"> <li>• Keep the HCV area as Carbon Stock/sequestration</li> <li>• Periodically inspection and patrol to avoid HCV disturbance and land fire</li> </ul> <p>1.1.2. Activities: Fertilizing/Manuring</p> <p>1.1.2.1. Potential Mitigation Options:</p> <ul style="list-style-type: none"> <li>• Effective fertilizing based on dosages and recommendation from Agronomy Department</li> <li>• No Fertilizing on Rainy</li> <li>• No Fertilizing on Riparian Zone</li> <li>• Socialization to Worker the policy of Fertilizing in Company</li> </ul> <p>The results of document verification and field visits, it is known that the company has made another efforts in reducing GHG emissions, such as:</p> <ul style="list-style-type: none"> <li>- Has installed a dust collector to catch dust or particles flying in the air and also has monitored the air quality carried out by conducting air quality testing and reported every semester contained in the UKL-UPL report.</li> <li>- The use of fiber and shells as a boiler fuel to minimize the fossil fuel usage.</li> <li>- Utilization of waste water for Land applications to minimize the methane emission.</li> <li>- Utilization of EFB for composting to minimize the anorganic/chemical fertilizer usage.</li> <li>- Monitoring the physical condition of WWTP and perform the recorded volume of waste water that is applied.</li> </ul>	
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7.10.2	<b>(C)</b> Since 2014, an estimate of carbon stocks in the proposed development area has been carried out along with potential sources of emissions that can occur directly as a result of the development and plans to minimize these emissions are prepared and implemented (following the RSPO GHG Assessment Procedure for New Development).	There Is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable	Complied
7.10.3	<b>(C)</b> Other significant pollutant identification results are available and plans to reduce or minimize them are implemented and monitored.	PT Indo Sepadan Jaya has identifiy other significant pollutant identification results as per "Evaluasi Aspek – Dampak Lingkungan" EMS-431-003-LT updated on January 2022.  The Certificate Holder has implemented and monitored a plan to reduce pollutant and emission. Emission, particulate, and noise from boiler and generator are tested and monitored every six month. Records of all monitoring are kept and documented. According to record of emission and particulate monitoring shown that all parameter analysed were met with the threshold/standard.	Complied
<b>Criteria 7.11: Fire is not used for preparing land and is prevented in the managed area.</b>			
7.11.1	<b>(C)</b> Land for new planting or replanting is not prepared by burning.	The company has zero burning policy documented in "Kebijakan Perusahaan, 1 December 2019" stated in point 6: "Melakukan Praktek Tanpa Bakar dalam kegiatan pembangunan perkebunan dan secara aktif mendukung inisiatif mencegah dan mengawasi kebakaran hutan dan asap".  The company has started planting in 1984. Curently there is no replanting activity in Tanjung Selamat Estate and Pangkatan Estate. Replanting has been performed since 2012 and planed until 2020.	Complied
7.11.2	The unit of certification establishes fire prevention and control measures for lands that are directly managed by the unit of certification.	There is no new planting within certified area of PT Indo Sepadan Jaya and PT Rantau Sinar Karsa after November 2005. The company has started planting in 1984. Curently there is no replanting activity in Tanjung Selamat Estate and Pangkatan Estate. Replanting has been performed since 2012 and planed until 2020.	Complied

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		<p>Replanting has been done mechanically, consist of: falling tree, chipping by excavator, terracing by excavator, digging, road construction, ditch/waterways construction, planting LCC and planting oil palm.</p> <p>Based on field visit to tanjung Selamat Estate and Pangkatan Estate confirmed that the land preparation is using mechanical method. No any open burning was noted for land preparation. It can also demonstrated in the agreement contract between compay and subcontractor that all activity of replanting is performed manual and mechanically.</p> <p>PT Indo Sepadan Jaya and PT Rantau Sinar karsa also has establish the emergency response team for fire mitigation. Emergency response equipment for fire mitigation also provided by company.</p>	
7.11.3	<p>The unit of certification engages stakeholders in adjacent locations for fire prevention and control measures.</p>	<p>The policy of zero burning has communicated to all smallholder and local community to engages stakeholders in adjacent locations for fire prevention and control measures.</p> <p>Replanting has been done mechanically, consist of: falling tree, chipping by excavator, terracing by excavator, digging, road construction, ditch/waterways construction, planting LCC and planting oil palm. Company has established "Ketentuan Replanting areal Mineral". In the mechanism explained that replanting must be conducted mechanically without burning.</p>	Complied

**Criteria 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.

**PROCEDURAL NOTE for 7.12:**

The RSPO Principles and Criteria 2018 include new requirements to ensure the effective contribution of the RSPO in stopping deforestation. This will be achieved by incorporating the High Carbon Stock Approach (HCSA) Approach Guide into the revised standard.

The RSPO ToC also encourages RSPO to commit to balancing between sustainable livelihoods and reducing poverty with the need to conserve, protect and improve the quality of ecosystems.

<p>High Forest Cover Countries (HFCC) are in dire need of economic opportunities that can help people choose their own path in carrying out development, while at the same time providing social and economic benefits and safeguards.</p> <p>Procedures will be developed that are adapted to support the development of sustainable palm oil by indigenous peoples and local communities who have legal or customary rights. The procedure will apply in certain HFCC countries and in the High Forest Cover Landscape (HFCL) within it.</p> <p>The development of this procedure will be guided by the No Deforestation Joint Steering Group (NDJSG) between the RSPO and HCSA members. In HFCC countries, RSPO will work with governments, communities and other stakeholders to develop this procedure through participatory processes at national and regional levels. The duration of this activity is specified in the Terms of Reference for NDJSG and is publicly available.</p>			
7.12.1	<p><b>(C)</b> Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCV or HCS forests.</p> <p>Historical analysis of Land Use Change Analysis (LUCA) is carried out before any new land clearing, in accordance with the RSPO LUCA Guidance document (see indicator 7.12.2).</p>	<p>There Is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable.</p>	Not Applicable
7.12.2	<p><b>(C)</b> HCV and HCS forests, and other conservation areas are identified as follows:</p> <p>7.12.2a) For existing plantations, with an HCV assessments conducted by RSPO- approved assessors and have no new land clearing after 15 November 2018, the existing HCV assessments remains valid.</p>	<p>The Certificate Holder both of Tanjung Selamat and Pangkatan estates has conducted HCV assessment included both of planted area and the relevant wider landscape. The HCV assessment was conducted by the competent HCV assessors. There is no any revisions on HCV assessment and HCV areas since the last audit. Short explanation of HCV assessment documents as below:</p> <p><u>Tanjung Selamat Estate (under PT Indo Sepadan Jaya)</u></p> <p>The company has conducted HCV identification with collaborated IPB (Bogor Agriculture University) in 2013 as documented in "Laporan Akhir Kajian Penuh (Full Assessment) Identifikasi dan Analisis Keberadaan Nilai Konservasi Tinggi (NKT) di Areal PT Indo Sepadan Jaya – Kebun Tanjung Selamat Tahun 2014".</p> <p>Assessor team consist of Dr. Ir. H. Nyoto Santoso, MS (Team Leader/RSPO HCV Assessor), Ahmad Faisal, S.Hut, MSI (Member /RSPO HCV Assessor), Eko Adhiyanto, S.Hut (Member); Sutopo S.Hut (Member</p>	Complied



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	<p>/RSPO HCV Assessor); Rae Birumbo (Member), Arif Prasetyo, S.Hut (Member).</p> <p>Peer Review by Mr Dr. Jarwadi Budi Hernowo (Independent Consultant/RSPO HCV Assessor) in January 2014.</p> <p>Based on the assessment report, it was identified HCV area, such as: HCV 1.3: 1.24 ha and HCV: 5,33 ha (total HCV area 6.57 ha). It means HCV area was 0.16% from total area of Tanjung Selamat Estate (3.977 ha).</p> <p><u>Pangkalan Estate (under PT Rantau Sinar Karsa)</u></p> <p>The company has conducted HCV identification with collaborated IPB (Bogor Agriculture University) in 2013 as documented in "Laporan Akhir Kajian Penuh (Full Assessment) Identifikasi dan Analisis Keberadaan Nilai Konservasi Tinggi (NKT) di Areal PT Rantau Sinar Karsa – Kebun Pangkatan tahun 2014.</p> <p>Assessor team consist of Dr. Ir. H. Nyoto Santoso, MS (Team Leader/RSPO HCV Assessor), Ahmad Faisal, Shut, MSI (Member /RSPO HCV Assessor), Eko Adhiyanto, S.Hut (Member); Sutopo S.Hut (Member /RSPO HCV Assessor); Rae Birumbo (Member), Arif Prasetyo, S.Hut (Member). Peer Review by Mr Rachmad Hermawan (Independent Consultant/RSPO HCV Assessor) in January 2014 Based on the assessment report, it was identified HCV area, such as: HCV 1.3 and HCV 4.1 (110,87 Ha) as well as HCV 6 (0,04 Ha). So, total HCV area at Pangkatan estate was 110.91 ha.</p> <p>Therefore, total HCV area within Tanjung Selamat and Pangkatan estates was 117.48 ha</p>	
	<p>7.12.2 b) Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the latest HCSA Toolkit and HCV-HCSA Assessment Manual that is applicable at the time of the assessment. This includes</p>	<p>There is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable.</p>

	stakeholder consultation and take into account wider landscape- level consideration.		
7.12.3	<b>(C)</b> In High Forest Cover Landscapes (HFCLs) within HFCCs, a specific procedure will apply for legacy cases and development by indigenous peoples and local communities with legal or customary rights, taking into consideration regional and national multi-stakeholder processes. Until this procedure is developed and endorsed, 7.12.2 applies.	There is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable.	Not Applicable
<b>PROCEDURAL NOTE for 7.12.3:</b> Indicator 7.12.3. is not relevant to Indonesia, until further decisions by the RSPO.			
7.12.4	<b>(C)</b> Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).	<p>There is no new planting after 15 November 2018. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020.</p> <p><u>Tanjung Selamat Estate (under PT Indo Sepadan Jaya)</u></p> <p>The company has conducted HCV identification with collaborated IPB (Bogor Agriculture University) in 2013 as documented in "Laporan Akhir Kajian Penuh (Full Assessment) Identifikasi dan Analisis Keberadaan Nilai Konservasi Tinggi (NKT) di Areal PT Indo Sepadan Jaya – Kebun Tanjung Selamat Tahun 2014".</p> <p>Based on the assessment report, it was identified HCV area, such as: HCV 1.3: 1.24 ha and HCV: 5,33 ha (total HCV area 6.57 ha). It means HCV area was 0.16% from total area of Tanjung Selamat Estate (3.977 ha).</p> <p><u>Pangkalan Estate (under PT Rantau Sinar Karsa)</u></p> <p>The company has conducted HCV identification with collaborated IPB (Bogor Agriculture University) in 2013 as documented in "Laporan Akhir Kajian Penuh (Full Assessment) Identifikasi dan Analisis Keberadaan Nilai Konservasi Tinggi (NKT) di Areal PT Rantau Sinar Karsa – Kebun Pangkatan tahun 2014.</p>	Complied

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		<p>Based on the assessment report, it was identified HCV area, such as: HCV 1.3 and HCV 4.1 (110,87 Ha) as well as HCV 6 (0,04 Ha). So, total HCV area at Pangkatan estate was 110.91 ha.</p> <p>The company has established "Conservation Management Plan" to manage and to monitor of RTE's. There was found RTEs such as: Kucing kuwuk (<i>Prionailurus Bengalensis</i>), Burung Madu kelapa (<i>Anthreptes Malacensis</i>), Elang Brontok (<i>Nisaetus Cirrhatus</i>), Kuntul kecil (<i>Egretta garzeta</i>) and etc.</p> <p>Company has monitor the RTE species and HCV area regularly.</p>	
7.12.5	Where rights of local communities have been identified in HCV areas and HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.	There is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable.	Complied
7.12.6	All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	<p><u>Tanjung Selamat Estate (under PT Indo Sepadan Jaya)</u></p> <p>The company has conducted HCV identification with collaborated IPB (Bogor Agriculture University) in 2013 as documented in "Laporan Akhir Kajian Penuh (Full Assessment) Identifikasi dan Analisis Keberadaan Nilai Konservasi Tinggi (NKT) di Areal PT Indo Sepadan Jaya – Kebun Tanjung Selamat Tahun 2014".</p> <p>Based on the assessment report, it was identified HCV area, such as: HCV 1.3: 1.24 ha and HCV: 5,33 ha (total HCV area 6.57 ha). It means HCV area was 0.16% from total area of Tanjung Selamat Estate (3.977 ha).</p> <p><u>Pangkalan Estate (under PT Rantau Sinar Karsa)</u></p> <p>The company has conducted HCV identification with collaborated IPB (Bogor Agriculture University) in 2013 as documented in "Laporan Akhir Kajian Penuh (Full Assessment) Identifikasi dan Analisis Keberadaan Nilai</p>	Complied

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		<p>Konservasi Tinggi (NKT) di Areal PT Rantau Sinar Karsa – Kebun Pangkatan tahun 2014.</p> <p>Based on the assessment report, it was identified HCV area, such as: HCV 1.3 and HCV 4.1 (110,87 Ha) as well as HCV 6 (0,04 Ha). So, total HCV area at Pangkatan estate was 110.91 ha.</p> <p>The company has established “Conservation Management Plan” to manage and to monitor of RTE’s. There was found RTEs such as: Kucing kuwuk (<i>Prionailurus Bengalensis</i>), Burung Madu kelapa (<i>Anthreptes Malacensis</i>), Elang Brontok (<i>Nisaetus Cirrhatus</i>), Kuntul kecil (<i>Egretta garzeta</i>) and etc.</p> <p>Company has monitor the RTE species and HCV area regularly.</p> <p>Based on document “Laporan Monitoring Areal Konservasi” for period January – Juni 2021 and Juli – Desember 2021, there is found and reported any RTE species (flora and fauna) within areas such as: Monyet ekor panjang (<i>Macaca fascicularis</i>), Elang tikus (<i>Ictinaetus malayensis</i>), Kuntul kecil (<i>Egretta garzeta</i>), cekakak belukar (<i>Halcyon smyrnensis</i>), burung pelatuk (<i>Dryocopus javensis</i>) etc.</p>	
7.12.7	The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.	There is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable.	Not Applicable
7.12.8	<b>(C)</b> 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.	There is no new planting. The company has started planting in 1984, no any new planting area/developing area since November 2005. Replanting has been performed since 2012 and planed until 2020. This indicator is Not Applicable.	Not Applicable

### Appendix B: GHG Reporting Executive Summary

The GHG emissions that were produced in **2021** for **Tanjung Selamat Mill** and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in **2021** for **Tanjung Selamat Mill** and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	16.56
PKO	16.56

Extraction	%
OER	19.78
KER	4.04

Production	t/yr
FFB Process	206,504.00
CPO Produced	40849
PK Produced	8340

Land Use	Ha
OP Planted Area	7643.0
OP Planted on peat	7643.0
Conservation (forested)	0.00
Conservation (non-forested)	117.48
<b>Total</b>	<b>7760.48</b>

### Summary of Field Emission and Sink

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CO <sub>2</sub> Emission from fertilizer	3,219.76	0.03	1,967.26	0.05	0.00	0.00	5,187.02	0.08
NO <sub>2</sub> Emission from Peat	29,763.38	0.28	27,450.28	0.68	0.00	0.00	57,213.66	0.96
NO <sub>2</sub> Emission from Fertiliser	2,451.29	0.02	1,268.93	0.03	0.00	0.00	3,720.22	0.05
Fuel Consumption	777.76	0.01	589.62	0.01	0.00	0.00	1,367.38	0.02
Peat Oxidation	217,089.60	2.07	200,218.20	4.93	0.00	0.00	417,307.80	7.00
<b>Sink</b>								
Crop Sequestration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Conservation Sequestration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>253,301.79</b>	<b>2.42</b>	<b>231,494.29</b>	<b>5.69</b>	<b>0.00</b>	<b>0.00</b>	<b>832,585.96</b>	<b>8.11</b>

\*Note: Includes both estates and smallholders

**RSPO P&C Public Summary Report**  
**Revision 12 (Jun 2021)**

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	3,886.88	0.02
Fuel Consumption	113.96	0.00
Grid Electricity Utilization	95.91	0.00
<b>Credit</b>		
Export of Grid Electricity	0.00	0.00
Sales of PKS	-22,079.20	-0.11
Sales of EFB	0.00	0.00
<b>Total</b>	<b>-17,982.45</b>	<b>-0.09</b>

**Summary of Kernel Crusher Emission and Credit (if applicable)**

Emissions	tCO <sub>2</sub> e
PK from own mill	0.00
PK from other source	0.00
Fuel Consumptions	0.00
<b>Total Crusher emissions</b>	<b>0.00</b>

\*This mill has no kernel crusher operation.

<b>Palm Oil Mill Effluent (POME) Treatment:</b>	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

**Appendix C: Location Map of Certification Unit and Supply bases**

**Figure 1.** Location of PT. Indo Sepadan Jaya & PT Rantau Sinar Karsa in Indonesia.

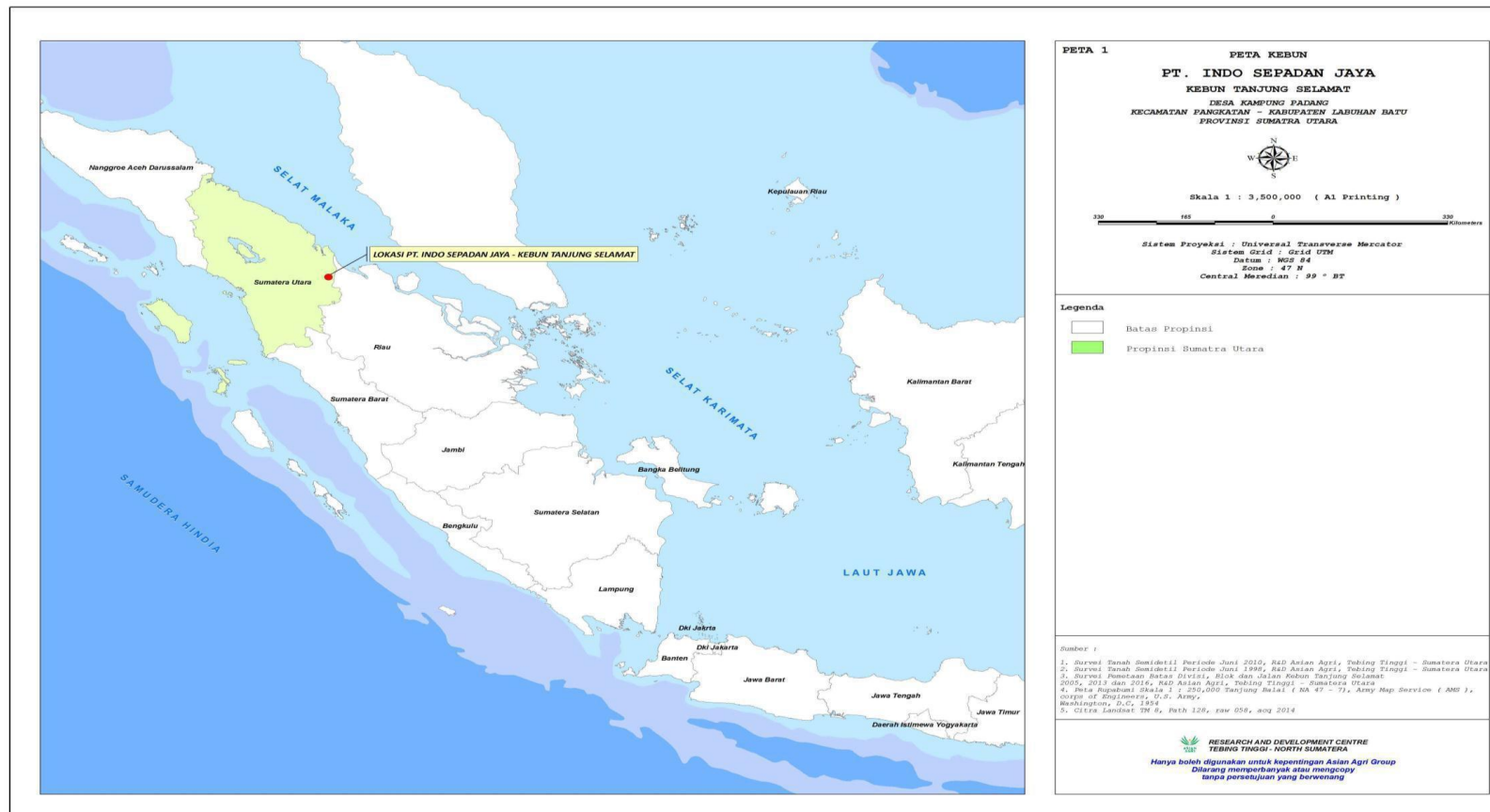
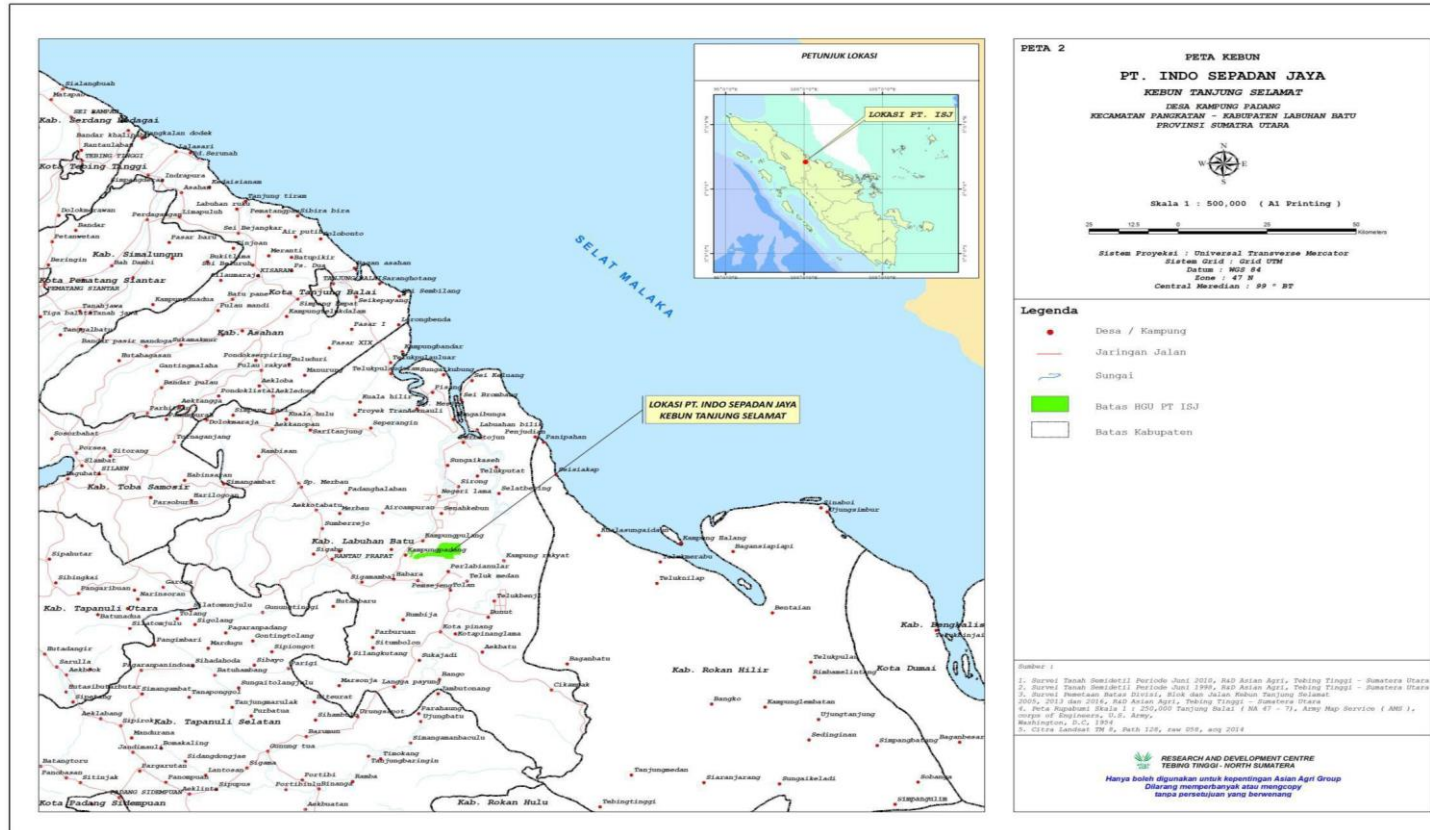


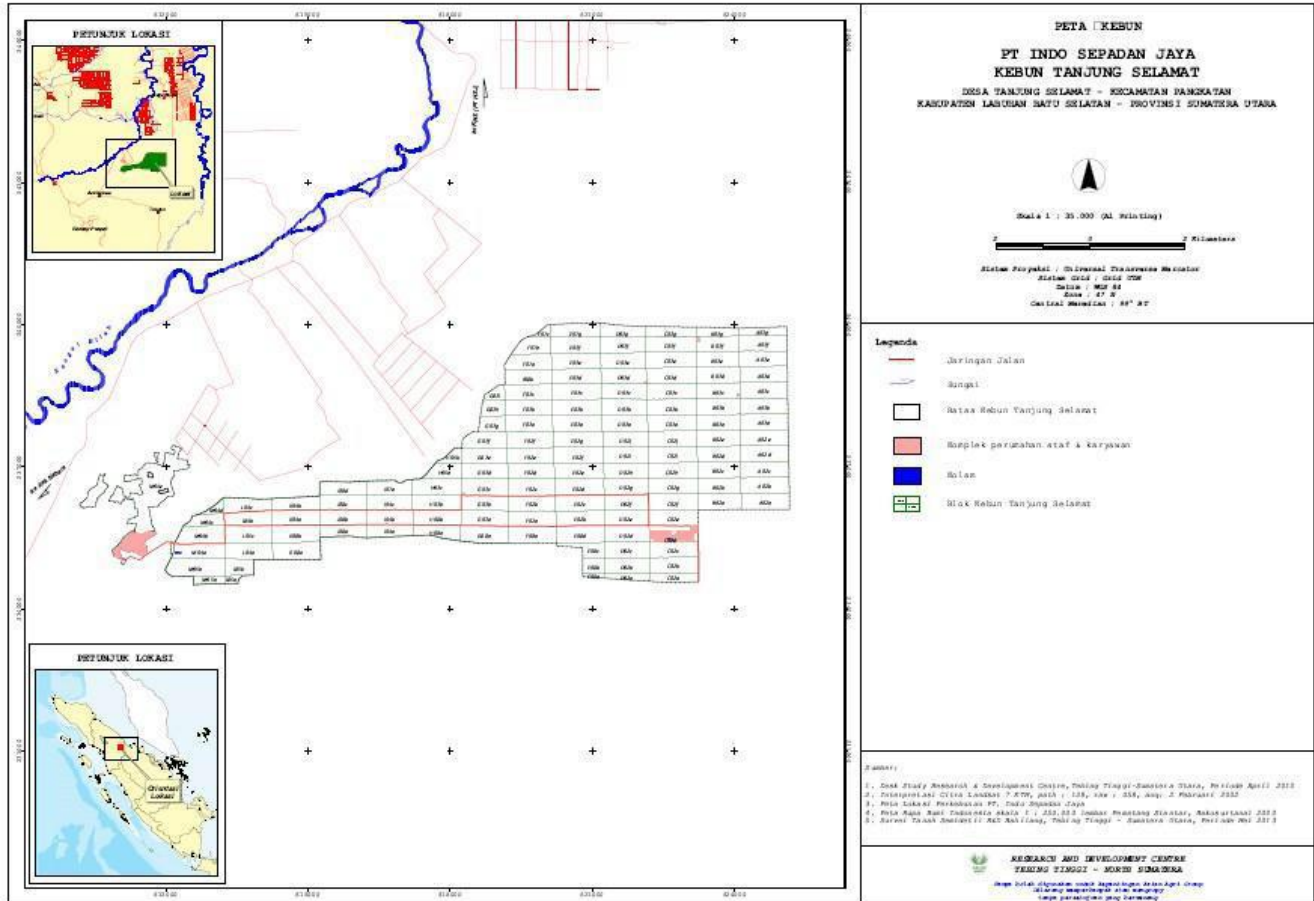
Figure 2. Location of PT. Indo Sepadan Jaya & PT Rantau Sinar Karsa in North Sumatera Province, Indonesia.



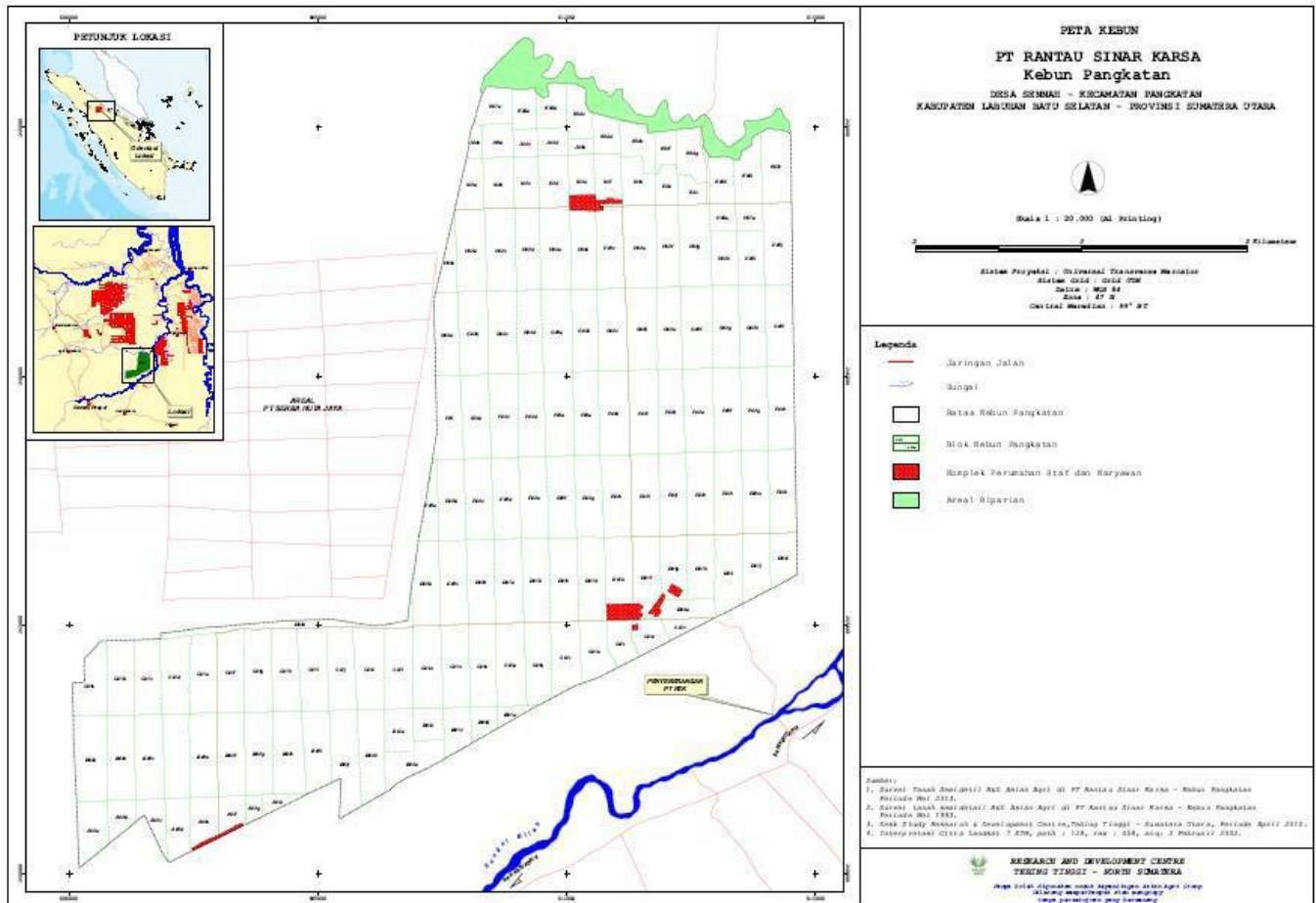


**Appendix D: Estate Field Map**

**Figure 3a.** Location of PT Indo Sepadan Jaya and neighbouring entities



**Figure 3b.** Location of PT Rantau Sinar Karsa (Pangkalan Estate) and neighbouring entities



**Appendix E: List of Smallholder Registered and sampled**

No smallholder scheme within this certification scope. Not applicable

## Appendix F: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
ISS	Independent Smallholder Standard
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment